



MONTANA UNIVERSITY SYSTEM
Office of the Commissioner of Higher Education

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AGENDA
Montana Board of Regents Meeting
July 12-13, 2006
On the Campus of Flathead Valley Community College
Wednesday, July 12, 2006

- 8:00 A.M. FULL BOARD CONVENES in LRC - A-B-C-D (Learning Resource Center).
8:05 A.M. ROLL CALL
8:10 A.M. SYSTEM ISSUES

ACTION

- a. Strategic Plan [ITEM 132-101-R0706](#) Pg. 3
b. Title of the Deans of UM-Helena College of Technology and MSU-
Great Falls College of Technology ([Link](#)) Pg. 41

INFORMATION

- 8:45 A.M. a. Update on Legislative Audit Recommendations on INSA ([Link](#)) Pg. 42
Legislative Audit Office Staff
UM Response
b. Distance Education Tuition and Excess Capacity ([Link](#)) Pg. 44
c. OCHE Building
Related UM Bond Proceeds - status
d. Campus Reports ([Link](#)) Pg. 45

CONSENT

- 9:45 A.M. STAFF ITEMS
a. Staff; The University of Montana-Missoula [ITEM 1321-1000-R0706](#) Pg. 47
b. Staff; Montana Tech of The University of Montana [ITEM 132-1500-R0706](#) Pg. 51
c. Staff; The University of Montana-Western [ITEM 132-1600-R0706](#) Pg. 53
d. Staff; The University of Montana-Helena College of Technology
[ITEM 132-1900-R0706](#) Pg. 54

- e. Staff; MSU-Bozeman [ITEM 132-2000-R0706](#) Pg. 58
- f. Staff; Ag Experiment Station [ITEM 132-2300-R0706](#) Pg. 60
- g. Staff; Cooperative Extension Service [ITEM 132-2400-R0706](#) Pg. 61
- h. Staff; MSU-Billings [ITEM 132-2700-R0706](#) Pg. 62

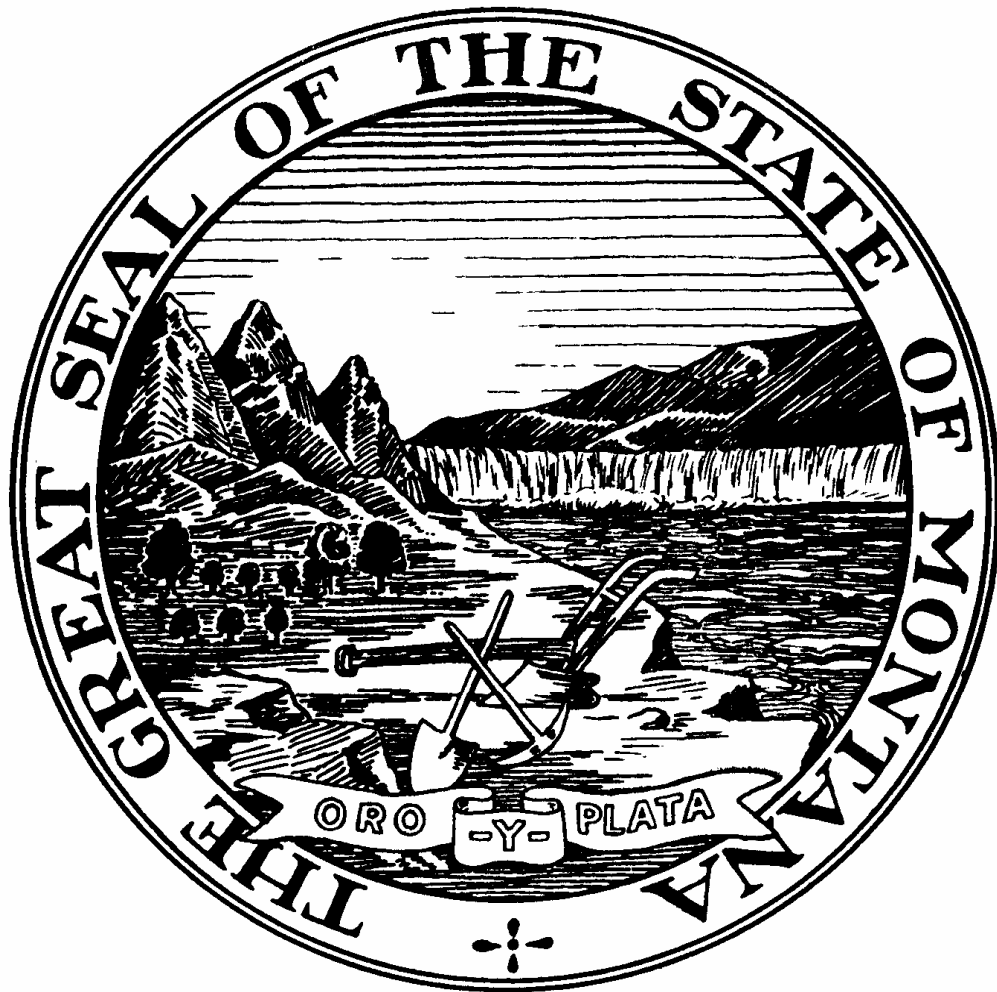
BUDGET AND AUDIT OVERSIGHT ITEMS

- a. Authorization to Execute an Access Agreement for the Placement of a Ground Water Monitoring Well on the Lutz Farm; Montana State University-Bozeman [ITEM 132-2001-R0706](#) Pg. 64
- b. Authorization of Supplemental Bond Indenture to Change Auction Rate Periods; Montana State University [ITEM 132-2002-R0706](#) Pg. 65
- c. Authorization To Increase the Project Budget to Replace and Upgrade the HVAC System in the Curry Health Service; The University of Montana-Missoula [ITEM 132-1006-R0706](#) Pg. 73
- d. Authorization to Reallocate \$30,000 in IT Student Computer Fee Funds Previously Approved by the Board of Regents as Student Equipment Funds for Use as Student Employment Funds; The University of Montana [ITEM 132-1007-R0706](#) Pg. 75

9:55 A.M. BOARD ADJOURNS

Montana Board of Regents

2006-2010 Strategic Plan



May 2006

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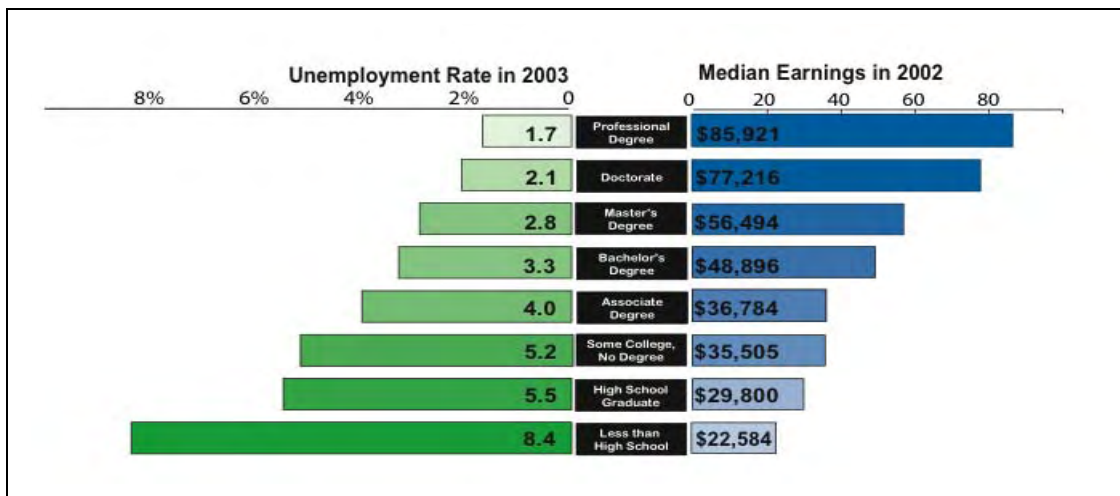
Preface and Introduction

History

This year the oldest units of the Montana University System celebrate their 114th anniversary. It would be an understatement, and a well-worn cliché, to say that much has changed since Montana’s 3rd Legislature established four state colleges in Bozeman, Missoula, Butte, and Dillon. What may be more interesting is how much has not changed. Now, as then, education is a cornerstone of our society and our economy. An educated citizenry has been recognized as a foundation for our nation’s success since the time our country declared its independence. The Morrill Act of 1862 (establishing the Nation’s land grant colleges), the Second Morrill Act of 1892, and the GI Bill (which five decades later opened up the possibility of a college education for millions) consistently rank among the handful of major policies that have fundamentally shaped our country’s prosperity during the last century.

What has changed is the minimum level of education necessary to successfully participate in our society and economy. Postsecondary education has long been a gateway to success for our best and brightest and more privileged citizens. Now it is essentially a requirement for almost everyone. Many years ago, an eighth grade education was recognized as sufficient for most citizens. This gave way to a standard that a high school diploma was necessary for entrance to the middle-class and the chance to have a comfortable life. In the 21st Century, the hurdle has plainly moved to where at least some postsecondary education is now necessary for even modest prosperity in any high-wage, industrialized economy. As the chart below plainly shows, employment and income are inextricably linked to educational attainment.

Unemployment and Earnings by Education Level



Source: Tom Mortenson, Postsecondary Opportunities

It is therefore ironic that, during a time of increasing globalization and a need for much broader access to postsecondary education, state support for higher education is declining. This is true not just in Montana, but also across the country. Nationally, state funding as a proportion of total public university budgets has declined about 40% in the past two

decades. In Montana, the state's contribution to the cost of educating a student has declined by half -- from almost 80% of the cost in 1985 to about 40% in 2005.

Unfortunately, tuition remains the single largest factor in closing the gap between the cost of public higher education and the amount of funding provided by the state. Since no state institution of higher education can maintain a quality system of education in the face of a 40% decline in funding, tuition has had to increase. And it has increased – a lot. In the past decade tuition has nearly doubled for Montana residents. The state's contribution per student – in dollars – has remained essentially the same for ten years, without increases for even some price inflation. Again, Montana has much company. During the past decade, average tuition increases for all U.S. public 4-year colleges almost precisely mirror Montana's increases.

But the higher education system in Montana is not entirely a blameless victim of the legislative budget ax. Elected officials are heavily persuaded by their respective constituents' input and always face difficult budget choices. Had the declining proportion of state support been accompanied by a great outcry from the Montana citizenry it is doubtful such reductions would have been sustained for long. Clearly, there has not been a consensus among our citizens, Governors, and legislators as to the critical need for greater public support and correspondingly lower tuition levels. For this, the higher education community has to shoulder some of the blame. Had the university system been more effective at consistently communicating the value of a strong public higher education system and the consequences of declining state funding, it is likely more support would have been forthcoming.

Goals

The discussion of the Montana University System history is not meant to affix blame collectively or individually. The point is simply that the state's prosperity depends on a high-quality and accessible postsecondary education system and the university system's future likewise depends on the state's prosperity. This strategic plan focuses on just this symbiotic relationship with three fundamental goals:

- Increase the overall educational attainment of Montanans through increased participation, retention, and completion rates in the Montana University System.
- Assist in the expansion and improvement of the state's economy through the development of high value jobs and the diversification of the economic base.
- Improve institutional and system efficiency and effectiveness.

Maintaining the high quality of our institutions and the education provided to our students is not listed as an explicit goal. This is because it is THE MOST IMPORTANT consideration for every goal and initiative of the Montana University System and is considered to be an integral part of every component of this strategic plan.

The first goal reinforces what has always been the core mission of public higher education – to provide access to a quality postsecondary education for our citizens. In light of trends

during the past decade, access requires affordability and this does mean, in part, increased state support. It also means the university system needs to do a better job of reaching remote, disadvantaged, and non-traditional students; using technology to deliver education; and working more closely with K-12 education to make the transition to college seamless.

The second goal recognizes the two critical roles that a university system must play, for both traditional industries and the “new-economy,” in an increasingly global marketplace. It must train a skilled workforce for the types of jobs that exist, or will exist, in the economy. It is also a principle source of research and technology that fuel the innovation vital for any successful company to grow.

The third and final goal gives a high priority to stewardship of the resources we have been provided to help attain these goals. How well the Montana University System manages costs, allocates resources, and tracks this accountability with hard data is critical for improving credibility and keeping higher education accessible for all our citizens.

Change is Vital

The good news is that, despite some disturbing trends, Montana still has an excellent university system. For the past decade, enrollment has been increasing – a function mostly of a demographic bubble moving through our K-12 system – and growth can ameliorate otherwise visible financial troubles. Although students have been bearing an increasingly heavy financial burden, they have generally been able to work and borrow enough to pay for postsecondary education. Heavy debt has other consequences, particularly for post-education retention in the workforce, but it does mean most students can at least find a way to attend college. And, the university system has been able to dramatically raise non-resident tuition, which is about 40% higher than costs, to help offset declining state support for resident students. Without these non-residents, resident tuition would be about 25% higher than it is currently.

But Montana now faces our own version of the perfect storm. The demographic bubble of 6-18 year olds in Montana has given way to a trough. Slowed population growth in this age group is a national phenomenon, but it is much more pronounced in our state. We are now in the first year of what we know will not be just slowed growth, but a significant decline in the number of in-state high school graduates. In ten years we will have about 1,500 fewer graduating high school seniors per year than we have this year. At the same time, the state’s economy, like the rest of the nation, is facing a serious shortage of skilled workers during the next two decades.

Also, for the first time, the average cost of higher education in the state has outstripped the capacity of many students and their families to fund higher education through savings and borrowing. Concurrently, the ability of our colleges to raise non-resident tuition to generate additional revenue may have reached its limit. Further large increases will make our tuition increasingly uncompetitive in the region and could lead to declining non-resident enrollments.

New forces in demographics and the global economy mean we can ill afford to proceed down the same path we have been following for the past decades. With this strategic plan, the Montana University System recognizes that we must work together with state government and our private sector to make significant changes in the manner in which we support each other. Our state deserves, and depends on, a collaborative and successful effort.

Taking Action

Postsecondary Education Policy and Budget Subcommittee

The development of this strategic plan began two years ago with two initiatives. The first was to work more closely with the interim legislature to develop a set of mutually agreed upon accountability measures that would guide the Montana University System and evaluate progress. Working with the Postsecondary Education Policy and Budget (PEPB) Subcommittee of the 57th Legislature, the Board of Regents did develop this set of accountability measures in July 2002. Subsequently, the PEPB subcommittees of the 58th and 59th Legislature have updated the accountability measures. This latest set of agreed-upon measures consists of a core set of six policy goals and these form one base for this strategic plan.

Shared Leadership for a Stronger Montana Economy

The second initiative was to work with the PEPB Subcommittee to explore new ways for the Montana University System to take a more direct leadership role in the state's economic development. This overall effort, called "Shared Leadership for a Stronger Montana Economy", engaged a broad range of Montanans to prioritize specific initiatives that would help establish a new role for the Montana University System in strengthening the state's economy. The Governor's Office and several legislative interim committees were included in the effort. In July, 2004, the Board of Regents and the PEPB Subcommittee met jointly and agreed on three priority initiatives for immediate implementation:

- Develop stronger business-university system partnerships for workforce training;
- Remove barriers to access for postsecondary education;
- Expand distance learning programs and training.

During the subsequent three months, the Commissioner's Office and the Governor's Office jointly conducted fifteen statewide "community listening sessions" to get statewide input on the three priority initiatives. A steering committee was formed for each initiative, each with a broad cross-section of Montana leaders. Steering committees met between November 2004 and January 2005 and reached consensus on a set of the most serious problems in Montana and recommendations to address those problems. The reports from these steering committees and their recommendations form the second base for this strategic plan.

Strategic Plan Development

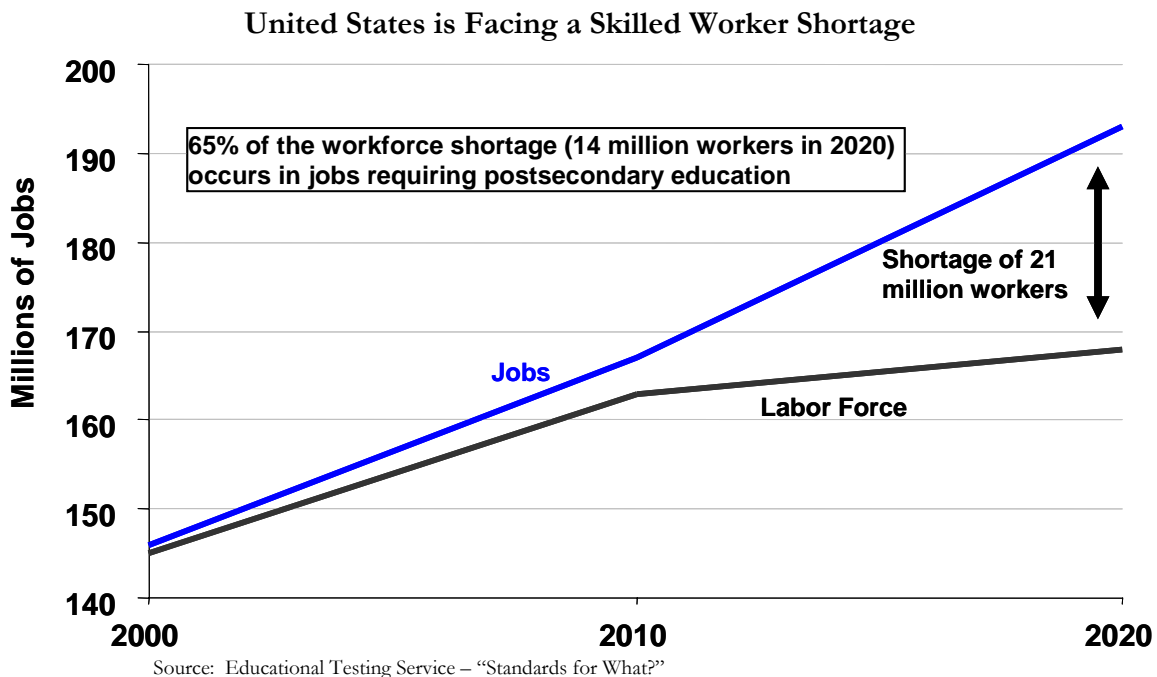
Finally, the Board of Regents have been meeting with legislators, the Governor's Office, campus leaders, and the public to determine the top priorities for the Montana University System over the next five years. This work included two planning sessions, in July 2005 and January 2006, and the engagement of national experts in higher education policy. These experts included Dennis Jones, President of the National Center for Higher Education Management Systems, and Cecelia Foxley, former Commissioner of Higher Education for Utah and past President of State Higher Education Executive Officers.

This strategic plan was approved by the Board of Regents in July 2006. It combines the ongoing efforts with the legislature, particularly the PEPB subcommittee, and Shared Leadership. It describes what will be the university system's priorities, how we will accomplish these priorities, and how we will measure our progress.

Goal I: Increase the overall educational attainment of Montanans through increased participation, retention and completion rates in the Montana University System.

Postsecondary Education is Critical

In Montana, and the entire United States, the global economy has made postsecondary education “the price of admission” to the middle class and increasing wages over time. For instance, 31% of manufacturing jobs -- traditionally the foundation of our middle class in America -- now require education beyond a high school diploma compared with only 8% thirty years ago. In virtually all industries, jobs that do not require high skill levels are moving to low-wage economies and those that remain increasingly require advanced training. During the next fifteen years, this country is projected to have a shortage of 21 million workers and two-thirds of these shortages will be in jobs requiring some postsecondary education. Demographic projections make it likely that shortage will be more pronounced, not less, in Montana relative to the rest of the country.



The Leaking Pipeline

Despite the increasing importance of education to the individual and the state, Montana is facing alarming trends. Montana’s public high school graduation rates peaked at 87% in 1993 and dropped to 79% in 2004. Approximately 8% of teenagers between the ages of 16 and 19 are considered ‘dropouts’ – neither a high school graduate or enrolled in school nor looking for work. Montana also faces low college participation rates: for every 100 Montana students who enter ninth grade, less than half are likely to graduate from high school four

years later and enroll in college within a year. Our public higher education completion rates also lag behind the rest of the nation. Only 42% of students who enter a Montana four-year institution actually graduate from that institution within six years, compared to 48% in the fifteen western states (excluding California, 2004 data), and students from our least affluent counties have dramatically lower graduation and participation rates than the state's average.

Strategic initiatives we will undertake to achieve this goal

- Secure adequate funding for the educational units sufficient to limit tuition increases to 5% at four-year campuses and 0% at two-year campuses.
- Consolidate existing scholarship/aid programs and increase need-based aid funding in the 2008-09 biennium.
- Create and maintain an integrated student data system with capability to track students from K-12, through postsecondary education, into the Montana workforce.
- Implement a system-wide gateway for on-line courses and expand distance learning coordination and programs.
- Expand Indian Education for All in the Montana University System.
- Continue to support investment in critical infrastructure, particularly deferred maintenance, at all campuses including our community colleges.

Note: One-Time-Only Requests for the 2008-09 biennium that have not yet been approved by the Executive Budget Office or the Board of Regents are not included.

Goal I (1): Prepare students for success in life through quality higher education.

Background

According to Tom Mortenson of the Pell Institute, postsecondary education “has become the dominant factor in the growth of personal incomes and the living standards of people, families, cities and states.” It is a well accepted fact that more education correlates highly with increased wages. Over a forty year working career, those with some postsecondary education will earn about 75% more than those who have only a high school education. But the correlations between higher educational attainment and non-monetary benefits are equally strong. Improved health, decreased crime, higher charitable giving, and greater civic participation, among others, are all strongly related to the education of the individual and the overall education levels of a community. In addition to all the important things a university system does on a daily basis for the state and its communities, a central tenet of our mission must be to continue to prepare students for life by getting them into, and successfully through, a postsecondary education.

1) Improve postsecondary education participation rates, with particular attention to Montana residents in MUS institutions.

Table 1.1.1

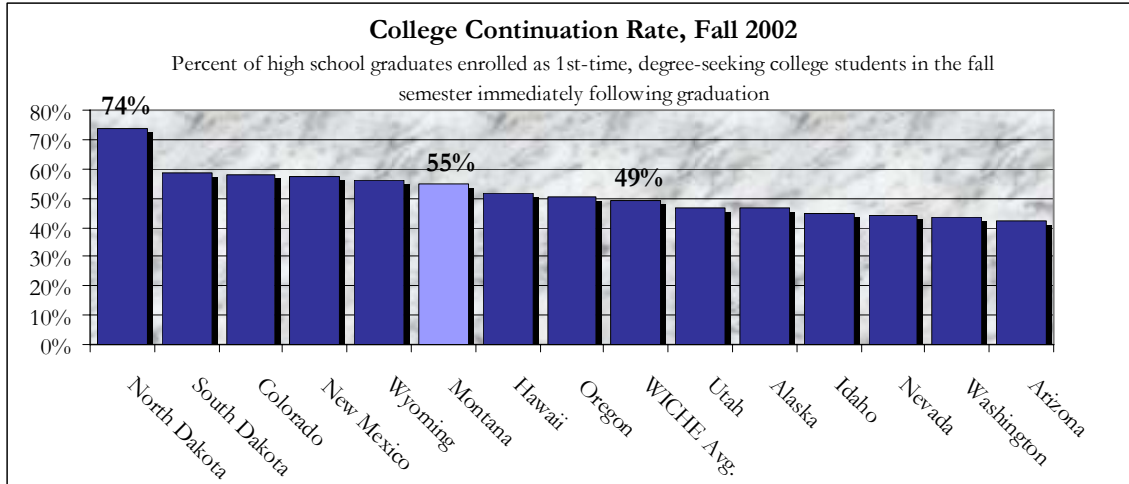
Montana College Continuation Rate

Percent of Recent Montana High School Graduates Enrolled as Degree/Certificate-seeking Students in the Fall Semester Immediately Following Graduation

College Continuation Rates	1992	1994	1996	1998	2000	2002	2004	2006 estimate	2010 projected
# of MT High School Graduates (public & private)	9,392	10,009	10,594	11,157	11,438	11,098	11,147	10,320	10,077
MT Continuation Rate % of MT Grads Enrolling in College	51%	55%	55%	56%	54%	55%	57%		
WICHE Continuation Rate % of Grads in WICHE States Enrolling in College	51%	52%	53%	50%	49%	49%	NA		

Montana High School Graduates	1992	1994	1996	1998	2000	2002	2004	2006 estimate	2010 projected
% of MT Grads Enrolling in MUS Institutions	31%	35%	35%	36%	35%	35%	37%	40%	43%
% of MT Grads Enrolling in College (In-state, non-MUS)	4%	4%	4%	5%	3%	4%	5%		
% of MT Grads Enrolling in College (Out-of-State)	16%	16%	16%	15%	15%	16%	15%		

source: NCES, IPEDS Fall Enrollment Survey; high school enrollment - WICHE, Knocking at the College Door - 2003
 Data Definition: First-time degree/certificate-seeking undergraduate students who graduated from a Montana high school in the past 12 months and enrolled in a Title IV Eligible, 2 or 4-year post-secondary institution in the summer or fall semester immediately following graduation.
 Note: calculations for WICHE states exclude CA.; MUS calculations include community colleges



2) Increase retention rates within the Montana University System.

Table 1.1.2

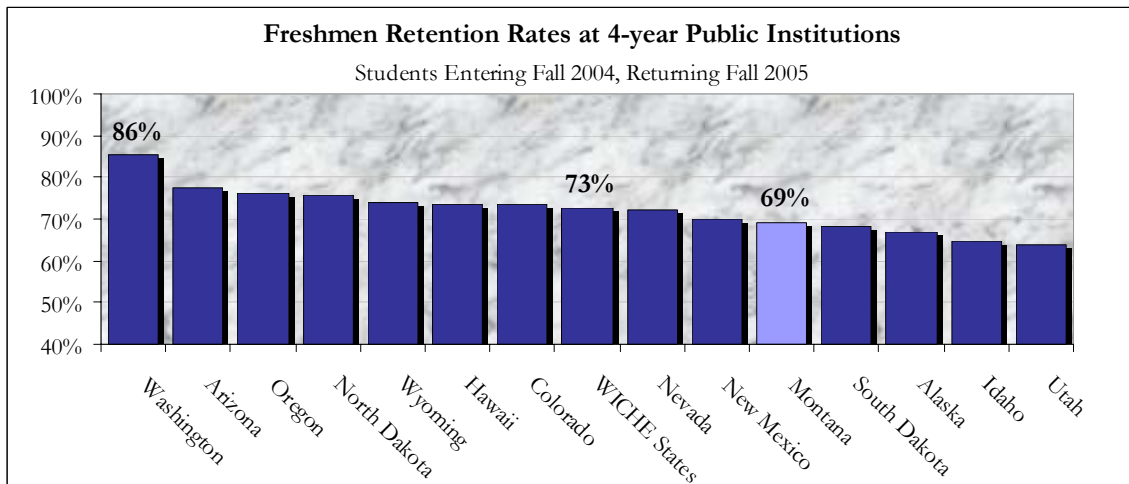
Freshmen Retention Rates

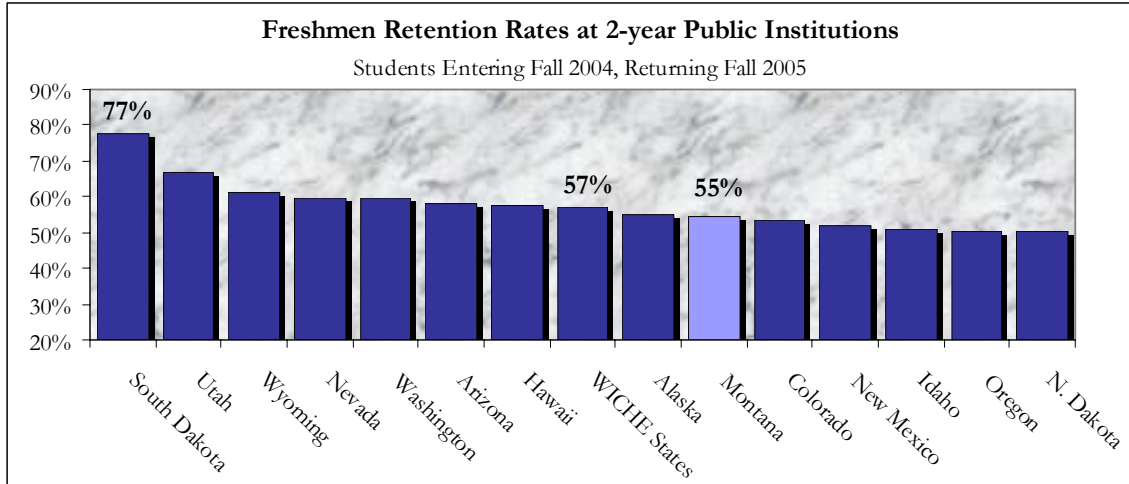
Percent of 1st-time, Full-time, Degree-seeking Freshmen Returning for a Second Year of Enrollment

Institutional Type	Fall 2002 Freshmen Returning in Fall 2003	Fall 2003 Freshmen Returning in Fall 2004	Fall 2004 Freshmen Returning in Fall 2005	Fall 2006 Freshmen Returning in Fall 2007	Fall 2009 Freshmen Returning in Fall 2010
4-year Institutions					
MUS	64%	68%	69%	70%	75%
WICHE States (weighted avg., net of CA)	NA	73%	73%		
2-year Institutions					
MUS	63%	57%	55%	55%	57%
WICHE States (weighted avg., net of CA)	NA	57%	57%		

source: IPEDS Fall Enrollment Survey

Note: data for WICHE states includes public, two and four-year, Title IV degree granting institutions only; in 2002-2003 IPEDS reporting was optional, as a result, not all MUS campuses reported data and WICHE averages are not available





3) Increase completion rates for MUS Campuses.

Table 1.1.3

Graduation Rates

4-year Inst.: Percent of 1st-time, Full-time, Degree-seeking Students Earning Bachelor's Degrees within 6 Years

2-year Inst.: Percent of 1st-time, Full-time, Degree-seeking Students Earning Associate Degrees within 3 Years and Certificates within 1.5 years

Institutional Type	Graduating Classes						
	2000-01	2001-02	2002-03	2003-04	2004-05	2006-07 (est.)	2009-10 (goal)
4-year Institutions							
MUS	41%	38%	43%	42%	41%	42%	45%
WICHE States (weighted avg., w/o CA)	47%	48%	49%	49%	50%		
2-year Institutions							
MUS*	37%	35%	33%	36%	38%	38%	40%
WICHE States (weighted avg., w/o CA)	25%	25%	27%	26%	28%		

source: IPEDS Graduation Rate Survey

*includes integrated 2-year programs at MSU-Northern, UM-Missoula, and UM-Western

Note: data for WICHE states includes public, two and four-year, Title IV degree granting institutions only

Goal I (2): Make higher education more affordable by offering more need-based financial aid and scholarships.

Background

High tuition does not create as much of a barrier to education if it is coupled with relatively high tuition assistance. Virtually every state in the U.S. has a substantial need-based aid program, but Montana is far behind every other state in the region in the amount of aid provided our students. Montana appropriations for need-based aid are about \$97 per student as compared to \$210 per student for the other fifteen western states (excluding California, in 2005). Even in Montana’s two-year colleges – in most states the low-cost point of entry for many students – cost is increasingly a barrier. On average, a Montana family pays 25% of its income at two-year colleges compared to 16% nationally.

Federal loan limits no longer provide many Montana students and families with sufficient lending capacity to satisfy the cost of education. For the first time, the cost of education (including room and board) now exceeds the amount of borrowing available to many Montanans. There simply isn’t enough need-based aid to serve our Montana residents and this lack of aid impacts enrollment, persistence, and success in postsecondary environments.

1) Reduce the gap between Expected Family Contribution (EFC) and Average Cost of Attendance.

Table 1.2.1

Cost of Attendance Gap
Difference Between Average Cost of Attendance and Expected Family Contribution

MUS Institutions	Cost of Attendance-EFC	2003-04	2004-05	2005-06
4-year Institutions	Average Cost of Attendance	\$12,901	\$13,051	\$14,048
	Expected Family Contribution	\$5,010	\$5,241	\$6,299
	Difference	\$6,602	\$6,449	\$7,599
2-year Institutions	Average Cost of Attendance	\$11,018	\$11,301	\$11,717
	Expected Family Contribution	\$3,094	\$3,207	\$3,844
	Difference	\$7,924	\$8,094	\$7,873

Definitions:

1) Cost of Attendance equals the average cost for full-time, 1st-time, resident undergraduate students living on-campus for the full academic year (tuition and fees, books and supplies, room and board, and other expenses are those amounts used by financial aid offices for determining eligibility for student financial assistance) .

2) Expected Family Contribution (EFC) represents a measure of financial strength on the basis of income and assets that the average resident student or his/her family is expected to contribute toward the cost of attendance. EFC calculations are established by law and used to determine eligibility for federal student aid.

source: IPEDS Institutional Characteristics, MUS institutional reporting

note: Information for 2-year institutions in this table represents: MT Tech-COT, MSU Great Falls, UM-Helena; MSU-Great Falls and UM-Helena costs of attendance are based on students living off-campus (w/o family).

While this indicator is useful, goals were not set because projections related to expected family contribution are subjected to federal rules and family income that are difficult to predict.

2) Increase the percentage of students who receive financial aid or scholarships.

Table 1.2.2

Financial Aid Recipients

Percent of 1st-time, Full-time, Degree-seeking Students Receiving Financial Aid*

Institutional Type	2000-01	2001-02	2002-03	2003-04	2004-05
4-year Institutions					
MUS	79%	82%	80%	78%	81%
WICHE States (weighted avg.)	68%	69%	69%	71%	NA
2-year Institutions					
MUS	74%	65%	71%	72%	70%
WICHE States (weighted avg.)	60%	62%	62%	61%	NA

*Grants, loans, assistantships, scholarships, fellowships, tuition waivers, tuition discounts, veteran's benefits, employer aid (tuition reimbursement) and other monies (other than from relatives/friends) provided to students to meet expenses.

source: IPEDS Student Financial Aid Survey; note: data for WICHE states includes public, two and four-year, Title IV degree granting institutions only and excludes CA; MUS 2-year institutions include community colleges.

3) Increase the average aid/scholarship award amount.

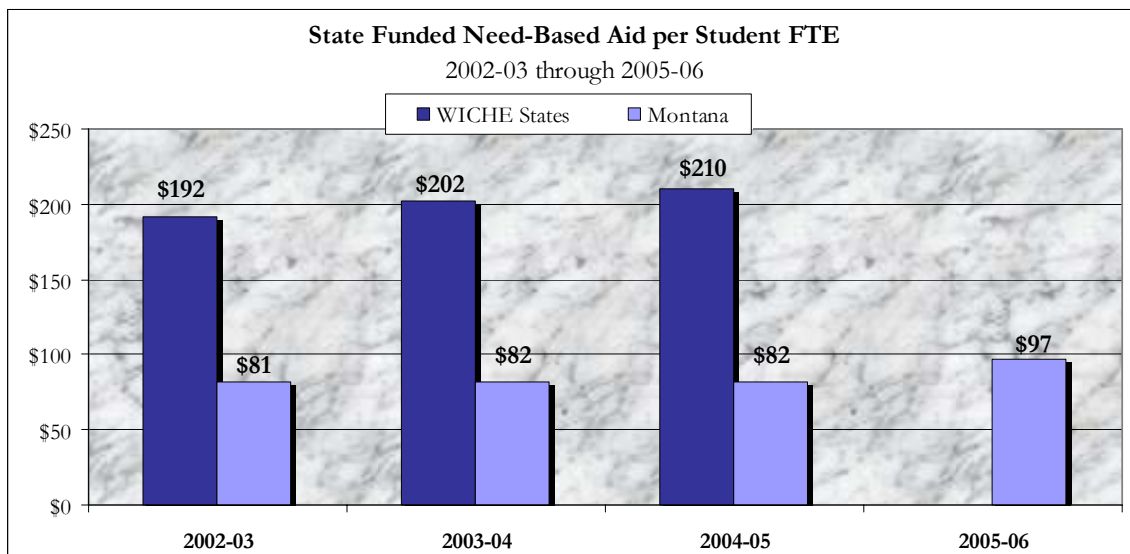
Table 1.2.3

State Funded Need-Based Aid per Student FTE

States	Need Aid/FTE	2002-03	2003-04	2004-05	2005-06	2007-08 (goal)	2009-10 (goal)
WICHE States (net of CA)	Need-Based Aid	\$220,273,000	\$237,163,566	\$248,419,583	NA		
	Aid per FTE	\$192	\$202	\$210	NA		
Montana	Need-Based Aid	\$2,825,000	\$2,941,566	\$2,951,629	\$3,447,442	\$4,100,000	\$5,700,000
	Aid per FTE	\$81	\$82	\$82	\$97	\$114	\$158

source: National Association of State Student Grant and Aid Programs. National Center for Education Statistics, IPEDS.

note: student FTE represents public undergraduate and graduate enrollments; need-based aid for MT represents state funding of MTAP, MHEG, and federal/state matching grants; 2005-06 also includes the need-based portion of the Governor's Post Secondary Scholarships of \$270,000.



Goal I (3): Promote postsecondary education affordability.

Background

Montana faces increasingly high postsecondary education costs relative to income levels. In 1994 Montana's average tuition was \$27 below the 15 western states' average; in 2004 it was \$703 above the average. Montanans must now pay a 40% higher share of their incomes for resident tuition and fees than residents of the other western states. The average student debt for a Montana university graduate is \$20,000 and rising. With these trends, it is no surprise that in 2000-01 the college participation rate for Montana students from low-income families was 28% compared to 42% for the general population. According to *Measuring Up 2000* (a national report card on higher education), the state of Montana received a grade of "D-" for affordability. In 2002, the affordability grade sank to "F" and remained there in 2004.

For resident students, the price of an education is generally governed by a simple relationship:

$$(\text{Cost of a Quality Education}) - (\text{State Support}) = (\text{Tuition \& Fees for Student}).$$

The Board of Regents has set aggregate system tuition targets that should, over time, move Montana toward the regional (WICHE) average and continue to make two-year education a low-cost point of entry for students:

- Increase resident four-year tuition at no more than 5% per year;
- Maintain resident two-year tuition at current levels (0% per year);
- Increase non-resident tuition at no more than 5% per year.

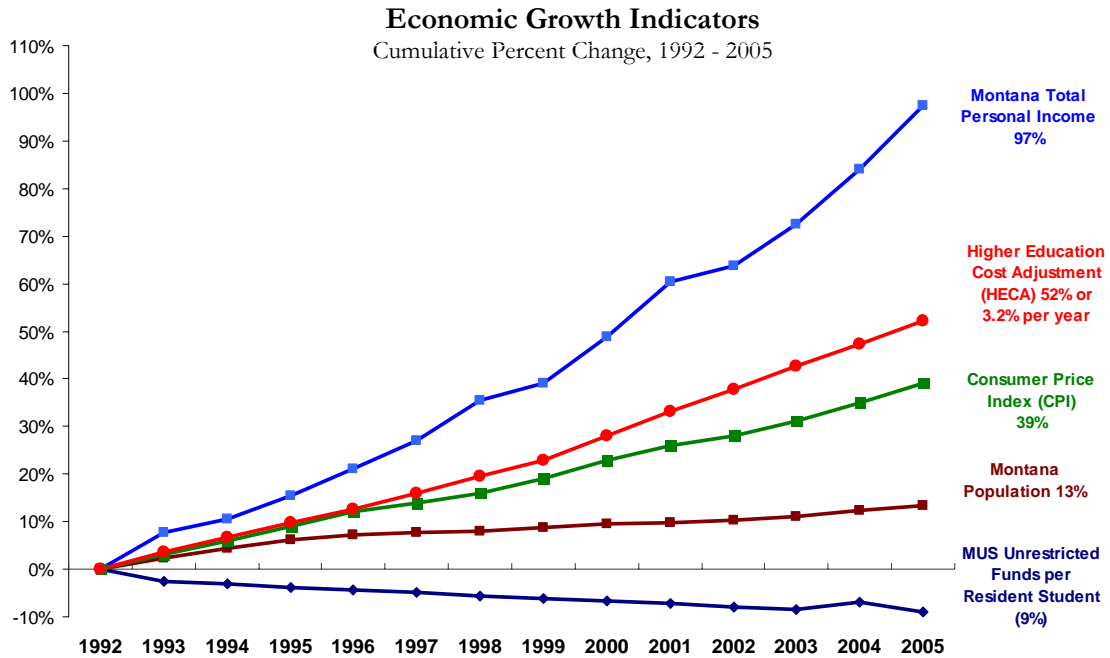
Because these tuition targets are aggregate, system-wide targets, the tuition increases at individual campuses may be above or below the target levels based on the need and characteristics of a particular unit.

Montana has been, and continues to be, very efficient in delivering postsecondary education at a low cost when compared to other states in the region (see Strategic Plan Goal 3.2). In order to maintain a quality university system, the Board of Regents has set an aggregate expenditure target of 4.3% per year increases for the university system. While this annual increase is somewhat higher than the SHEEO Higher Education Cost Adjustment average (State Higher Education Executive Officers index of inflation for postsecondary education nationally) it reflects a need for the Montana University System to regain some lost ground of the past two decades in order to maintain high quality.

To maintain expenditure and tuition targets, the amount of state support will have to increase from the historic levels of per-student appropriations of the past 10 years. By 2010, the state will need to provide the university education units (including community colleges) with \$170 million of support. Extrapolating historic "present-law" base funding increases, the amount of state support through 2010 will fall approximately \$50 million short of the amount needed to keep tuition increases at target levels. This is the equivalent of about \$8 million of on-going base funding (\$220 per FTE) for the university system's education units in each of fiscal years 2008-2010.

Other useful measures to compare Montana's public support for higher education relate funding to the state's per capita income, personal income, and median household income.

These measures all give an indication of Montana’s support for higher education in relation to the state’s wealth. All goals for 2010 for these measures include the Board of Regent’s targets for tuition, expenditures, and state funding of education units.



1) Increase the amount of state support as a percentage of total personal income relative to peer states and historical levels.

Table 1.3.1

State Support for Higher Education Per Capita & Per \$1000 of Personal Income

PEPB Peer States	State Support Per Capita			State Support Per \$1000 of Personal Income		
	FY 1995*	FY 2005	FY 2010 (goal)	FY 1995	FY 2005	FY 2010 (goal)
Colorado	\$190	\$137		\$6.17	\$3.86	
Idaho	290	245		11.55	9.37	
Minnesota	291	248		9.28	6.90	
Montana	198	167	200	8.18	6.08	6.30
North Dakota	316	317		12.12	10.86	
Oregon	239	172		8.41	5.68	
South Dakota	184	211		6.97	6.93	
Utah	274	258		11.63	9.90	
Washington	232	225		7.49	6.50	
Wyoming	433	586		15.49	17.24	
United States	\$239	\$243		\$7.91	\$7.42	
WICHE States	284	275		10.24	9.11	
PEPB Peers	272	266		9.90	8.58	

*adjusted for inflation
 source: State Higher Education Executive Officers, State Higher Education Finance Report (FY 05)
 PEPB Peers include: CO, ID, MN, ND, OR, SD, UT, WA, WY; data represent simple averages
 note: *State Support* includes state & local govt support for higher education general operating expenses; WICHE State averages exclude CA.; 2005 MT population equals 935,670;
 assumptions: annual population increase = 1%, annual increase in personal income = 4%; in order to compare to peer states all higher education funding is used in the calculations, including funding for agencies

2) Decrease tuition as a percentage of median household income.

Table 1.3.2

Ratio of Tuition and Fees to Median Household Income

Public Institutions, 1993-94, 2003-04

Institutional Type	1993-94	1998-99	2003-04
2-year Institutions			
Montana	5.0%	6.2%	7.4%
WICHE States	3.4%	3.7%	4.3%
4-year Institutions			
Montana	6.8%	8.4%	10.5%
WICHE States	5.4%	6.2%	7.4%
Doctoral Institutions			
Montana	7.6%	8.9%	12.1%
WICHE States	6.2%	7.0%	8.4%

source: WICHE

note: Tuition and fees used in the calculation are the mean tuition and fees within each sector for each state. The WICHE average median household income was calculated as a simple average of the 15 member states (excluding CA).

While this indicator is useful, goals were not set because projections related to median income are difficult to accurately project.

Goal I (4): Work collaboratively with the K-12 education system to increase high school academic preparedness, completion, and concurrent enrollment programs.

Background

With the precipitous decline in high school graduates over the next decade, the university system's ability to grow and meet the increasing need for skilled workers in the state depends on getting a higher proportion of students to enter postsecondary education. We also know that most students' expectations of whether or not they will attend college are set in middle school and early high school. This means any successful strategy must involve a partnership with K-12 education to reach students early and often.

Many Montana students and families need additional support and assistance in order to aspire to, prepare for, and successfully complete postsecondary education. According to *The Education Resources Institute*, individuals from families with limited postsecondary experience are much less likely to have the personal or institutional connections through which students typically receive encouragement and guidance to pursue higher education. School counselors attempt to meet these needs for all students, but are often unable to do so as a result of limited time and resources. Montanans enrolling in postsecondary education sometimes also lack adequate preparation. The numbers of students taking college remedial courses is evidence of this problem. The issue is particularly pronounced for non-traditional students who have been out of high school for an extended period of time and typically require considerable remedial coursework to succeed in postsecondary education.

Dual enrollment programs serve to promote more educational options, save students' time and money on a college degree, provide greater academic opportunities for students in small rural schools, and increase student aspirations to go to college at the two- or four-year level. However, Montana's dual enrollment programs are not offered in a consistent manner across the educational system. They are few in number and inconsistent in nomenclature, prerequisites, cost and application. Consequently, a Montana student's access to dual enrollment is, to a large degree, dependent upon where they live and go to school.

Finally, it is important that Montana colleges are viewed as attractive options for our "best and brightest." As important as it is to improve college-going rates for our average students, it is equally important to retain more of our gifted students. The quality of an academic experience is greatly enhanced by diversity of the student body and by academic competitiveness among students. There is also a greater likelihood that students who leave the state for college will not return to our workforce. Clearly, it is in the interest of our students, colleges, and our economy that our public institutions are correctly viewed as a place to gain a world-class education at an affordable price.

1) Expand outreach to at-risk and disadvantaged students as to the importance and accessibility of postsecondary education and the quality of the Montana University System.

The Commissioner of Higher Education and the Board of Regents are working together with Montana’s Student Assistance Foundation (SAF) and other partners to develop a statewide access network that will coordinate and promote access services throughout Montana. With assistance from the National College Access Network (NCAN), SAF, and the Department of Labor a comprehensive Inventory and Gap Analysis has been completed in March 2006. This analysis identified and mapped career and college outreach services throughout Montana. With NCAN’s continued support, this group is working to design and implement steps to eliminate gaps in student support & outreach within the state.

The goal for 2006 is to identify long-term objectives and targets for measuring progress toward these objectives.

2) Expand outreach to top academic achievers graduating from Montana high schools as to the importance and accessibility of postsecondary education and the quality of the Montana University System.

Table 1.4.2

Top Performing Students in the Montana University System
 Montana High School Graduates Attending MSU-Bozeman & UM-Missoula
Note: Data are currently available for only MSU-Bozeman and UM-Missoula

MSU - Bozeman & UM - Missoula	Fall 2003	Fall 2004	Fall 2005
ACT Top Quartile			
Freshmen taking ACT	1,811	2,231	2,033
# of Freshmen scoring in top quartile*	605	715	676
% scoring in top quartile	33%	32%	33%
Top 10% of High School Class			
Freshmen Reporting High School Percentile	2,303	2,357	2,443
# of Freshmen in top 10% of high school class	373	388	394
% in top 10% of high school class	16%	16%	16%

*score between 25 & 36
 source: MUS institutional report

Goal for 2006-2007:
 Develop additional measures for evaluating whether top academic achievers are entering the MUS and track those measures through improvements in the Student Data Warehouse for all campuses.

3) Increase dual enrollment and advanced placement programs

Table 1.4.3

Advanced Placement Testing in Montana High Schools

	2000-01	2001-02	2002-03	2003-04	2004-05
Number of Students Taking Exam	1,688	1,886	1,927	1,996	2,189
Number of Exams Taken	2,368	2,763	2,726	3,029	3,250
Exams Scoring 3 or Higher	1,543	1,964	1,894	2,144	2,115
% Exams Scoring 3 or Higher	65%	71%	69%	71%	65%

Dual-enrollment and dual-credit are not measured consistently across the state. This lack of consistency, particularly with regard to transcribing, means that current data is unreliable or unavailable. The OCHE has surveyed individual two-year programs to attempt to determine baseline data for existing dual-enrollment & credit, but the response rate for this survey was low. Consequently, no reliable baseline data exists as to the current extent of dual-enrollment & credit in the state.

A dual-enrollment task force has been convened by the Board of Education P-20 Committee to review current status and to recommend policy that would provide consistency and standardization in dual-enrollment offerings. Three areas of concern remain:

- Courses to be offered;
- K-12 licensure of postsecondary faculty; and
- Compliance with ARM 10.55.907 for distance delivery.

Until this task force resolves these major policy issues, and better data are available for current dual-enrollment & credit participation, it is not possible to set meaningful goals in this area.

Goals for 2006-2007:

- Develop reliable data within the Student Data Warehouse to measure dual-enrollment & credit across the state;
- Continue working with K-12 to reach agreement on the major policy impediments to expanding dual-enrollment & credit; and
- Establish subsequent goals for 2007-2010 based on this baseline data.

4) Increase high school graduation rates.

Table 1.4.4

Public High School Graduation Rate

Percentage of 9th Graders Graduating from High School Four Years Later

States	High School Graduating Classes			
	1997-98	1999-00	2001-02	2003-04
Montana	80%	78%	78%	79%
WICHE States	70%	69%	70%	72%

source: higheredinfo.org; Tom Mortenson Postsecondary Opportunity, 2003-04 data obtained from NCES Digest of Education Statistics
 Note: calculations for WICHE states exclude CA

Goal I (5): Increase postsecondary enrollment of traditional and non-traditional students through expanded outreach programs, evening/weekend programs, and 2-year programs.

Background

Despite Montana’s relatively low wages, our state has many high-paying jobs that go unfilled – in health care, construction, manufacturing, for example – due to a shortage of appropriately trained workers. A fundamental characteristic of the global and knowledge-based economy is that workers must be highly skilled in order to have the high productivity needed to command growing wages. This requires a good entry-level skill base and continual upgrading of skills over time as technology in the workplace changes – at an ever increasing rate. Certainly, some of this training is provided by employers in the workplace. But increasingly, due to increasing costs and complexity, businesses across the country are relying on a region’s higher education system to be active partners in providing the training needed.

The state’s demographics are also changing rapidly. Over the next two decades, we will have about 1,500 fewer high school graduates per year than we do today. It is simply not possible for the university system to sustain itself or our growing economy if we continue to rely on the traditional pipeline of students. Our campuses must expand outreach to non-traditional students, who are frequently place-bound or in rural areas, if they are to continue to support the economic growth of the state.

1. Increase enrollment in two-year programs.

Table 1.5.1

Enrollment at 2-year Institutions
Student FTE

Montana University System Educational Units	Fiscal Years								
	2000	2001	2002	2003	2004	2005	2006	2007 estimate	2010 projected
Colleges of Technology									
Billings COT	509	474	509	580	660	668	668	699	770
Great Falls COT	766	834	952	1,053	1,098	1,093	1,186	1,271	1,593
Missoula COT	776	797	803	886	895	916	1,019	1,095	1,255
MT Tech COT	310	285	295	233	260	280	303	322	360
Helena COT	704	724	736	738	749	684	733	743	776
Total COT	3,065	3,114	3,295	3,490	3,662	3,641	3,910	4,130	4,754
Year-to-year % change		1.6%	5.8%	5.9%	4.9%	-0.6%	7.4%	5.6%	5.0%
Community Colleges									
Dawson CC	429	413	445	415	450	497	500	545	438
Flathead Valley CC	1,186	1,174	1,289	1,414	1,642	1,457	1,369	1,625	1,545
Miles CC	465	506	509	473	509	542	469	550	727
Total CC's	2,080	2,093	2,243	2,302	2,601	2,496	2,338	2,720	2,709
Year-to-year % change		0.6%	7.2%	2.6%	13.0%	-4.0%	-6.3%	16.3%	-0.1%

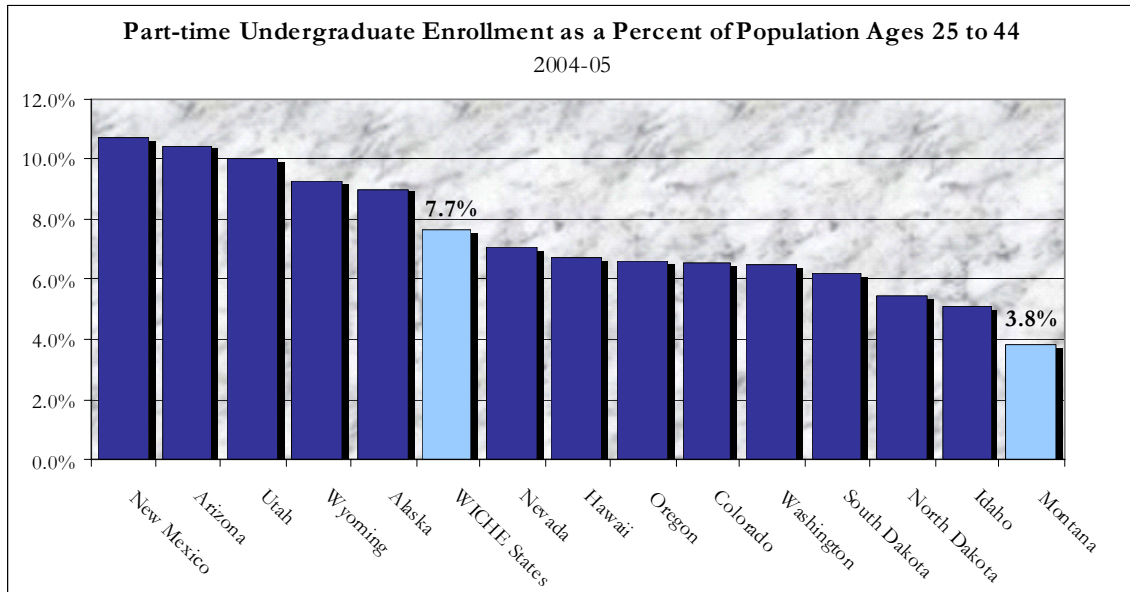
source: MUS Official Enrollment Report; 2007 to 2010 percent change is an average annual percent change

2. Increase programs and classes for non-traditional students, including evening and weekend programs.

Part-time Undergraduate Enrollment as a Percent of Population Ages 25 to 44
2000-01 through 2004-05

States	2000-01	2001-02	2002-02	2003-04	2004-05	2006-07 (est.)	2009-10 (goal)
WICHE States	7.4%	7.4%	7.7%	7.7%	7.7%		
Montana	3.3%	3.7%	3.7%	4.0%	3.8%		

source: NCES, IPEDS Fall Enrollment Survey; U.S. Census Bureau
Note: calculations for WICHE states represent a weighted average excluding CA



Goal I (6): Improve distance and on-line learning by coordinating online delivery of education across the entire Montana University System.

Background

The current method of providing distance and distributed courses and programs in Montana is decentralized. The Montana University System provides an electronic catalogue of distance education courses offered by system campuses, but that catalogue is essentially an electronic link to each campus and its own, individual description of distance opportunities available at that campus. Each institution within the Montana University System decides which programs and courses will be offered in a distance format. Each institution also decides how and where those programs will be offered and in which medium, with only modest consultation with other educational institutions throughout the State. Most of the institutions in the Montana University System also handle their own support service programs, such as admissions, registration, tuition, financial aid, and advising. Disparities are confusing and costly for students, especially students who use the offerings of more than one campus to earn their degree or to supplement their already-acquired credentials.

There is no common approach among distance education providers to address the crucial issues affecting affordability and quality – tuition, duplication, articulation agreements between programs or institutions, transfer of coursework, and best practices in teaching, assessment, and support services. There is very little consistency in services or support for distance education students, who often do their coursework in an isolated setting far from the institution providing the classes. Consequently, Montana is not using technology to the fullest advantage in providing more accessible and efficient education to our citizens.

How we will measure our progress:

The Director of Distance Education Business Development will work with the Distance Learning Advisory Council to implement the goals for 2006-2007 and develop appropriate subsequent measures of progress for 2007-2010.

Goals for 2006 – June 2007:

- Develop an accurate and updated inventory of: 1) degree programs, and 2) certificate programs, by institution, at the undergraduate and graduate levels.
- Develop an inventory of credit courses, CPE courses, professional courses, and non-credit courses, by institution.
- Develop an inventory of how programs and courses are delivered by each institution, both organizationally and by mode of delivery, and the tuition and fee structures for each, by institution.
- Survey all campuses to determine web-based student services and support offered for distance learning students.

(continued)

- Survey all campuses to determine how distance learning courses are being identified and reported, how they appear on the student transcripts, and whether distance education credit hour generation is being reported for FTE formula funding purposes.
- Identify, by campus, the barriers, rewards, incentives, and opportunities for grant writing and academic program collaborations that could support expanded distance education.
- Create and implement a common portal or gateway for a system approach to distance learning opportunities for the citizens of Montana, beginning with general education core courses.
- Develop and implement at least two collaborative efforts to meet academic program needs of students, businesses, and/or citizens, using existing resources in the process. The initial focus will be on opportunities for teacher education (including Indian Education for All training) and healthcare worker education.
- Ensure distance education programs at all campuses show evidence of supporting best practices in on-line education as identified by accrediting bodies.
- Develop subsequent distance education goals for 2007-2010.

Goal II: Assist in the expansion and improvement of the state's economy through the development of high value jobs and the diversification of the economic base.

The state ranks 50th (lowest) in average wages and is generally in the bottom ten states in terms of per capita income, household income and other measures of wealth per person. But with unemployment continuing near all-time lows, it is not the number of jobs in the state that need to increase. Montana needs more high-paying jobs.

In an economy that continues to globalize, Montana companies must compete with lower wage economies around the world. Higher wages can only be sustained if the value of a person's work is increased. Global competitiveness demands that, over the long-term, wages will reflect the value of the labor performed. The term for this is "productivity" and there are fundamentally two ways it increases – by increasing the skill level of the worker and/or through the use of new technology. In both of these areas, the Montana University System plays a large role in advancing the state's economy and creating more high-paying jobs.

Strategic initiatives we will undertake to achieve this goal

- Expand education for healthcare workers and coordinate programs across the university system to ensure a comprehensive approach to worker shortages in the state.
- Continue to invest in critical equipment and technology, particularly those that train workers for high demand occupations within the Montana economy.
- Continue to support the use of indirect cost recovery by the research campuses to support expanded infrastructure for research and commercialization.
- Continue to implement two-year program equipment and program expansion (\$5 million in 2006-07 biennium) and support additional one-time-only appropriations for continued equipment and program expansion.
- Develop the necessary inter-agency agreements and create a comprehensive statewide education tracking system for students from K-12 through postsecondary education and into the workforce.

Note: One-Time-Only Requests for the 2008-09 biennium that have not yet been approved by the Executive Budget Office or the Board of Regents are not included.

Goal II (1): Increase responsiveness to workforce development needs by expanding and developing programs in high demand fields in the state.

Background

The availability of a skilled workforce has become one of the most important issues for attracting, retaining, and growing businesses that provide higher paying jobs. Workforce skill level is a key driver of innovation and productivity improvement across all industries. The success of Montana's economy depends on our ability to provide the skilled workers needed for jobs that exist, or will exist, in our state. The Montana University System is by far the largest source of educated and trained workers for our businesses. If our programs are not responsive to the changing needs of Montana businesses, we cannot hope to retain our citizens or grow our income levels.

In an environment of limited funding support, however, it is critical that we align limited resources for public higher education with the needs of the economy. Traditional liberal arts education must remain a foundation of the system, because the general skills it imparts are central to business innovation and individual success. And, given the expenses involved in technical education, there simply are not enough resources to provide high-quality training for every job that might exist in the state. The highest priority must be given to student and employer demands in fields where current or projected job creation outstrips the capacity of the higher education system to produce trained graduates.

Until recently, however, there has been no consistent system-wide, on-going evaluation of the educational needs of business and industry, K-12 students or the average citizen. As a consequence, the State had no way to determine the unmet needs of employers or the missing skills of workers. With research conducted by the University of Montana Bureau of Business and Economic Research at the request of the Board of Regents, we now have this data and can track the progress of the university system in providing appropriately trained workers for our businesses.

1) Increase employer satisfaction with graduates.

Prior to 2006, the Montana University System has not had a systematic means to measure employer satisfaction, although most campuses evaluated this in some way. Using the recently completed statewide business survey commissioned by the Board of Regents, some baseline information is now available on business' perception of higher education in general, and the responsiveness of the two-year programs in particular. While this data is valuable, it does not provide comprehensive information on the number and quality of the Montana University System's programs which train workers for our state's businesses.

Goals for 2006-2007:

- The Two-Year Council will develop measures to consistently measure the number of businesses and students utilizing continuing education or customized training in the MUS; and
- The Two-Year Council will develop recommendations to the Board of Regents on the best measures from the statewide business survey to evaluate responsiveness to Montana businesses; and
- The Two-Year Council will develop recommendations for 2010 for continuing education, customized training, and business' satisfaction with MUS graduates.

2) Increase degrees and certificates awarded in high-demand occupational fields.

Table 2.1.2

MUS Degrees Awarded in Healthcare

Degrees	1994-95	1999-00	2004-05	2006-07 (est.)	2009-10 (goals)
2-year degrees & certificates	288	313	482		
4-year degrees & above	337	278	327		
Total	625	591	809		

source: IPEDS Completions Survey healthcare equals CIP code 51.00
 note: data include community colleges

The Board of Regents has identified healthcare and construction occupations as the top priorities for training workers in high-demand occupations.

Measuring healthcare certificates and degrees is relatively straightforward and done consistently across campuses. Historical data are available and a reasonable proxy for overall level of training provided by the MUS for this industry. The Board of Regents has recently convened a Healthcare Task Force to evaluate and prioritize efforts to increase the number of healthcare workers in the state. This task force will work through 2006-2007 to help the Board set goals for the number and type of healthcare workers the MUS should produce to meet the priority needs of the state in the next decade.

Construction trades education is not easily measured for two principle reasons. First, many workers receive training which does not necessarily lead to a formal certificate or degree. Second, the definition of what types of programs are categorized as construction-trades related is not well developed and consistently applied across the MUS. Historical data is therefore not readily available in a useable form. Much better data, by occupation, must be developed before meaningful baseline information or goals can be determined.

Goals for 2006-2007:

- With the support of the Healthcare Advisory Group, develop goals for healthcare worker training; and
- Develop a consistent definition of what programs and training are included in construction trades across the MUS and set prospective goals; and
- Work with the MHA (Montana Hospitals) and the Montana Contractor’s Association to develop survey data, and long-term goals, on the performance of MUS students once they enter the workforce.

3) Increase job placement rates.

OCHE is working to establish a systematic mechanism for tracking students from college to Montana’s workforce through a linkage of postsecondary data to the unemployment insurance wage database. Under the guidelines of the Family Educational and Privacy Rights Act (FERPA), numerous states have set precedent in successfully developing student tracking systems between multiple state agencies for the purpose of evaluating and improving programs.

(continued)

OCHE currently receives a match of 2-year program completers with workforce records for the purpose of measuring Carl D. Perkins performance indicators. These data yield useful information, however the effort must be expanded to include students completing programs at all levels throughout the MUS.

In order to build a comprehensive picture, it is essential to develop a statewide tracking system capable of following cohorts of students from high school, through college, and into the workforce. Currently, data sources and opportunities exist that could allow for the exchange of student and workforce information between the Office of Public Instruction (OPI), Montana University System (MUS), and the Department of Labor. Each entity is responsible for a critical portion of the information needed to track students:

- OPI is establishing a statewide data system capable of providing extracts of recent high school graduates;
- MUS administers a centralized student data warehouse that provides postsecondary enrollment tracking; and
- The Montana Department of Labor & Industry stores employment records that identify entry into Montana’s workforce.

Given these existing data sources and opportunities for sharing information, it is critical that these three state agencies work together to exchange the necessary data to develop a tracking system capable of providing a comprehensive view of students’ progression and entry into the workforce.

Goals for 2006-2007:

- Develop the necessary inter-agency agreements and create a comprehensive statewide tracking system; and
- Establish subsequent goals for 2007-2010 based on this baseline data.

4) Grow enrollment, for certificates and degrees, in 2-year programs.

Table 2.1.4

Associate Degrees Conferred
(Associate of Arts, Associate of Science, & Associate of Applied Science)
1999-00 to 2004-05

Institutional Type	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2006-07 (est.)	2009-10 (goal)
Colleges of Technology	632	674	687	764	800	772		
Community Colleges	450	392	408	448	511	523		
Integrated 2-year Programs*	153	145	148	188	175	166		
Total	1235	1211	1243	1400	1486	1461		
% Change (annual)		-2%	3%	13%	6%	-2%		

*UM-Western & MSU-Northern
source: IPEDS Completions Survey

Goal for 2006-2007:

The Two-Year Council will develop appropriate goals for 2010 regarding AA, AS, and AAS degrees conferred by Montana two-year programs.

Goal II (2): Establish collaborative programs among institutions, the private sector, and the state to expand research, technology transfer, the commercialization of new technologies, and the development of our entrepreneurs.

Background

In a report recently published by the Office of the Governor, Montana is home to 2,721 advanced technology establishments of which 626 have five or more employees. These companies directly employ a total of almost 12,000 individuals whose earnings are significantly higher than the state’s annual average wage of about \$25,700. Many of these firms already have strong relationships with the Montana University System and all rely on continuous innovation and the deployment of new technology to be successful.

Because Montana lacks the large corporate headquarters that typically conduct private sector research, a large portion of our state’s expenditures for research derive from the university system or its partnerships with our state’s businesses. This research is in itself a large industry, putting approximately \$175 million (2005) of “outside” money directly into the Montana economy. Growing research in the university system increases high-paying jobs. To fully leverage this research, however, we must continue to work hard to commercialize that innovation in our own economy.

Of course, no quality research university will ever be able to find a home for all its technology in the local economy. Cutting edge research is by its nature global, and Montana will never have all the resident companies needed to commercialize all of our research. But the Montana University System does generate considerable intellectual property that is suitable for development within the state. With very limited resources, the university system has already established a number of quite successful partnerships with Montana businesses. What the state does not have is many resources to identify and coordinate new, or currently unidentified, opportunities – particularly with businesses that are not physically located near one of the major research campuses. There are also very few resources available to coordinate state-wide efforts between the various MUS technology transfer offices – so businesses located near one campus, that might benefit from technology residing at a different campus, have a difficult time finding the needed resources.

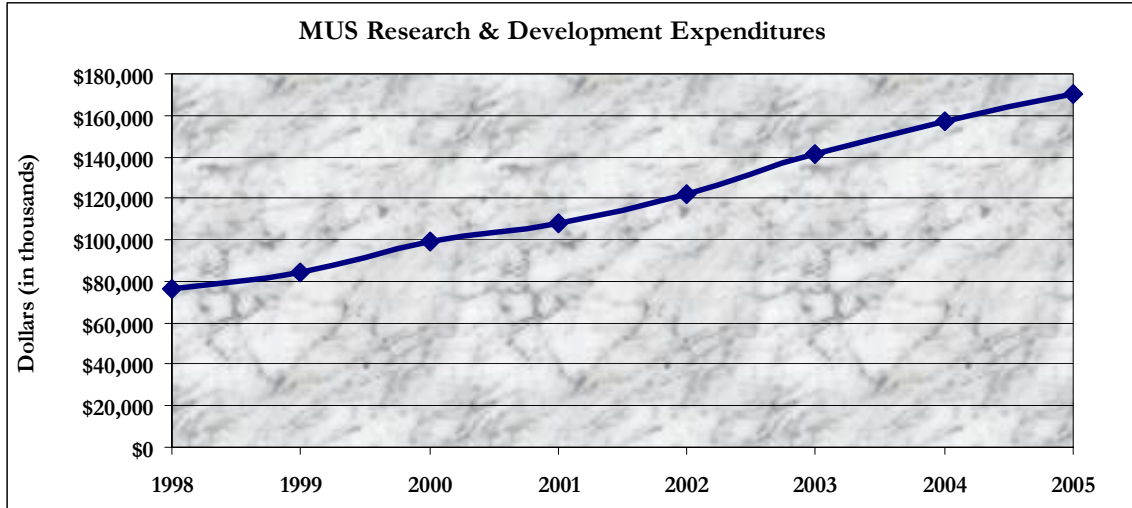
1) Increase research & development receipts and expenditures.

Table 2.2.1

MUS Research & Development Expenditures

MUS R&D Expenditures	2005	2010 (goal)
Estimated R&D Expenditures	\$175,000,000	\$240,000,000

source:1998-2003 NSF, 2004 & 2005 estimated by MUS



2) Increase technology licenses with Montana businesses.

Table 2.2.2

Technology Transfer Activity, 2000-2005

Technology Transfer Activities	Total 2000-2005	2006-2010 (goal)
Patents Issued	197	240
Active Licenses (Total)	150	180
Active Licenses (MT Companies)	83	110
Percent Licenses w/ MT Companies	55%	59%
License/Patent Revenues	\$527,484	\$1,900,000
Reimbursed Patent Costs from Licenses	\$731,595	\$2,000,000

source: MUS Institutional Reports

License/patent revenues are cumulative gross revenues during period, but do not include reimbursed patent costs. Reimbursed patent costs are licensee payments to cover direct costs by the institution for filing & maintaining patents.

Goal III: Improve institutional and system efficiency and effectiveness.

The Montana University System is an almost \$1 billion per year enterprise providing employment for about 7,000 Montanans. Clearly, in any enterprise of this size there will be some inefficiencies and imperfections. The university system realizes, however, that unless it does everything reasonably possible to be effective with its current resources it cannot credibly ask for much-needed higher levels of sustained funding and support. Even though General Fund appropriations comprise only about 15% of total university system revenues, the taxpayers still contribute about \$150 million per year ('06 biennium) and have a right to demand accountability for this spending. Our students, who bear an increasing portion of the cost of their public education, also deserve a system that provides a high quality education as efficiently as possible and allows them to have reasonable portability among the institutions in the system.

A critical ingredient of accountability is being able to accurately measure changes in the system and progress toward long-term goals. This includes the ability to measure student success and financial efficiency. While the individual campuses have extensive data, the Commissioner and Regents have very little quality system-wide data, which in turn makes it hard to track system-wide changes or progress. What data do exist are usually compiled manually from information provided by the respective campuses. It is difficult to track system performance and nearly impossible to evaluate time series data. The problem only worsens with the adoption of this strategic plan that, if it is to be credible, requires tracking progress toward meaningful long-term performance goals.

Strategic initiatives we will undertake to achieve this goal

- Implement a student transferability and data initiative beginning in 2006 and continuing through the 2008-09 biennium to improve student credit transferability among institutions.
- Create and maintain an integrated student data system.
- Complete a major revision of the MUS funding allocation model by the end of 2006.
- Maintain the proportion of spending for instruction, academic support, and student services (aggregated) above 70% of total expenditures.

Note: One-Time-Only Requests for the 2008-09 biennium that have not yet been approved by the Executive Budget Office or the Board of Regents are not included.

Goal III (1): Improve the accuracy, consistency and accessibility of system data, including the continued development of a comprehensive data warehouse.

Background

Good policy begins with good information. Policymakers, inside and outside the university system, need to have reliable data that will provide an accurate picture of performance and conditions in their state.

Student information can be particularly complicated. Without comprehensive, Montana-specific data it is difficult to determine which citizens are being precluded from a postsecondary education, or are not successful in completing a postsecondary education. Current information about Montana’s postsecondary education “continuum” is not readily available or routinely reported. Montana lacks a student unit record system to track students throughout their educational careers and data are not consistently disaggregated to allow an analysis of the participation and performance of sub-groups such as low-income or minority students. This makes targeting high-need segments of the Montana population difficult. The University System must be poised to be able to combine the records from the Office of Public Instruction’s Education Data Warehouse and Student Level Record System project with higher education student records. This is the only way we will be able to evaluate the effectiveness of Montana’s entire P-20 education system.

The current standard reports from the MUS Student Data Warehouse focus on enrollment—at either the census date (third week) or end of term. From that data we are able to know the enrollment, residency status, country and county of origin, age, race, and other general demographic information regarding the MUS student population. In order for us to do a meaningful assessment of system student achievement, we will also need to be able to determine accurately (and readily) student data such as entering test scores, remedial course work, GPA, student progress, matriculation, retention, and completions. These data are captured in the campuses’ student data warehouses, but is not easily accessible from the system data warehouse.

The MUS at least has a student data warehouse, albeit one that needs improvements. Data related to finance (budgets, revenues, expenses, accounting), payroll, and financial aid are available only through the campuses’ systems and are not available in a central, electronically accessible location. These additional data elements (finance, HR, and financial aid) are critical pieces of performance evaluation and accountability measures.

How we will measure our progress:

Goals for 2006-07:

- Establish position for an institutional information and research professional at OCHE to provide leadership for system-wide data issues.
- Enhance/expand OCHE reporting capabilities using the MUS student data warehouse, to include a systematic means for tracking students, measuring student success, and addressing transferability issues.
- Expand OCHE's student data warehouse to encompass all public, postsecondary enrollments in Montana, including student records from the community colleges.
- Develop linkages between K-12, postsecondary, and labor information in order to produce a method for annually tracking student cohorts from high school to college to the workforce.
- Design and implement financial, human resource, and financial aid components of OCHE's data warehouse.

Goal III (2): Deliver efficient and coordinated services.

Background

In order for the university system to maintain credibility and continually improve its ability to serve the citizens of this state it must be efficient in the use of its resources. But measuring efficiency in higher education can be difficult. Typical business-like measures of increasing through-put and “profit center” accounting can have significant and deleterious effects on quality. Yet, the taxpayers and our students deserve accountability for the way in which we spend their money.

One reasonable measure of financial accountability is how much it costs to educate a student over time and relative to our peer institutions. While these are certainly imperfect measures of efficiency, the Montana University System needs to evaluate its costs relative to other institutions that have missions similar to our own. The system must also be diligent in ensuring that it allocates the resources it does have in a way that remains focused on its primary missions. A common criticism of all public education, higher education and K-12, is that too much money is spent on overhead or administration and not enough for student education. True or not, this issue demands that higher education evaluate constantly and communicate effectively the manner in which it allocates and uses its resources.

Another measure of efficiency is how well the university system is coordinating among its various campuses. A good measure of this is how effectively students can move between these campuses. Montana has eight university system campuses, three community colleges, and seven tribal colleges located throughout the state. It is important to maintain these campuses because we have a geographically large state and proximity of a postsecondary institution correlates positively with participation in higher education. A consequence of this is, however, that we have a number of relatively small institutions that cannot possibly offer all the training and education that every student at that campus requires. In our state more than 60% of bachelor degree graduates have transferred between institutions at least once.

Of course, student transfers often involve a change of major or other personal choices that can make previous coursework bear relatively little relationship to the new course of study. However, students and parents do have the right to expect that similar courses at the various campuses within the system are given similar recognition across the state. Transferability indicates the ease with which students’ previous courses move between institutions and are applied to new requirements of a new institution. It is a key measure of how well our campuses are operating efficiently as a system for the benefit of our students.

1) Expenditures per student relative to peer institutions and history.

Table 3.2.1(a)

Expenditures per Student FTE
4-year, Public Institutions

PEPB Peer States	2001-02	2002-03	2003-04	2004-05	2006-07 (est.)	2009-10 (goal)
Colorado	\$8,427	\$8,142	\$8,116	\$8,214		
Idaho	11,080	10,524	10,647	11,433		
Minnesota	13,570	13,535	13,334	13,169		
Montana	8,306	8,745	9,151	9,570	\$10,253	\$11,726
North Dakota	9,453	9,670	9,697	11,000		
Oregon	11,889	11,733	11,925	12,484		
South Dakota	8,569	8,739	8,981	9,630		
Utah	9,660	9,314	10,047	10,626		
Washington	13,432	13,361	13,308	13,940		
Wyoming	13,464	14,555	14,979	15,375		
PEPB States (avg.)	\$10,785	\$10,832	\$11,018	\$11,510		

source: IPEDS Finance Survey

Note: Expenditures represent funds derived from state and local appropriations, as well as tuition and fees. 2004-05 data for CO & WY were not available on 5/4/06, as a result, they are estimates based on the 2005 SHEEO SHEF report and 3-year weighted averages.

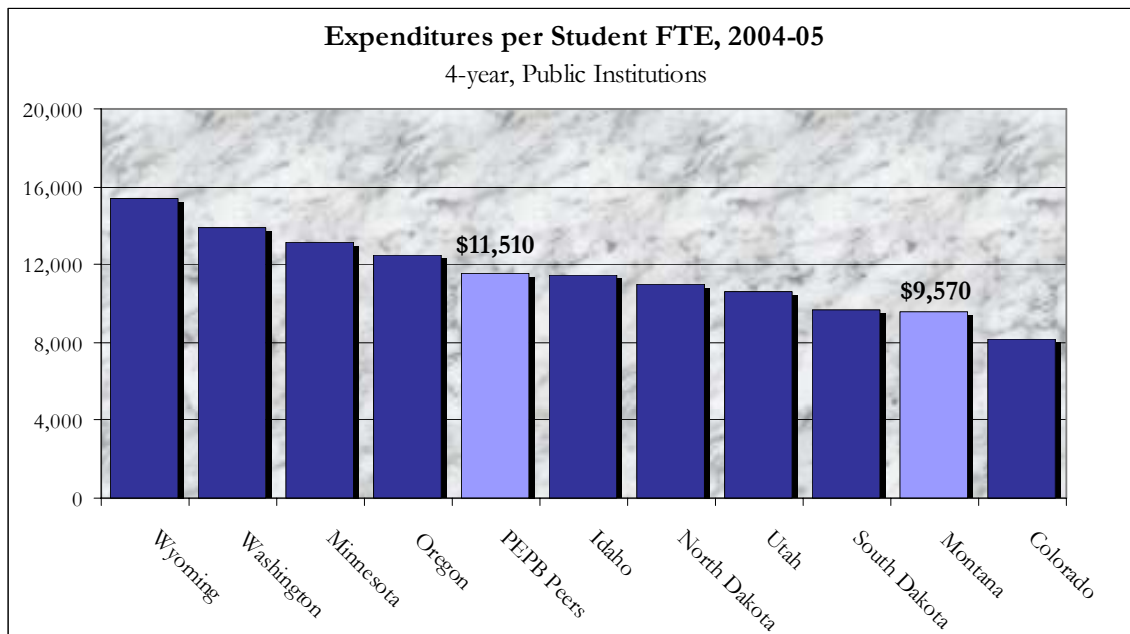


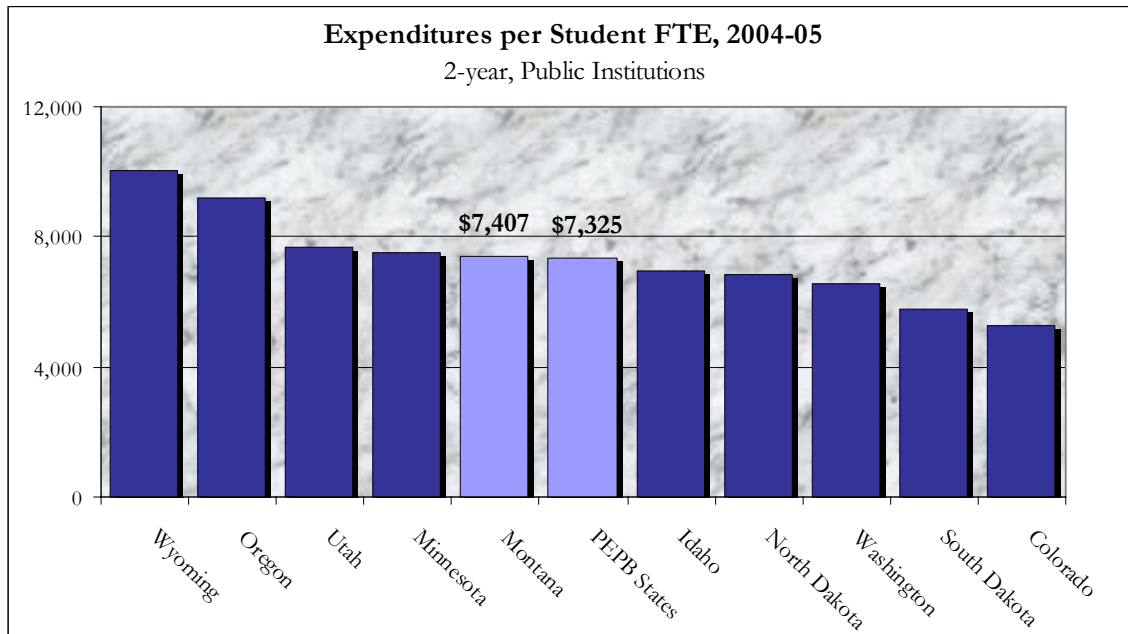
Table 3.2.1(b)

Expenditures per Student FTE
2-year, Public Institutions

PEPB Peer States	2001-02	2002-03	2003-04	2004-05	2006-07 (est.)	2009-10 (goal)		
Colorado	\$5,677	\$5,038	\$5,186	\$5,248				
Idaho	8,372	6,853	6,782	6,966				
Minnesota	8,312	7,907	7,613	7,502				
Montana	7,057	6,752	7,038	7,407			\$7,145	\$7,125
North Dakota	6,428	6,726	6,598	6,839				
Oregon	9,260	7,624	10,466	9,203				
South Dakota	5,226	5,335	5,417	5,782				
Utah	7,092	7,013	7,370	7,676				
Washington	6,774	6,847	6,261	6,563				
Wyoming	9,521	9,790	9,297	10,061				
PEPB States (avg.)	7,372	6,989	7,203	7,325				

source: IPEDS Finance Survey

Note: Expenditures represent state and local appropriations, as well as tuition and fees; MT totals include: MSU-GF, UM-Helena, MCC, DCC, & FVCC; MT-TECH-COT, UM-Missoula-COT & MSU-Billings-COT IPEDS financial information is included with the 4-year institutions; 2004-05 data for CO were not available on 5/4/06, as a result an



2) Percentage of expenditures in instruction, research, public service, academic support, student services, institutional support, plant operation and maintenance, and scholarships.

Table 3.2.2

MUS Expenditures by Category

Expenditure Categories	1985	1995	2005
Instruction	53%	54%	52%
Research	1%	1%	1%
Public Service	0%	1%	1%
Academic Support	11%	11%	12%
Student Services	9%	9%	7%
Institutional Support	10%	9%	9%
Operation of Plant	13%	12%	12%
Scholarships/Fellowships/Waivers	2%	4%	7%

source: OCHE Operating Budgets

2010 Goal: Instruction + Academic Support + Student Services remains above 70%

3) Improve articulation and transferability among all 2-year and 4- year institutions, including community colleges and tribal colleges.

The following objectives for transferability were adopted at the March 2006 meeting of the Board of Regents

- Facilitate the transfer process for students who start at a 2-year institution and decide to continue their education at a 4-year institution.
- Develop multiple pathways that transfer students can follow to complete their postsecondary educational plans. Those pathways may include course equivalency guides, articulation agreements, common learning outcomes, common coursework or course content, “block” transfers, and other creative options.
- Reduce the number of credits that transfer students need to complete so that the number is as close to the total number of credits required to earn a degree as possible. (i.e. 60-72 credits for an associate degree and 120-128 for a baccalaureate degree, depending on the degree program.)
- Develop policies and procedures that clarify and simplify the transfer process; and provide complete and comprehensive transfer information for students in the Montana University System.

By the end of 2006, we will develop specific measurement goals for 2007-2010 in the following areas:

- Percent of students earning “transfer” associate degrees* who transfer to a MUS 4-year institution in the semester immediately following graduation.
- Percent of students earning "transfer" associate degrees* who transfer to a 4-year MUS institution in the semester immediately following graduation and graduate from college with a Bachelor's degree within three years of transferring.
- Credits to Degree: comparison of total credits earned by transfer students at the time of graduation to the average number earned by non-transfer students.

*Associate of Arts, Associate of Science, & Associate of Business

Goal III (3): Biennial review/update of the budget allocation model consistent with state and system policy goals and objectives.

Background

The Montana Legislature allocates the vast majority of funding for our education units in a “lump sum” that is then allocated by the Regents to the individual institutions within the system. How these funds are allocated is central to every strategic objective of the Board. The current allocation model is more than a decade old and is, at best, complicated and difficult to understand. In order to achieve the goals and objectives in this strategic plan, the basic funding allocation model must be significantly revised. To be an effective tool for achieving our strategic goals, the new allocation model should, at a minimum:

- Focus on financing for the state system, not only funding for the individual campuses;
- Be transparent as to the policy choices of the Regents, Legislature, and executive branch;
- Provide a framework for dealing with allocations to institutions, tuition revenues, financial aid, and mandatory fee waivers;
- Have a specific fund dedicated to furthering Regents’ priorities;
- Reward institutions for aggressively seeking revenues from sources other than students and the state;
- Protect institutional viability by moderating the short-term effects of enrollment changes;
- Provide incentives for institutions to collaborate as a system;
- Ensure equity of funding among all institutions;
- Maintain an adequate base of funding and education quality for all institutions;
- Maintain a differential between 2-year and 4-year tuition.

How we will measure our progress:

The new allocation model will be completed and in use for allocating funds throughout the university system in the 2008-2009 biennium.

**Title of the Deans
of
UM-Helena College of Technology
and
MSU-Great Falls College of Technology**

Two options available to the Board:

1. Accept the Commissioner's recommendation to maintain the current titles, Dean/CEO. If so, mention individual or collective preferences as to whether CEO stands for Campus Executive Officer or Chief Executive Officer. That choice also has different proponents. If the title of "Dean" is maintained, the Commissioner would support "chief executive officer" because it is the best-known meaning of the acronym CEO. It signifies that the individual is "chief" on that campus, not necessarily that the individual reports directly to a governing board.

2. Change the two titles to Chancellor, either through a motion, or by directing the Commissioner to do so through the authority of the two presidents to whom they report directly. This will require minor changes in various policies.

THE UNIVERSITY OF MONTANA
AUDIT RECOMMENDATIONS AND ACTION PLAN
 LAD - Performance Audit of NRCSP

06/27/06

Recommendation Number	Individual Responsible	Action Number	Action	Implementation Date	Completion Date	Status
1	WE RECOMMEND THE UNIVERSITY OF MONTANA REVISE PROCEDURES TO ENSURE DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST IN SPONSORED RESEARCH ARE PROPERLY DOCUMENTED BY:					
	A. REVISING CONFLICT OF INTEREST CERTIFICATION STATEMENTS/QUESTIONS ON PROPOSAL CLEARANCE DOCUMENTS; AND					
	B. REQUIRING DOCUMENTED CONFLICT MANAGEMENT PLANS PRIOR TO PROPOSAL CLEARANCE.					
	Carlson	1	Review and revise checklist form and procedures to ensure applicable COI disclosure.	1-Jul-06		
	Carlson	2	Where a potential COI exist, revise procedures to ensure receipt of a conflict management plan prior to proposal submission.		1-Jul-06	
	Denker/ Gannon	3	Develop and institute training for University employees on COI policies.	1-Oct-06		
2	WE RECOMMEND THE UNIVERSITY OF MONTANA REVISE PROCEDURES TO ENSURE RESEARCH ACTIVITIES INVOLVING MEMBERS OF STAFF WITHIN THE OFFICE OF THE VICE PRESIDENT FOR RESEARCH AND DEVELOPMENT ARE SUBJECT TO INDEPENDENT REVIEW OF POTENTIAL CONFLICT OF INTEREST.					
	Aronofsky/ Dwyer/ Gannon	1	Revise Personnel Policy # 410 - Conflict of Interest to clarify that the President is the ultimate arbiter for issues involving the Vice President for Research and staff within the office.		1-Jul-06	
	Denker/ Gannon	2	Develop and implement a standardized reporting form for outside consulting, compensation, and conflict of interest.	1-Jul-06		
	Denker/ Gannon	3	Incorporate form into campus training.	1-Oct-06		

3 WE RECOMMEND THE UNIVERSITY OF MONTANA DEVELOP PROCEDURES TO ENSURE COMPLIANCE WITH LOBBYING DISCLOSURE REQUIREMENTS FOR ALL PRIVATE SECTOR LOWER-TIER SUBRECIPIENTS RECEIVING FEDERAL FUNDS IN EXCESS OF \$100,000.

Carlson 1 Revise subcontract pro forma documents and subrecipient monitoring procedures to ensure appropriate lobbying disclosure. 1-Sep-06

Carlson 2 Develop and implement procedures that obtain annual certifications/disclosures from subrecipients attesting to compliance with applicable regulations. 1-Sep-06

4 WE RECOMMEND THE UNIVERSITY OF MONTANA MODIFY PROCEDURES TO ENSURE GRANTOR AGENCY APPROVAL OF SUBCONTRACTS IS VERIFIED AND DOCUMENTED PRIOR TO PAYMENT OF SUBCONTRACT COST.

Carlson 1 Modify existing subcontract templates and clarify procedures to ensure applicable approvals prior to making payments to subrecipients. 1-Sep-06

5 WE RECOMMEND THE UNIVERSITY OF MONTANA REVISE SUBRECIPIENT MONITORING PROCEDURES FOR NONGOVERNMENTAL ENTITIES TO OBTAIN ASSURANCE OF COMPLIANCE WITH APPLICABLE PROCUREMENT STANDARDS.

Carlson 1 Modify existing subcontract templates and obtain annual certifications/disclosures from subrecipients attesting to compliance with applicable regulations. 1-Sep-06

Aronofsky - D. Aronofsky, University Legal Counsel
Carlson - C. Carlson, Associate Vice President for Research and Sponsored Programs
Denker - C. Denker, Associate Legal Counsel/Research Compliance Officer
Dwyer - D. Dwyer, Vice President for Research and Economic Development
Gannon - R. Gannon, Director, Human Resource Services

UM Internal Audit
NRCSP Performance Audit Action Plan
kab:6/19/06

Distance Learning Tuition and Excess Capacity

It was recently brought to our attention that some campus tuition matrices related to State-supported Distance Learning courses have not been approved by the Board of Regents. As we began our review and study of this issue, a number of questions and/or concerns were raised. At this point in time, we have not gathered sufficient information on which to make a recommendation, but we felt it was important for the Board to be aware of this issue. A more complete study of the various questions/concerns presented below, as well as recommended action, will be brought to the Board at the September 2006 meeting. Tom Gibson, OCHE Director of Distance Learning, will be leading this study, with support from OCHE Fiscal staff.

Questions/Concerns re: State-supported Distance Learning needing additional information and study:

1. In 2003, the Board of Regents allowed campuses to charge non-resident students a minimum tuition rate of 150% of resident tuition, based on discussions of excess capacity, cost of delivery, and similar charges in the marketplace.
 - Should the calculation of the cost of delivery of a State-supported Distance Learning course be any different from that used for a traditionally delivered course?
 - Are we using State funds to subsidize non-resident Distance Learning students, when utilizing this approach?
 - How do we determine excess capacity in a Distance Learning environment, or should excess capacity even be a consideration?
2. Do all units of the MUS follow a similar policy re: the setting of Distance Learning tuition rates?
3. Why were the tuition matrices for State-supported Distance Learning courses, which utilize resident and/or non-resident rates that are different than those used for on-site courses, not brought to the Board for approval with all other tuition matrices?
4. Has the use of the 150% non-resident tuition rate for State-supported Distance Learning courses proven to be successful in attracting non-resident students? If so, how many and what are the projections through 2009?
5. Are Distance Learning students in State-supported courses properly included in the calculation of student FTE's for each campus?
6. Is the revenue generated from State-supported Distance Learning courses properly recorded in the Current Unrestricted Fund?

CAMPUS REPORTS
Board of Regents Meeting
July 12-13, 2006
Kalispell, Montana

The University of Montana-Missoula
President G. M. Dennison

- The Howard Hughes Medical Institute, the nation's largest private supporter of science education, awarded a \$1.5 million grant written by biology professors **Bill Holben** and **Carol Brewer** to The University of Montana.
- Continuing Education at The University of Montana received a \$100,000 renewable grant from the Bernard Osher Foundation of San Francisco to establish an Osher Lifelong Learning Institute (OLLI) program at the Missoula campus.
- The Accrediting Council on Education in Journalism and Mass Communications unanimously renewed accreditation of The University of Montana School of Journalism in May.
- The first official student chapter of the Native American Journalists Association has been approved, and will serve as a resource for American Indian and other students in The University of Montana's School of Journalism.
- Acclaimed novelist **James Grady '72**, author of "Six Days of the Condor," which became a classic Robert Redford movie, will donate all profits from The University of Montana Foundation special sales of his new novel "Mad Dogs" to scholarships and general expenses.
- The U.S. Environmental Protection Agency has named The University of Montana as one of the Best Workplaces for Commuters among the nation's colleges and universities. Campuses on the list demonstrate environmental leadership by offering outstanding commuter benefits, meeting EPA's National Standard of Excellence.
- **Barry Good**, Vice President for Academic Affairs at West Virginia Northern Community College in Wheeling, West Virginia, has accepted a position as the new dean of The University of Montana's College of Technology; he will begin his new duties 3 July.
- The University of Montana Environmental Studies Program constructed a portable solar power system to help in rebuilding areas of the Lower Ninth Ward of New Orleans that were devastated by Hurricane Katrina. **Len Broberg**, director of the program, traveled to New Orleans in May to deliver the solar power system.
- Six University of Montana students, **Andrew Erickson**, **Hanna Richtner Ahlin**, **Katie Murphy**, **Mayo Osawa**, **Sara Seidel**, and **Nate Ranstrom**, recently received awards for their exceptional service on campus and in the community. The University of Montana's Office for Civic Engagement presented the awards at its annual Center for Leadership Development recognition ceremony.
- "Photosymbiosis and the Evolution of Modern Coral Reefs," an article by University of Montana paleontologist **George Stanley**, an expert on modern and ancient coral reefs, appeared in the 12 May issue of Science, one of the world's leading research journals.
- Projects by University of Montana Department of Radio-Television students and Associate Professor **Ray Ekness** were chosen as best in the nation at the Broadcast Education Association conference held in April in Las Vegas.
- University of Montana Department of Radio-Television students were among the national winners and finalists in competitions for the prestigious Society of Professional Journalists 2005 Mark of Excellence awards.

Montana State University-Billings
Chancellor Ronald P. Sexton, Ph. D.

- Montana State University-Billings has been included in the House Transportation, Treasury, Housing and Urban Development bill for a \$250,000 appropriation to move ahead with site planning and conceptualization of a West End Library and Information Center. The facility (approximated at about

25,000 sq. ft.) would be located at the COT and used as a new library, information center, etc. for students there, but would also be used by the city to help ease some of the burden presently placed on Parmly Library. This is a unique partnership between the city and the university to develop not only new library space for students at the COT, but also community space that is sorely needed in the west part of town.

- Sue Balter-Reitz, an Assistant Professor of Communications at MSU-B was among a host of discussion leaders for a special fundraising event for the Parmly Billings Library foundation. The event, *“Food for Thought: An Evening of Great Conversation”* is a fundraiser for Parmly Billings Library Foundation and, in particular, in memory of Bette Bohlinger, past board chair for the library foundation.
 - At MSU-B May 6, 2006 Commencement, four graduates honored as outstanding seniors. The four graduates are representative of the distinct demographics of the student body at MSU-Billings: an athlete, a scholar, a pianist and a world-traveling non-traditional student. The winners were Jacquelyn Weitz of Billings, Jenny Langford of Reed Point, Nadene Falagan of Roberts, and Paula Hawkey of Stanford.
 - Bruce Parker, Chairman of the MSU-B Foundation’s People, Pride and Promise Campaign for Excellence, announced to a sellout crowd at the Wine and Food Festival, that the campaign has raised \$23.1 million in gifts and pledges for the Montana State University-Billings.
 - Yellowstone Public Radio received a two-year grant from the Northwest Area Foundation to increase news coverage on poverty and its solutions. “We want to provide an opportunity for dialogue and input from our communities on this complex issue,” says YPR News Director Jackie Yamanaka.
 - MSU-Billings, College of Business students take top honors in the International Business Simulation competition. If your business is heading in the wrong direction, bad product and marketing decisions, having trouble keeping up with the competition, turn to MSU-B, College of Business and let three knowledgeable juniors, Sherry Murphy, Jacob Robison and Jason Harman share their experiences on development & research issues, finances, human resources and stress management.
 - MSU-Billings students in marketing and communication classes have created a marketing campaign designed to raise awareness of domestic violence. The campaign goals are to reduce violence through education, and to put survivors of violence in touch with support services available through Domestic and Sexual Violence Services of Carbon County (DSVS) and the YWCA Domestic Violence/Sexual Assault Program of Billings.
 - Center for Applied Economic Research Director Scott Richard and Senior Economist Ann Adair had their article “Economic and Fiscal Impacts of Montana’s Oil and Gas Industry” featured in the 2006 Treasure State Journal, the official publication of the Montana Petroleum Association.
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ITEM 132-1000-R0706; Staff; The University of Montana - Missoula							July 12-13, 2006	
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
(1) CHANGES IN RANK/TENURE, SALARY, RESPONSIBILITY:								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
NONE								
(B) ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Staub PhD	James	FR: Associate Provost, Academic Affairs, Professor, Chemistry TO: Associate Provost, Academic Affairs, Professor, Geology	108,760	108,760		6/1/2006 Change in Tenure Locus	T CU	0.00%
(C1) FACULTY; Professors								
Acker PhD	Robert	FR: Modern and Classical Languages and Literatures TO: Chair, Modern and Classical Languages and Literatures	62,343	76,058	3,600 DC/CU	8/1/2006 CF/SA	T CU FR: AY TO: FY	22.00%
Dietrich PhD	Paul	FR: Chair, Liberal Studies TO: Professor	63,169	63,169		8/23/2006 Remove Stipend	T CU	0.00%
Rabinovitch PhD	Judith	FR: Modern and Classical Languages and Literatures TO: (No Change)	82,374	82,374		5/20/2006 CF	T FR: LWOP TO: 1.0 CU	0.00%
Vanita PhD	Ruth	FR: Liberal Studies TO: Director/Professor, Liberal Studies	58,053	58,053	2,667 AD/CU	8/23/2006 SA/CF	T FR: .75 CU TO: 1.0 CU	0.00%
Walton PhD	Richard	FR: Philosophy TO: Chair, Professor, Philosophy	58,870	58,870	3,200 DC/CU	8/23/2006 SA	T FR: .75 CU TO: 1.0 CU	0.00%
(C3) FACULTY; Assistant Professors								
King-Ries JD	Andrew	FR: Lecturer, School of Law TO: Assistant Professor, School of Law	69,863	72,450		8/23/2006 P	FR: NT CU TO: P CU	3.70%

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Last	First							
TOTALS AND AVERAGE INCREASE			503,432	519,734				3.24%
(2) NEW POSITIONS AND REPLACEMENTS								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
NONE								
(B) ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Good PhD	Barry	Dean, College of Technology	96,031	95,000		7/1/2006 Vice Williamson	P CU	-1.07%
(C2) FACULTY; Associate Professors								
Quintero PhD	Gilbert	Associate Professor, Anthropology		53,000		8/23/2006 New	P CU	
(C3) FACULTY; Assistant Professors								
Breuner PhD	Creagh	Assistant Professor, Division of Biological Sciences	43,200	55,000		8/23/2006 Gugliermo	P CU .92 D .08	27.31%
Duwell PhD	Armond	Assistant Professor, Philosophy	62,964	50,000		8/23/2006 Townsend	P CU	-20.59%
Green PhD	Robert Hunter	Assistant Professor, History	56,107	48,000		8/23/2006 Skinner	P CU	-14.45%
Grimm PhD	Stephen	Assistant Professor, Philosophy		50,000		8/23/2006 New	P CU	
Harrar PhD	Solomon	Assistant Professor, Mathematical Sciences	69,105	64,000		8/23/2006 Gideon	P CU	-7.39%
Kozul PhD	Mladen	Assistant Professor, Modern & Classical Languages & Literatures	61,071	51,000		8/23/2006 Minier	P CU	-16.49%
Marko PhD	Marton M.	Assistant Professor, Modern & Classical Languages & Literatures	65,753	47,000		8/23/2006 McCormick	P CU	-28.52%
Stark MFA	Wendy	Assistant Professor, Drama/Dance	66,329	45,000		8/23/2006 Milodragovich	P CU	-32.16%
(C4) FACULTY; Instructors								
Boisseron	Benedicte Marie Madeleine	Instructor, Modern and Classical Languages and Literatures	44,000	45,000		08/23/2006 Aitel	P CU	2.27%

ITEM 132-1000-R0706; Staff; The University of Montana - Missoula							July 12-13, 2006	
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Last	First							
Shinn BA	Naomi L.	Instructor, Modern and Classical Languages and Literatures	61,380	42,000		8/23/2006 Beltramo	P CU	-31.57%
(C5) FACULTY; Lecturers								
Brennan JD	Elizabeth A.	Adjunct Lecturer, School of Law		55,000		8/23/2006 New	NT CU	
Noe MA	Kelly Dawn	Lecturer, Modern and Classical Languages and Literatures		33,000		8/23/2006 New	NT CU	
Willey JD	Charles W.	Adjunct Lecturer, School of Law		55,000		8/23/2006 New	NT CU	
(3) END OF EMPLOYMENT								
ACADEMIC AND NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Sheski EdD	Harry	Associate Dean, College of Technology				5/19/2006	P	
White	Janet	Assistant Director Operations, Adams Center				5/12/2006	NT	
(A1) FACULTY; Professors								
Adeleke PhD	Tunde	Director, Affrican American Studies, History				7/28/2006	T	
Jenne PhD	Stanley	Chair/Professor, School of Business Administration				6/15/2006	T	
Knowles BA	William	Professor, School of Journalism				6/20/2006	T	
McCormick PhD	Dennis	Professor, Modern and Classical Languages and Literatures				6/23/2006	T	
Milner PhD	Kelsey	Professor, College of Forestry and Conservation				5/13/2006	T	
Skinner PhD	Frederick	Professor, History				5/13/2006	T	
(A2) FACULTY; Associate Professors								
Johnston PhD	Craig	Associate Professor, Pharmaceutical Sciences				5/15/2006	T	
(A3) FACULTY; Assistant Professors								
McLure MLS	Merinda	Assistant Professor, Library Sciences				5/5/2006	P	

ITEM 132-1000-R0706; Staff; The University of Montana - Missoula							July 12-13, 2006		
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Last	First								
Meissner PhD	Brian	Assistant Professor, Pharmacy Practice				5/14/2006	P		
(A3) FACULTY; Instructors									
Johnson	Deborah	Adjunct Research Instructor, Mathematical Sciences				6/30/2006	NT		
LaCasse BS	Allen	Level II, Radiologic Technology, College of Technology				6/30/2006	NT		
(C) POST RETIREMENT CONTRACTS									
Knowles BA	William	School of Journalism		18,923		8/30/2006	NT .33		
Kriley PhD	James	Media Arts Program		26,642		8/23/2006	NT .33		
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance		FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other		TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary		STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties		EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)	
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.									

ITEM 132-1500-R0706; Montana Tech of The University of Montana										July 12-13, 2006		
I. NEW HIRES												
A. Administrators/Professionals/Coaches												
NAME (Last, First)	RANK	DEPT	SALARY BASE (Based on 1.0 FTE, FY unless noted)	STIPEND	FTE	(N)ew or (R)eplacem ent	DATE OF HIRE	SPECIAL CONDITIONS				
NONE												
B. Faculty												
Ackerman, A. Frank	Associate Professor	Computer Science	\$60,000		1.0	R	8/16/2006					
Cox, Leif	Assistant Professor	Geophys Eng	\$52,000		1.0	R	8/16/2007					
C. Faculty Research												
Morrison, John	Associate Research Professor	General Engineer	\$71,759			N	5/16/06-8/15/06					
Wahl, Neil	Research Professor	Electrical Engineer	\$97,567			N	5/16/06-8/15/06					
C. Post-Retirement												
NAME (Last, First)	TITLE/ RANK	DEPT	SALARY (Based on .33FTE) (AY unless noted)			TERM OF HIRE						
None												
II. CHANGES												
A. Administrators/Professionals/Coaches												
NAME (Last, First)	TITLE		DEPARTMENT		SALARY BASE (Based on 1.0 FTE, FY unless noted)		STIPEND		% CHANGE	Actual FTE	EFFECTIVE Date if temp	Reason
	From:	To:	From:	To:	From:	To:	From:	To:				
NONE												
B. Faculty												
Apple, Martha	Assistant Professor	Associate Professor	Biological Sciences	Biological Sciences	\$43,000	\$47,000			9.30%		8/16/2006	P
Edwards, Lance J.	Assistant Professor	Associate Professor	Business & Info Technology	Business & Info Technology	\$47,500	\$51,500			8.42%		8/16/2006	P
Jenson, Roger	Associate Professor	Professor	Safety Health & Industrial Hygiene	Safety Health & Industrial Hygiene	\$52,943	\$58,943			11.33%		8/16/2006	P

ITEM 132-1500-R0706; Montana Tech of The University of Montana										July 12-13, 2006		
Kasinath, Rajendra K.	Research Scholar	Assistant Professor	Environ Engineering	Environ Engineering	\$60,000	\$60,000			0.00%	1.0	8/16/2006	CL
Parker, Stephen	Assistant Professor	Associate Professor	Chemistry	Chemistry	\$45,285	\$49,285			8.83%		8/16/2006	P
TOTALS					248,721	266,721			7.24%			
III. End of Employment / Leaves (Report only non-renewals per 711.1 and Leaves of Absence)												
A. Administrators/Professionals/Coaches												
NAME (Last, First)		TITLE	DEPT	EFFECTIVE DATE					REASON (If Leave of Absence)			
NONE												
B. Faculty												
Boroni, Christopher		Assistant Professor	Computer Science	5/17/2006								
Gentile, Andrew		Instructor/ Lab Director	General Engineering	5/31/2006								
Glassy, Louis		Assistant Professor	Computer Science	5/17/2006								
Grinder, Michael		Assistant Professor	Computer Science	5/17/2006								
Hayajneh, Yaseen		Assistant Professor	Health Care Informatics	5/17/2006								
Holland, Shannon		Assistant Professor	Nursing	5/17/2006								
NT = Nontenurable P = Probationary T = Tenured												
SALARY ADJUSTMENTS:												
P = Promotion L = Lump Sum Bonus M = Merit R = Retention N = Normal O = Other/Specify												
EXTRA COMPENSATION:												
T = Teaching R = Research G = Grant Administration O = Other (provide brief explanation)												
*IMPORTANT NOTE: Additional Comp is reported annually in September												

I. CHANGES

A. Faculty (N Increases per 12.124 of the current UM-Western CBA)

NAME (Last, First)	RANK		DEPARTMENT		SALARY BASE (Based on 1.0 FTE/AY unless noted)		STIPEND		% CHANGI	ACTUA L FTE	EFFECTIV E (Indicate and date i temp)	REAS ON	ADDITION AL COMF Prior FY/AY* Amount	Reason	TENURE	
	From:	To:	From:	To:	From:	To:	From:	To:							From:	To:
Bonnin, Jeri W.	Asst Prof	Assoc Prof	Music		43,756	46,067			5.28%	1	8/1/2006	N/P			P	
Eudaily, Sean P.	Asst Prof	Assoc Prof	Poli Science		40,070	42,381			5.77%	1	8/1/2006	N/P			P	
Francisconi, Michael J.	Assoc Prof	Professor	Anthro/Soc iology		44,447	47,549			6.98%	1	8/1/2006	N/P			T	
Gilliard, Jennifer L.	Assoc Prof	Professor	Education		44,872	47,974			6.91%	1	8/1/2006	N/P			P	
Moore, Rita A.	Assoc Prof/Interim Dean		Education		48,739	48,739			0.00%	1	8/1/2006				P	T
Morrow, Michael W.	Asst Prof	Assoc Prof	Biology		45,000	47,311			5.14%	1	8/1/2006	N/P			P	
Nurhaidarov, Ermek S.	Asst Prof	Assoc Prof	Math		39,615	41,926			5.83%	1	8/1/2006	N/P			P	
Quist, Charlotte F.	Asst Prof	Assoc Prof	Equine Sci		39,615	41,926			5.83%	1	8/1/2006	N/P			P	
Xanthopoulos, John A.	Assoc Prof	Professor	Education		44,872	47,974			6.91%	1	8/1/2006	N/P			P	
TOTALS					390,980	411,841			5.34%							

LEGEND

TENURE:

- NT = Nontenurable
- P = Probationary
- T = Tenured

SALARY ADJUSTMENTS:

- P = Promotion
- L = Lump Sum Bonus
- M = Merit
- R = Retention
- N = Normal
- O = Other/Specify

EXTRA COMPENSATION:

- T = Teaching
- R = Research
- G = Grant Administration
- O = Other (provide brief explanation)

ITEM 132-1900-R0706 - Staff; The University of Montana - Helena College of Technology	July 12-13, 2006
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I. NEW HIRES**A. Administrators/Professionals/Coaches**

NAME (Last, First)	RANK	DEPT	SALARY BASE (Based on 1.0 FTE, FY unless noted)	STIPEND	FTE	(N)ew or (R)eplacement	DATE OF HIRE	SPECIAL CONDITIONS
NONE								

B. Faculty

None

C. Post-Retirement

NAME (Last, First)	TITLE/RANK	DEPT	SALARY (Based on .33FTE) (AY unless noted)	TERM OF HIRE
None				

II. CHANGES**A. Administrators/Professionals/Coaches**

NAME (Last, First)	TITLE		DEPARTMENT		SALARY BASE (Based on 1.0 FTE, FY unless noted)		STIPEND		% CHANGE	ACTUAL FTE	EFFECTIVE Indicate enc date if temp)	REASON
	From:	To:	From:	To:	From:	To:						
NONE												

B. Faculty (N Increases in accordance with negotiated CBA)

ARRINGTON, Elaine B.	Instructor		General Education		41,259	42,703			3.50%	1.00	10/1/2005	N
BLOCK, Jeffrey T.	Instructor		Electronic Tech		33,525	34,663			3.39%	1.00	10/1/2005	N
BROCKBANK, Kevin C.	Instructor/Dept Chair		Office Tech/Trades		35,152	36,347			3.40%	1.00	10/1/2005	N
BROWN, Patricia	Instructor		Nursing		34,977	36,201			3.50%	1.00	10/1/2005	N
CAMERON, Audrey	Instructor		General Education		42,209	43,634			3.38%	1.00	10/1/2005	N
COON, Emmett B.	Instructor		Electronic Tech		34,625	35,802			3.40%	1.00	10/1/2005	N

ITEM 132-1900-R0706 - Staff; The University of Montana - Helena College of Technology										July 12-13, 2006		
CRONIN, Gary M.	Instructor/ Dept Chair		General Education		40,709	42,134			3.50%	1.00	10/1/2005	N
DAVIS, Thomas C.	Instructor		Diesel Tech		31,475	32,577			3.50%	1.00	10/1/2005	N
DUFF, Gary N.	Instructor		Construct Tech		31,975	33,094			3.50%	1.00	10/1/2005	N
FILLIATER, Tamatha S.	Instructor		General Education		35,427	36,632			3.40%	1.00	10/1/2005	N
GITTINGS, Megan M.	Instructor		Nursing		18,351	18,958			3.31%	0.50	10/1/2005	N
JONES, David S.	Instructor		Auto Tech		37,577	38,857			3.41%	1.00	10/1/2005	N
KELLY, Harold D.	Instructor		Construct Tech		35,075	36,233			3.30%	1.00	10/1/2005	N
KNEEBONE, David W.	Instructor/De partment Chair		Fire and Rescue		33,475	34,577			3.29%	1.00	10/1/2005	N
OLSEN, Pamela A.	Instructor		General Education		42,759	44,203			3.38%	1.00	10/1/2005	N
PESCOSOLIDO , Candace M.	Instructor		Nursing		36,752	38,003			3.40%	1.00	10/1/2005	N
RINEHART, Ralph M.	Instructor		Diesel Tech		45,109	46,688			3.50%	1.00	10/1/2005	N
SCHLAUCH, Steven A.	Instructor		Automotive Tech		48,405	50,099			3.50%	1.00	10/1/2005	N
SCHNEIDER, Joan	Instructor/ Department Chair		Office Tech		37,852	39,142			3.41%	1.00	10/1/2005	N
SHCHUCHINO V, Viktor M.	Instructor		General Education		43,034	44,488			3.38%	1.00	10/1/2005	N
SHROPSHIRE, Robin G.	Instructor		General Education		36,477	37,719			3.40%	1.00	10/1/2005	N
SMITH, Rena H.	Instructor		Aviation Tech		33,525	34,663			3.39%	1.00	10/1/2005	N
STEINWAND, Bryon T.	Instructor		Computer Tech		33,700	34,810			3.29%	1.00	10/1/2005	N

ITEM 132-1900-R0706 - Staff; The University of Montana - Helena College of Technology										July 12-13, 2006		
TYHURST, Patricia L.	Instructor		Office Tech		34,977	36,201			3.50%	1.00	10/1/2005	N
VETTER, Brent E.	Instructor		Aviation Tech		32,525	33,663			3.50%	1.00	10/1/2005	N
WARNER, Arthur	Instructor		Machine Tool Tech		37,952	39,280			3.50%	1.00	10/1/2005	N
WENGER, James J.	Instructor		Welding Tech		35,330	36,567			3.50%	1.00	10/1/2005	N
WHITAKER, Lon A.	Instructor		Acct & Business Tech		33,200	34,292			3.29%	1.00	10/1/2005	N
WILLIAMS, Karmen R.	Instructor		Nursing		36,027	37,288			3.50%	1.00	10/1/2005	N
YAHVAH, Barbara J.	Instructor		Acct & Business Tech		46,490	48,117			3.50%	1.00	10/1/2005	N
YAW, Robert A.	Instructor		Electronic Tech		37,127	38,426			3.50%	1.00	10/1/2005	N
CEARTIN, Michael	Project Manager (Classified, Temporary, .75 FTE)	Instructor (Faculty, Temp)	Construct Tech		30,966	32,337			4.43%	1.00	8/21/2006	R
HARRIS, Timothy P.	Instructor (Temporary)	Instructor (Perm)	Welding Tech		31,975	33,094			3.50%	1.00	8/21/2006	R
JONES, David S.	Instructor (LEVEL II)	Instructor (LEVEL III)	Auto Tech		38,857	43,197			11.17%	1.00	7/1/2006	P
PESCOSOLIDO, Candace M.	Instructor (Non-Tenure)	Instructor (Tenure)	Nursing		38,038	38,038			0.00%	1.00	7/1/2006	T
TOTALS					1,276,881	1,322,721			3.59%			
III. End of Employment / Leaves (Report only non-renewals per 711.1 and Leaves of Absence)												
A. Administrators/Professionals/Coaches												
NAME (First, Last)		TITLE	DEPT	Effective DATE			REASON (If Leave of Absence)					
NONE												
B. Faculty												

ITEM 132-1900-R0706 - Staff; The University of Montana - Helena College of Technology						July 12-13, 2006		
NAME (Last, First)	RANK	DEPT	Effective DATE		REASON (If Leave of Absence)			
WENGER, James J.	Instructor	Welding Tech	5/13/2006					
LEGEND								
TENURE:								
	NT = Nontenurable							
	P = Probationary							
	T = Tenured							
SALARY ADJUSTMENTS:								
	P = Promotion							
	L = Lump Sum Bonus							
	M = Merit							
	R = Retention							
	N = Normal							
	O = Other/Specify							
EXTRA COMPENSATION:								
	T = Teaching							
	R = Research							
	G = Grant Administration							
	O = Other (provide brief explanation)							
*IMPORTANT NOTE: Additional Comp is reported annually in September								

ITEM 132-2000-R0706; Staff Montana State University- Bozeman							July 12-13, 2006	
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
(1) CHANGES IN RANK/TENURE, SALARY, RESPONSIBILITY:								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
NONE								
(B) FACULTY; Associate Professors								
Hunts PHD	Holly	FR: Associate Professor, Health & Human Development TO: (No Change)	49,672	49,672	*2,000 act HDCF 150 Course Dev	4/1/06 - 5/31/06	* CU T 1.0 FTE	0.00%
Peyton PHD	Brent	FR: Associate Professor, Chemical & Biological Engineering TO: (No Change)	82,000	82,000	*350 act Student Advising	4/1/06 - 4/30/06	P *CU 1.0 FTE	0.00%
Shaw PHD	Joseph	FR: Associate Professor, Electrical Engineering TO: (No Change)	78,252	78,252	*5,217 act Grant Work	5/15/06 - 8/15/06	P *R 1.0 FTE	0.00%
Swinford PHD	Steven	FR: Associate Professor, Sociology & Anthropology TO: (No Change)	48,118	48,118	*282 act Grant Work	4/6/06 - 4/25/06	T *R 1.0 FTE	0.00%
Taper PHD	Mark	FR: Associate Professor, Ecology TO: (No Change)	50,073	50,073	*1,669 act Grant Work	4/1/06 - 5/15/06	P *R 1.0 FTE	0.00%
(C) FACULTY; Assistant Professors								
Everts MS	Michael	FR: Assistant Professor, Architecture TO: (No Change)	46,410	46,410	*2,000 act NCARB prize	4/24/06 - 5/15/06	P *D 1.0 FTE	0.00%
Larson MS	Robb	FR: Assistant Professor, Mechanical Engineering TO: (No Change)	55,000	55,000	*2,444 act Grant Work	5/1/06 - 6/30/06	P *R CU	0.00%
TOTALS AND AVERAGE INCREASE			409,525	409,525				0.00%

ITEM 132-2000-R0706; Staff Montana State University- Bozeman							July 12-13, 2006			
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase		
Last	First									
(2) NEW POSITIONS AND REPLACEMENTS										
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS										
NONE										
(3) END OF EMPLOYMENT										
Chafey	Kathleen	Professor, Nursing				5/15/06	R			
Drenk	Dean	Associate Professor, College of Business				5/15/06	CU			
Lynes-Hayes	Patricia	Assistant Professor, Nursing				5/15/06	CU			
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance			FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other		TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary		STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties		EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)	
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.										

ITEM 132-2300-R0706; Staff Agricultural Experiment Station **July 12-13, 2006**

NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							

(1) CHANGES IN RANK/TENURE, SALARY, RESPONSIBILITY:

(A) FACULTY; Professors

Sherwood PHD	John	FR: Department Head, Plant Sciences TO: (No Change)	80,341	80,341	2,333	7/1/06 DC	T CU	0.00%
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TOTALS AND AVERAGE INCREASE			80,341	80,341				0.00%
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(2) POST RETIREMENT CONTRACTS

Morrill PHD	Wendell	Professor Emeritus, Land Resources & Enviro Sci	102,216	97,150		7/1/06	T CU 0.333 FTE	-4.96%
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<p>SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance</p>	<p>FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other</p>	<p>TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary</p>	<p>STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties</p>	<p>EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)</p>
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* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.

ITEM 132-2400-R0706; Staff Cooperative Extension Service **July 12-13, 2006**

NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							

(1) CHANGES IN RANK/TENURE, SALARY, RESPONSIBILITY:

(A) FACULTY; Professors

Bauder PHD	James	FR: Tillage Specialist, Land Resources & Environmental Science TO: (No Change)	77,703	77,703	*1,100/mo	Grant Work	T *R	0.00%
TOTALS AND AVERAGE INCREASE			77,703	77,703				0.00%

<p>SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance</p>	<p>FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other</p>	<p>TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary</p>	<p>STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties</p>	<p>EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)</p>
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* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.

ITEM 132-2700-R0706; Staff Montana State University - Billings							July 12-13, 2006	
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
(1) NEW POSITIONS AND REPLACEMENTS								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
NONE								
(B) ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Ward Martinez M.Ed.	Valerie	Associate Dean College of Technology	New	80,000		7/1/06	NT CU	
(C) FACULTY; Professors								
Blackwell Ed.D.	Terry	Professor Rehab & Human Services	54,309	74,344		8/22/06 Davis, Alan	P CU	36.89%
Buck Ph.D.	Eric	Assistant Professor English and Philosophy	60,530	38,500		8/22/06 Karnos, David	P CU	-36.40%
Duncan Ph.D.	Bryan	University Lecturer English and Philosophy	47,114	31,593		8/22/06 Gloege, Randall	NT, CU 0.5 FTE	-32.94%
Low M.A.	Christy	Assistant Professor Educ Theory and Practice	New	43,532		8/22/06	P CU	
Pfau B.S.	Katherine	Instructor Automotive Technology	31,146	31,402		8/22/06 Pfau, Katherine	NT CU	0.8%
Pierce M.Ed.	Richard	Instructor, General Educ/Related, College of Tech	36,383	36,619		8/22/06 Pierce, Richard	NT CU	0.6%
Quetchenbach Ph.D.	Bernard	Assistant Professor English and Philosophy	51,461	44,000		8/22/06 Utroske, Walter	P CU	-14.50%
Rasmussen M.S.	Robin	Instructor, College of Tech/Nursing Pathways	New	37,994		8/22/2006	NT CU	
Rust M.Ed.	Thomas	FR: University Lecturer, History TO: Asst Prof, History	32,160	39,306		8/22/06 Rust, Thomas	P CU	22.22%
Spang M.F.A.	Bently	Instructor Art	55,234	34,071		8/22/06 Cast, Brian	NT, CU 0.5 FTE	-38.32%
Weiss Ph.D.	David	Assistant Professor Communication and Theatre	New	50,000		8/22/06	P CU	
Womack M.Ed.	Karen	Instructor Related/General Education	36,098	36,344		8/22/06 Womack, Karen	NT CU	0.7%

ITEM 132-2700-R0706; Staff Montana State University - Billings							July 12-13, 2006			
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase		
Last	First									
Zoltowski M.F.A.	Lea	University Lecturer Art	New	31,086		8/22/06	NT CU			
(2) END OF EMPLOYMENT										
(A1) FACULTY; Professors										
Benacquista Ph.d.	Matthew	Professor, Biological and Physical Sciences				5/10/06	resignation			
(3) CORRECTIONS										
Biggs M.B.A.	Trisha	Instructor College of Tech/Human Resources	38,090	38,090		8/22/06 Biggs	NT CU 0.5 FTE	0.0%		
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance			FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other		TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary		STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties		EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)	
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.										

July 12-13, 2006

ITEM 132-2001-R0706 **Authorization to Execute an Access Agreement for the Placement of a Ground Water Monitoring Well on the Lutz Farm; Montana State University-Bozeman**

THAT: The Board of Regents of Higher Education authorizes Montana State University-Bozeman to execute an Access Agreement with Gallatin Local Water Quality District for the placement of a ground water monitoring well on the Lutz Farm.

EXPLANATION: The Gallatin Local Water Quality District, a joint project between Gallatin County and the Montana Bureau of Mines and Geology, seeks to place ground water monitoring wells in the Gallatin Valley for the purpose of collecting data on ground water conditions. The Gallatin Valley Local Water Quality District has requested the right to place a ground water monitoring well on the Lutz Farm located in Gallatin County. The Lutz Farm has been administered by the Agricultural Experiment Station Director. Currently, the property is leased to an agricultural lessee who has also agreed to the placement of the well.

The Access Agreement grants an easement to drill, construct, maintain and monitor the ground water monitoring well. The easement is established for ten years with a right to renew for an additional ten years upon agreement of the parties. At the termination of the agreement, the well will be abandoned or transferred to MSU.

MSU and the Director of the Agricultural Experiment Station support the placement of the well to allow the District to collect valuable information that will be of use to the Station and the other water users in the Gallatin Valley. The District will not pay fees for the easement but MSU can benefit from the monitoring information gathered by the District and will have the right to have the well transferred to it upon termination of the easement.

ITEM 132-2002-R0706

**Authorization of Supplemental Bond Indenture to
Change Auction Rate Periods; Montana State University**

THAT:

The Board of Regents of the Montana University System adopts an authorizing resolution to amend the bond indenture relative to the Series G 2003 Facilities Refunding Revenue Bonds and Series J 2005 Facilities Revenue Bonds for Montana State University, and authorizes Montana State University and the Commissioner of Higher Education to proceed with changing the Auction Rate Period for either or both of these bond series between 35-days, 28-days and 7-days from time to time to employ the most advantageous period dependent upon market conditions.

EXPLANATION:

This action to delegate the administrative authority to change the Auction Rate Periods between 35-days, 28-days and 7-days will allow Montana State University to reduce interest costs on the previously authorized and outstanding two bond series in a combined amount estimated to be \$45,000 per year.

There are no additional legal, auction agent or broker-dealer costs for making such changes in Auction Rate Periods. There will be a minor one-time legal fee to prepare the associated Supplemental Resolution. Appropriate notice will be given with each such change to the bond trustee, bond insurer, rating agencies and other interested parties as has been previously set forth in the MSU bond indenture.

As the market for Auction Rate Securities has continued to mature, movement between 35-day, 28-day and 7-day Auction Rate Periods has become a common administrative practice among issuers; and, this practice has been positively accepted by investors. Bond Counsel has determined that this amendment of the outstanding MSU bond indenture is not prejudicial or materially adverse to the interests of the bondholders or of the Trustee.

ATTACHMENTS:

1. Resolution authorizing the Ninth Supplemental Indenture for Montana State University Facilities Revenue and Facilities Refunding Revenue Bonds, providing for administrative change between 35-day, 28-day and 7-day Auction Rate Periods for certain outstanding bond series.

ITEM 132-2002-R0706
Bond Resolution – page 1

STATE OF MONTANA)
 : ss
COUNTY OF LEWIS AND CLARK)

The Board of Regents of Higher Education for the State of Montana held a lawful and regular meeting of the Board at _____ in _____, Montana, on _____, July _____, 2006, beginning at the hour of 7:30 o'clock a.m.

There were present at said meeting the following:

Present:

 Chairman:

 Other Regents:

 Absent:

There were also present at said meeting: Central administrative officers of the Office of the Commissioner of Higher Education and administrative officers of Montana State University.

During said meeting, the following proceedings, among others, occurred:

The Regents introduced and considered and discussed the following resolution:

ITEM 132-2002-R0706 - MONTANA STATE UNIVERSITY

RESOLUTION
RELATING TO THE APPROVAL OF AN
AMENDMENT AND SUPPLEMENT
TO THE MASTER INDENTURE OF TRUST
FOR MONTANA STATE UNIVERSITY

A RESOLUTION PROVIDING FINAL APPROVAL AND AUTHORIZATION FOR A SUPPLEMENT AND AMENDMENTS TO THE MASTER REVENUE BOND INDENTURE OF TRUST FOR MONTANA STATE UNIVERSITY AND DELEGATING AUTHORITY TO THE UNIVERSITY AND THE COMMISSIONER TO CHANGE THE AUCTION RATE PERIOD FROM TIME TO TIME FOR MULTI-MODAL, VARIABLE INTEREST RATE BONDS ISSUED BY THE BOARD OF REGENTS OF HIGHER EDUCATION FOR THE STATE OF MONTANA FOR MONTANA STATE UNIVERSITY IN ORDER TO PERMIT THE UNIVERSITY TO ACHIEVE SAVINGS IN INTEREST COSTS BASED ON BOND MARKET INTEREST RATE CHANGES AND FLUCTUATIONS; AUTHORIZING, APPROVING AND DIRECTING THE EXECUTION OF A NINTH SUPPLEMENTAL INDENTURE TO EFFECT SUCH DELEGATION OF AUTHORITY AND PROVIDING FOR AN IMMEDIATE EFFECT DATE AND REPEALING ANY ACTIONS TAKEN BY THE BOARD AND THE UNIVERSITY IN CONNECTION THEREWITH.

WHEREAS, The Board of Regents of Higher Education for the State of Montana (the "Board") has been vested with the governance and control of, and has been granted full power, responsibility and authority to supervise, coordinate, manage and control, the Montana university system under Article X, Section 9 of the Constitution of the State of Montana, including, but not limited to, the power to issue, sell and deliver revenue bonds for the purpose of restructuring and/or refunding and defeasing bonds issued by the Board for institutions of higher education within the Montana University System and of financing the costs of acquisition, construction, renovation, improvement, furnishing and equipping of capital improvements, facilities and equipment for the use and benefit of institutions of higher education within the Montana University System, and to provide authorization for the use and application of the proceeds of such revenue bonds and certain funds and monies of the institutions for such purposes; and

WHEREAS, in the exercise of its constitutional powers, the Board has, by various actions taken by the Board, heretofore made provision for and directed an administrative merger of various units of the Montana University System, whereby Montana State University–Bozeman, in Bozeman, Montana, Montana State University-Billings, in Billings, Montana, Montana State University-Northern, in Havre, Montana, and MSU College of Technology-Great Falls in Great Falls, Montana, were designated to become and have in fact become a multi-campus university named Montana State University (herein referred to as "Montana State

University” or the “University), all in the manner and becoming effective as directed by the Board; and

WHEREAS, in connection with the issuance of certain revenue bonds for Montana State University and heretofore issued for the University on November 9, 1993, the Board made provision for and approved and executed a Master Indenture of Trust (the "Master Indenture") for the University, pursuant to which (together with certain supplemental indentures thereto) certain revenues of the student housing system and auxiliary and other facilities and certain student and other fees and income of the various institutions and campuses comprising the University are pledged for the payment of revenue bonds which have been issued from time to time under and pursuant to the Master Indenture on behalf of and for the benefit of the various institutions and campuses comprising the University, including the outstanding Series G 2003 Bonds (the “Series G 2003 Bonds”) and the outstanding Series J 2005 Bonds (the “Series J 2005 Bonds” and, collectively, together with the Series G 2003 Bonds, the “Bonds”) heretofore issued with multi-modal interest rate provisions in an Auction Rate Mode and with a 35-day Auction Rate Period; and

WHEREAS, the Master Indenture currently requires that any changes in the Auction Rate Period for the Bonds requires approval of the Board and the University, and the Board has now determined, based on the continuing maturity, acceptance, seasoning and experience of the municipal bond market with and for auction rate securities, that it is in the best interest of the Board and the University, to the delegate authority to and permit the Commissioner of Higher Education and the University to administratively change the Auction Rate Period for the Bonds from time to time so as to enable the Board and the University to timely respond to interest rate changes in the bond market which will enable the University to reduce its interest costs on the Bonds by changing the Auction Rate Period for the Bonds; and

WHEREAS, pursuant to and in the exercise of its constitutional powers and in conformity with the provisions relating to amendments and supplements to the Master Indenture as described therein, and as the result of present conditions in the municipal bond market which are of benefit to the Board and the University and which will result in savings in interest costs to the University, the Board has determined to provide for and to give final approval for a change in the Auction Rate Period for the Bonds and to provide for and give final approval for a supplemental indenture (the “Ninth Supplemental Indenture”) to the Master Indenture which provides for and delegates the authority to change the Auction Rate Period for the Bonds (and for any additional bonds issued for the University in the future which bear interest in an Auction Rate Mode) from time to time hereafter and as and when the Commissioner and the University determine that such change will be of economic benefit and advantage to the University.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY RESOLVED BY THE BOARD OF REGENTS OF HIGHER EDUCATION FOR THE STATE OF MONTANA, AS FOLLOWS:

Section 1. Approval of Actions. All action (not inconsistent with the provisions of this Resolution) heretofore taken and now taken by the Board and directed toward and approving a change in the Auction Rate Period for the Bonds from a 35-day Auction Rate Period to a 7-day Auction Rate Period, and any and all actions heretofore taken pursuant thereto, be, and the same are hereby, ratified, approved and confirmed.

Section 2. Authorization for the Ninth Supplemental Indenture. The Board authorizes and approves the Ninth Supplemental Indenture to the Master Indenture and further authorizes and approves the provisions of the Ninth Supplemental Indenture delegating authority to the University and the Commissioner to make further changes in Auction Rate Periods for the Bonds and any additional bonds bearing interest in an Auction Rate Mode from time to time and as shall be deemed by the University and the Commissioner to be in the best interest of and for the economic benefit of the University, and the Board shall enter into and execute the Ninth Supplemental Indenture with the Trustee so authorized hereby and with such changes therein or modifications or amendments thereto as shall be consistent with the terms and provisions of this resolution and as the Chairman, Vice Chairman or Secretary of the Board, the University, Bond Counsel and Counsel to the Board shall approve, and the execution and/or delivery thereof by the Chairman, Vice Chairman and/or Secretary of the Board shall constitute conclusive evidence of the approval of the form, terms and provisions of the Ninth Supplemental Indenture and the execution thereof for and on behalf of the Board. The Chairman, Vice Chairman and Secretary of the Board are each hereby further authorized and directed to execute and deliver the Ninth Supplemental Indenture for and on behalf of the Board and for the benefit of and on behalf of the University..

Section 3. Authorization for Further Action. The members and officers of the Board and the University shall take all action in conformity with the Constitution and law of the State of Montana and this resolution which shall be necessary or reasonably required by the parties to the Ninth Supplemental Indenture to effectuate its provisions, and shall take all other action necessary or desirable, and in conformity with the Constitution and law of the State of Montana and this resolution, for the Ninth Supplemental Indenture, including without limitation, the execution and delivery of all closing documents, certificates and opinions authorized or required to be delivered in connection with the execution and delivery of the Ninth Supplemental Indenture.

Section 4. Resolution Irrepealable. This resolution shall be and shall remain irrepealable for so long as the Master Indenture remains in full force and effect and for so long as bonds issued thereunder remain outstanding.

Section 5. Severability. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 6. Repealer. All bylaws, orders and resolutions of the Board, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.

Section 7. Effective Date. This resolution shall be in full force and effect upon its passage, adoption and approval.

PASSED, ADOPTED AND APPROVED THIS ____ day of July, 2006

**THE BOARD OF REGENTS OF HIGHER
EDUCATION for the State of Montana**

By _____
Chairman

(S E A L)

ATTEST:

Secretary

ITEM 132-2002-R0706
Bond Resolution – page 6

At a regular meeting of The Board of Regents of Higher Education for the State of Montana, held on this ____ day of _____, 2006, the foregoing resolution was moved for adoption, the same was put to a vote, and on roll call, the following vote was recorded:

Those Voting Aye:

Those Abstaining:

Those Voting Nay:

Those Absent:

Not less than a majority of The Board of Regents of Higher Education present having voted in favor of the motion, the presiding officer declared the motion carried and the resolution duly passed and adopted.

Thereupon, The Board of Regents of Higher Education considered other matters not concerning the matters and the Ninth Supplemental Indenture described in the foregoing resolution.

STATE OF MONTANA)
) : ss
 COUNTY OF LEWIS AND CLARK)

I, Sheila M. Stearns, the duly appointed, qualified and acting Secretary of The Board of Regents of Higher Education for the State of Montana, do hereby certify that the foregoing pages numbered 1 to 6, inclusive, are a true, correct and complete copy of the record of proceedings of The Board of Regents of Higher Education, insofar as such proceedings relate to the resolution therein contained, had and taken at a lawful and regular meeting of The Board of Regents of Higher Education at _____, Montana, on July ____, 2006, commencing at the hour of 7:30 o'clock a.m., as recorded in the regular official book of the proceedings of The Board of Regents of Higher Education of the State of Montana kept in my office; said proceedings were duly had and taken as therein shown, the meeting therein shown was duly held, and the persons therein named were present at said meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of The Board of Regents of Higher Education of the State of Montana this ____ day of June, 2006.

 Secretary of The Board of
 Regents of Higher Education

(S E A L)

July 12-13, 2006

ITEM 132-1006-R0706

Authorization to increase Authority to Repair/Replace the HVAC system in the Curry Health Service Building; The University of Montana-Missoula

THAT:

Consistent with the provisions of MCA18-2-102, the Board of Regents authorizes The University of Montana – Missoula to increase the project budget to replace and upgrade the HVAC system in the Curry Health Service. The project is now estimated to cost \$600,000 and will be financed with auxiliary funds and an InterCap Loan. The project was previously authorized for \$450,000. (BOR Item 128-1001-R0905)

EXPLANATION:

The project is estimated to go over budget due to substantial recent increases in material costs, scope increases and previously unforeseen existing site conditions.

ITEM 132-1006-R0706

ATTACHMENT:

Board of Regents Policy: Physical Plant - Section 1003.7

This authority request is for an amount greater than \$150,000, which requires the following additional information:

(a) Project Description:

The work to be performed under this authority is to; upgrade and replace the 1956 system in the older part of the Curry Health Service; Integrate the newer 1996 system with the upgraded system; and use ground water cooling for the entire building. The project would replace all units in the older part of the building, install additional ducting to areas that require more air, install piping, install new controls; integrate the building into one system, and drill new wells for ground water cooling

(b) Cost Estimate and Funding Sources:

HVAC Repairs and Replacement	\$500,000.00
Engineering and Project management Fees	\$40,000.00
Contingency	\$60,000.00

PROJECT TOTAL **\$600,000.00**

This project will be funded by Auxiliary Funds (50% auxiliary reserve funds and 50% Intercap loan to be repaid within 5-7 years.)

(c) Programs Served, Enrollment Data, Projected Enrollments:

N/A

(d) Space Utilization Data:

N/A

(e) Projected Use for Available Residual Space:

N/A

(f) Projected O&M Costs and Proposed Funding Sources:

The typical payback of a well water system for a building of this type and use is 7 years or less. In addition, the occupant comfort is greatly enhanced.

July 12-13, 2006

ITEM 132-1007-R0706

Student Computer Fee Reallocation Request; The University of Montana-Missoula

THAT:

Consistent with the provisions of Board of Regents' Policy 940.23 for projects that exceed the local threshold, the Board of Regents authorizes The University of Montana to reallocate \$30,000 in IT student computer fee funds previously approved by the Board of Regents as student equipment funds for use as student employment funds. This reallocation proposal has been approved by the UM Student Computer Fee Committee.

EXPLANATION:

Board of Regents' policy 940.23 requires Board approval of all purchases over \$25,000. The Student Computer Fee Committee, whose membership includes 50 percent students as required by Board Policy, endorses this proposal.