

MINUTES OF THE BOARD OF REGENTS  
OF HIGHER EDUCATION  
MONTANA UNIVERSITY SYSTEM

DATE: March 21-22, 1985  
LOCATION: Conference Room  
Montana University System  
33 South Last Chance Gulch  
Helena, Montana  
REGENTS PRESENT: Morrison, Redlin, McCarthy, Hurwitz, Scully, Paoli, Lind;  
Commissioner of Higher Education Irving E. Dayton  
REGENTS ABSENT: None  
PRESIDENTS ATTENDING: Bucklew, Carpenter, Erickson, Thomas, Tietz, DeMoney  
PRESIDENTS ABSENT: None

Minutes of Thursday, March 21, 1985

Discussion of Management Review of the Montana University System

Chairman Morrison called the meeting to order at 2:10 p.m.  
Roll call was taken and it was determined that all members were present.

Chairman Morrison introduced the following guests who were present to participate in the management review discussions:

The Honorable Ted Schwinden, Governor of the State of Montana

Mr. Paul Schmeckel, President, Montana Power Company

Mr. Jim Spring, President, Christian, Spring, Selbach and Associates, Billings and former Chairman of the Governor's Council on Management

Governor Schwinden opened the discussion, expressing his appreciation to the Regents for the work they do and for their judgment. He explained that his statement in his 1985 state of the state address suggesting a management review of the University System was based on his belief that a similar review of the executive branch agencies undertaken in

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1982 had done a great deal to improve state government's credibility in many areas, and in particular with taxpayers who have renewed confidence that state government is being operated efficiently and dollars are being spent wisely. It was his belief that the University System, in the preeminent role it plays in expenditures of state dollars, could reap some of the same benefits from a similar review. Governor Schwinden explained that in the management review of state government conducted by the Council, the Council members were provided total access to all areas of operations. Three months were spent on the study. Some faults were found, and many good things were said about the operation. He noted that Mr. Schmeckel and Mr. Spring were present to provide more detail of the review. His recommendation for a similar study of the University System was not intended to imply that the System or the Regents enjoy a bad reputation, but the Governor stated he believed that even a good reputation could be enhanced. Tax dollars the System receives will be related to what kind of system the citizens want, and that support will be related to how well those citizens believe the System is working.

At the conclusion of the Governor's remarks, Mr. Spring, former Chairman of the Governor's Council on Management, gave an overview of the team participating in the review, and explained the process of the study.

The Loaned Executive Task Force conducted the study. This task force consisted of thirty-four private sector executives from diverse areas. These executives worked on the review for three full months. Their services were paid for by the private sector at the request of the Governor. Fifteen departments of the Executive Branch were studied, resulting in 344 recommendations. It was a management and executive review, in no way involved in the political aspects of state government. Mr. Spring explained how the recommendations were developed, and ultimately led to the report issued in October. Seventy-four percent

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of the recommendations affected the executive branch; twenty-six percent the legislative. While there was a higher percent of the recommendations accepted by the executive branch than the legislative, Mr. Spring felt that over-all acceptance of the recommendations was very satisfactory following a review of thirty other states undergoing a similar process. The task force also assisted in lobbying efforts on the recommendations in the 1983 legislative session. From Mr. Spring's point of view it was a very successful operation, resulting in a possible \$20 million savings to Montana taxpayers. A final report was issued in July 1983. Since that time the organization has been inactive. No proposals were forwarded by the Task Force to the 1985 legislature.

Mr. Schmeckel opened his presentation by speaking of the early 1970's anti-growth attitude in Montana. He stated he believed Governor Schwinden had launched two programs to turn that around. The first was the Build Montana Program. The second was the Governor's stated aim to make government service less costly and more effective, and that resulted in the organization of the Governor's Council on Management. The private sector was impressed with that idea. He stated he was not sure the same feeling exists towards education, though perhaps the credibility issue might need to be addressed in the spending of state dollars. The Montana business community does not believe that Montana needs less education. To the contrary, Montana needs all the education it has, and more. With that background, Mr. Schmeckel spoke to where the dollars came from to fund the Governor's Council on Management, and the total dollars involved.

\$329,000 were raised to cover costs of the consultants, printing of reports, and some direct expenses. Implementation took money, as did legislative follow-up and audit costs. Mr. Schmeckel stated he believed it would be difficult to raise the same dollars for a review of education in Montana. He listed some of the principal contributors, (\$25,000 or more), as Burlington Northern, Montana Power, Champion

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International, Conoco, First Bank System, Arco, and others. These corporations contributed cash and loaned executives. He estimated that approximately 127 businesses contributed cash or individuals or both. This required an enormous amount of personal contacts and telephoning, but the essential feature in obtaining that kind of cooperation was having the Governor as the point man. He did not believe you could go back to the same sources and obtain the same results for a study of higher education in Montana.

In the discussion, it was pointed out that the total cost of the study -- costs of the consultant, salaries and benefits for loaned executives, and other direct costs -- was approximately \$1 million. It was suggested that a study of the University System could cost less because there are more similarities among units of the System than between disparate agencies of state government which have different missions. The importance of the part played by the consultant was stressed. It was the "glue that held the study together", and it was not recommended that such a study be undertaken without that kind of help. Areas in the System that might benefit from such a study were suggested to be energy savings, space utilization, data processing, personnel, purchasing, and others.

Commissioner Dayton reviewed how the System had interacted in the study of state government in the areas of accounting, architecture and engineering, personnel, computers, data and word processing, and purchasing. Trying to identify areas not already covered would be a problem if a study is deemed advisable. Chairman Morrison stated that the academic area would be the key area to the Regents. The System has continuing outside evaluations in those areas, particularly in the accreditation process, and he stated he would not be comfortable with laymen doing those evaluations. Both Mr. Spring and Mr. Schmeckel concurred that the study should be limited to fiscal management.



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Further discussion was held on how the money for such a study might be raised. It was suggested that funds might be available from the Northwest Area Foundation, or from alumni groups. President Bucklew suggested that general funds might be used if the aim is to obtain more efficiency in the System's operation. Governor Schwinden replied that it might be necessary to look at a mix of funds -- some from the System, some private funds, and some from foundations. He stated the importance to the state government study of the feeling that it was a private effort, with no public funds involved with the constraints implied in the use of those funds. The number one priority, however, has to be the caliber of people who come in to perform the work.

Mr. Spring commented on the different economic climate in Montana that existed when the previous study was made. Businesses in Montana were flourishing at that time, as opposed to the present economic crunch they are all experiencing now.

It was agreed that the aim of any such study should be cost effectiveness -- the delivery of the same or better services at less cost -- and improved credibility that tax dollars are being spent wisely. Whether such a study has been made of higher education in other states was discussed. It was agreed that Commissioner Dayton would contact the consultant firm of Warren King and Associates to learn what has been done nationally in this area, and to get guidance on what areas the System should spend time.

Chairman Morrison expressed the Board's appreciation to Governor Schwinden, Mr. Spring and Mr. Schmeckel for taking the time to participate in today's discussion, and for the guidance they provided in helping the Board determine whether such a study of the University System is feasible.

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At Chairman Morrison's request, Jack Noble, Deputy Commissioner for Management and Fiscal Affairs, presented a legislative update on the appropriations process. Mr. Noble distributed two handouts, one on cost of funding the formula budget, and the other on the Appropriations Committee recommendation currently before the House of Representatives (on file). In summary, the appropriation bill for the formula portion of the budget for the six campuses reduces the next biennium's budget compared to the current biennium general fund level by over \$1.2 million. Tuition revenue will increase by over \$8.6 million in the next biennium, and these increased tuition and fees have been used to displace general fund revenues. In effect, without a general fund increase students will be subsidizing increases in other state agencies since state revenues have been replaced by tuition increases. The situation is "serious to critical."

The Appropriations Committee also rejected the Regents' recommendation for non-utilization of indirect cost revenues, and nearly all of the Regent-recommended program modifications.

Mr. William Lannan, Director of Special Projects, distributed copies of the Long Range Building Program Committee's priority listing of projects and reviewed the recommendations. Roof repair and replacement is the number one priority. Out of \$12,570,910 to be spent state-wide, the System received \$3,642,950, or 28.98%. Mr. Lannan also reviewed bills introduced to address building needs on several campuses.

President DeMoney reviewed the problem Montana Tech will be facing over the next biennium caused by declining enrollments. Though some phase-down funds have been recommended by the Appropriations Committee, there will be severe repercussions throughout the institution, including faculty cuts, reduction of classes, cuts in support areas and inter-collegiate athletics. President DeMoney requested guidance from the Regents as to what options will be open to Tech in these and other areas. Chairman Morrison stated that the Board appreciated the report on the problems Tech will be facing, but would make no recommendations now. Tech should analyze the situation and make recommendations. Based on those, the Commissioner's office will make recommendations to the Board, and action will be taken at that time.

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Commissioner Dayton reported on the status of the three presidential searches. All are proceeding on schedule and have produced high caliber candidates. All three committees have decided to bring the spouses on-campus during the interviews because of the concern about the small town nature of the communities, and in the belief that it is important that the couple know what to expect. Because of that decision, the Commissioner recommended that the spouses not accompany the candidates to Helena for the Regent interview. With that one change, the format followed in previous years was recommended. After some discussion, the Regents concurred in the recommendation. Commissioner's staff will poll the Regents to determine suitable dates for interview and selection.

The meeting recessed at 4:45 p.m. to reconvene at 8:30 a.m. on Friday, March 22, 1985.

Minutes of Friday, March 22, 1985

The Board of Regents met in executive session on Friday, March 22, 1985 from 8:30 a.m. to 9:45 a.m. on matters of collective bargaining, litigation, and honorary degrees.

Chairman Morrison called the open meeting to order at 9:55 a.m. Regent Hurwitz was absent for this portion of the meeting. All other members were present. Chairman Morrison asked for additions or corrections to the minutes of the last meeting. None were stated, and the minutes of the February 7-8, 1985 meeting were ordered approved.

Chairman Morrison stated that following yesterday's discussion on legislative matters it had been agreed that the Regents wished to adopt a resolution in support of formula funding for higher education at the average of the peer institutions. Commissioner Dayton read the following resolution into the record.

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WHEREAS, The Montana University System Board of Regents is committed to provide quality higher education for the citizens of Montana and to contribute to the good economic health of the State, and

WHEREAS, The Montana Legislature in 1981 adopted a formula based approach to funding designed to support Montana higher education at the average of comparable peer institutions in surrounding states, and

WHEREAS, The Board of Regents, as a commitment to achieving formula funding at the average (100%) of comparable peer institutions, raised tuition and fees by 19.6%, above the current biennium to provide a source of funds to enhance the educational experience of students, and

WHEREAS, The State general fund revenues are estimated to increase, biennium to biennium, by approximately 7%, and

WHEREAS, The formula budget recommendation before the House of Representatives recommends a general fund decrease of \$1.2 million for the six campuses in the next biennium, and

WHEREAS, This results in using part of the increased tuition and fees to displace general fund commitment to higher education,

THEREFORE BE IT RESOLVED, that the Board of Regents endorses an amendment to the pending Appropriations recommendation so that the higher education system of Montana is funded at the peer average. This would result in funding the Legislative formula at 97% of the peer average in 1986 and at 100% in 1987. These levels are the same as the relationship of Montana tuition and fees to those of peer institutions. To do less is inequitable and uses student tuition and fees to reduce general fund support. The additional general fund required to accomplish the increased percentage of formula funding is approximately \$2.1 million and would provide an increase in general fund of less than 1% for the next biennium.

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On motion of Regent Lind, the resolution was unanimously adopted.

By-Laws and Policy Committee

Chairman Morrison stated that without objection all items on the committee agenda would be heard by the full Board.

Item 34-104-R1281, Collection and Remittance of Fees for Student Non-Profit, Non-Partisan Organization; University of Montana, before the Board for reconsideration, was heard first because of the large number of persons present who wished to present testimony. Chairman Morrison stated that the Board would hear as much testimony on the item as possible, but requested that those wishing to present testimony limit their testimony to the funding issue which is the only issue before the Board. He stated there were three groups present who wished to speak: (1) legislators, (2) proponents of MontPIRG, and (3) opponents. Testimony would be heard in that order.

Legislators either present in person or submitting written testimony in support of the current method of funding MontPIRG included Representatives Bob Ream, Hal Harper, Harry Fritz, Dan Harrington and Paul Rapp-Svrcek, and Senators Dorothy Eck and Mike Halligon. A letter to the Board signed by numerous members of the House and Senate (on file) was presented. The letter spoke in opposition to legislation introduced during this session designed to limit MontPIRG's funding, or that of any similar group, and in support of the current funding method. All legislators commended MontPIRG's encouragement of young people to become active in the political process, and asked that the current funding method be continued.

Other proponents spoke at some length, followed by opponents of the funding method. At issue were the diverse beliefs that the organization could not survive without a stable funding method which the waivable, refundable check-off provides, versus the belief of the opponents that if the organization has the claimed student support,

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contributions would be given voluntarily. Proponents presented a petition to the Board with over 4,000 student signatures supporting the current funding method.

President Bucklew, University of Montana, spoke to some concerns with MontPIRG's activities which he had discussed previously with the Board. He believed the Regents had authorized him to act for them in those matters, and he has done so. He had seen a pattern developing that could lead away from MontPIRG's stated purpose as a research organization into advocacy and lobbying and has had candid discussions with the organization concerning that and the soliciting of funds from Montana citizens. What has to be decided is what the Board believes is the appropriate kind of check-off system it believes should be used by any student non-profit, non-partisan organization which uses the registration process as a funding mechanism. It is a public policy issue. In a brief review of the previous actions of the Board which led to the adoption of the current policy, President Bucklew stated that although he personally preferred a positive check-off, a compromise was reached and the current method adopted. He found either method acceptable, but had a preference for one.

Testimony was also presented on the issue of whether MontPIRG did a satisfactory job of informing students at the time of registration that the fee was refundable, and whether particularly freshmen students were provided enough information about the organization to make an informed decision on payment of the fee.

Chairman Morrison then asked if anyone else was present who wished to testify. Receiving no response, he stated the Board would recess for ten minutes, and reconvene for the Board's discussion on the MontPIRG funding issue.

The Board reconvened at 11:25 a.m. Chairman Morrison asked that the record reflect that Regent Hurwitz was now present. He called for comments or questions from the Board regarding MontPIRG.

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The MontPIRG Budget (on file) for the period of September 1, 1984 through August 31, 1985 was reviewed by the Board and questions answered by Mr. John Higgins, a member of the MontPIRG Board of Directors.

Regent Redlin then made the following comments. She stated she was interested and gratified by President Bucklew's comments on the policy issue. That discussion pinpoints the difficulty which a Board such as the Regents face. There is lots of credible input from both sides on this issue. When the Board structures a policy, it has to consider that it is an appointive board with a constituency. That constituency has no way to reach the Board except through documentation of what they would like the Board to permit them to do, which differs from permission. The Board has flexible options and can do whatever it wishes. Regent Redlin made reference to a letter she had sent to other members of the Board and to President Bucklew on what constitutes good policy making, in her belief. There has to be documented majority support for the policy. The policy has to have within itself a mechanism to deal with opposition. She stated that wisely, she believed, one of the former Regents included in the MontPIRG policy a stipulation that there must be continued documented support for the organization. Good policy requires a mechanism to allow for change. When opposition to MontPIRG develops through any method within that policy it is over and done with. That was the idea behind the policy to prevent continued debate. Policy should not be addressed by whim. Good policy should provide a framework through which both opponents and proponents can work. In her belief, the present policy provides a means for opponents to address change, and she did not believe the Regents should change a policy which was designed to avoid change.

Regent Lind stated that at this time he wished to make a motion that the Regents retain and continue the existing MontPIRG funding policy, and would like to speak to the motion.

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He stated that the MontPIRG issue has probably taken more of the Regents time than any other single issue since he has been on the Board. The MontPIRG funding issue has a history of controversy. Present policy is the Board's attempt to arrive at a resolution of that controversy. He believed as Regent Redlin stated that the Board has a responsibility to be consistent, and he did not believe the Board should be faced with this issue on a continuing basis. Nor did he agree with the position that the waivable, refundable fee collection method is fundamentally unfair. Regent Lind stated that in the first instance in a democracy it is assumed that government will be by majority rule. However, it is not often that the majority votes on any issue. The Board has before it a petition in support of the present funding mechanism of MontPIRG signed by a number of students who purportedly are the majority at the University of Montana. The petition mechanism is not fool-proof, but the percentages on that petition are substantial. He stated he had to assume that as students who are going to college, the students signing that petition were able to read and understand what they were signing, and made a rational decision. If the Board has an existing policy on something that becomes of issue it has to look at that policy to be consistent. If that policy is not fundamentally unfair, then it should not be changed outside of the mechanism provided within the policy for change. The MontPIRG funding mechanism policy has adequate safeguards, the fee is both waivable and refundable, and if you are opposed to the organization or payment of the fee a method is provided to address both those issues. In addition, there is a provision within the policy that states in the event student support drops below fifty percent of the student body for two consecutive quarters the organization will fail. That provision allows opponents of PIRG or of the funding mechanism to organize and make changes under current policy.



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Regent Lind also noted that it is almost impossible to separate the emotional involvement with what MontPIRG does from the funding mechanism. He personally believed that an organization which promotes student and citizen involvement in the political process deserves the opportunity to exist. He encouraged the Board to continue the existing policy.

The question was called on Regent Lind's motion to continue the existing MontPIRG funding policy. Regents Lind, Paoli and Redlin voted yes. Regents Scully, Hurwitz, McCarthy and Morrison voted no. The motion failed.

Regent McCarthy moved that the MontPIRG funding mechanism be changed to a positive check-off method. Regent Scully moved that the motion be amended to include an effective date of August 1, 1986 for the change.

In discussion of the motion, Regent Scully noted he had some problems with the current policy. The title "MontPIRG" means one thing to him, and something else to others. That issue has been addressed in previous discussion. The second problem was that of the Regents establishing a policy which placed the burden of enforcement on the president while removing the Regents from that process in the future. That does not establish a procedure he wished to rely on. Regent Scully added that he personally applauds and encourages student advocacy and participation in government. That does not mean, however, that the Board should support a policy that fosters funding of a student organization from citizen contributions. The budget presented earlier by MontPIRG showed more money realized from outside the student body than from within, and this gives rise to some questions in his mind. Regent Scully also spoke to his belief that the new format for registration at the University will reduce the problem of lack of information faced by incoming students in the past.

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In the continuing discussion, several concerns were raised, if the policy was amended only by changing the funding mechanism and adding an effective date. Several of the procedures in the present policy were not considered appropriate if the funding mechanism changed, particularly section 6 under "Procedures". The requirement that there be "clearly demonstrated . . . general and substantial support . . . among the students" would need clarification if other student organizations request being placed on the fee card. Regent Redlin objected strongly to imposing a voluntary fee into a policy designed for something quite different.

Regent Paoli spoke to the difficulty he had in separating the emotional argument on the MontPIRG issue from the public policy argument. He stated he believed MontPIRG provided a substantial educational component to the University of Montana. He felt the University has a long tradition of student activism in many things. On the question of working only on student issues, Regent Paoli stated that that is not possible, because "students are everything that we are." MontPIRG is more like a lab where you can apply ideas and see how things work. Legislative testimony heard today has demonstrated that in the market place of ideas, MontPIRG plays a key role. MontPIRG develops ideas of citizenship and social responsibility in young people. He spoke also to the support of MontPIRG by the senior citizen groups. In a time when the "me generation" is seen as uncaring, selfish, and unconcerned, MontPIRG dispels all those things. People in MontPIRG are caring, concerned and unselfish, and should be commended. Personally he stated he had a serious problem with a negative check-off funding mechanism, but he would have to weigh that against the educational component MontPIRG provides. If MontPIRG were to go to a positive check-off funding method effective August 1, 1986, it would provide a chance to MontPIRG to prove its detractors wrong who say the organization will die under that system. It provides a challenge for the organization to become stronger through active support.

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Regent Lind spoke in response to Regent Redlin's concern with the wording of the present policy if the funding mechanism is changed. He supported the amendment to the motion to provide an effective date of August 1, 1986 to allow rewording of the policy as necessary. Regent McCarthy concurred.

The question was called on the motion to amend Item 34-104-R1281 be deleting "waivable-refundable" in Section 1 under Board Policy, and inserting "voluntary", with an effective date of August 1, 1986. Item 6 under Procedures would be deleted on the effective date. The present policy remains in effect until August 1, 1986. The motion carried, with Regent Redlin voting no.

Regent Redlin then moved that on August 1, 1986 the policy on the funding of MontPIRG be revised so that it is suitable for the voluntary fee structure. The motion carried, with Regent Lind excused.

Item 34-104-R1273, Charter Flights; Montana University System before the Board for repeal, was reviewed by Commissioner Dayton. After brief discussion on questions of the System's liability, the item was repealed on motion of Regent McCarthy.

#### Submission Agenda

Commissioner Dayton briefly reviewed the items on the submission agenda which were received by the Board at this meeting for future consideration.

He called the Boards attention to the revision of Item 12-005-R0676, Alcoholic Beverages; Montana University System (REVISED) which replaced the revised item sent out with the agenda. A new section 6 was added under Board Policy relating to alcoholic beverages sold and consumed at the University of Montana golf course in the replacement item.

Commissioner Dayton also noted tht while items on the Policy Committee Submission Agenda are routinely before the Board for action at the next meeting, Item 26-014-R0380, Honorary degrees; Montana University System (REVISED) will not be on the action agenda at the

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May meeting because more time is needed for campus discussion.

He explained the revision to Item 18-002-R1077, Admission requirements; general policies (REVISED) is an attempt to deal with the state and System health officers' concerns with immunization of students against contagious diseases. The item was discussed at length by the Council of Presidents.

The revision to Item 43-002-R0484, Residency policy; Montana University System (REVISED) provides in-state residency status for fee purposes under certain terms and conditions for persons domiciled in a state other than Montana, but who derive more than 50% of family income from full-time employment in a permanent job in Montana.

Item 39-001-R0683, Computer Fee; Montana University System (REVISED) was also received for consideration at a future meeting.

#### Capital Construction Committee

The following four items on the agenda of the Capital Construction Committee were reviewed by Mr. Lannan. Explanations for the requests and funding for the projects are set out on the items. On motion of Regent Hurwitz, the following items were approved:

- Item 46-101-R0385, Authorization to Plan and Construct Handicapped Accessibility Improvements at the Lodge; University of Montana
- Item 46-102-R0385, Entrance and Graphics Modifications Lodge; University of Montana
- Item 41-106-R0983, Authority to Appoint an Architect to Plan and Design the University of Montana Stadium and to Proceed with the Study to Determine the Scope of the Project; University of Montana (REVISED)
- Item 44-103-R0784, Remodel of Field House Seating; University of Montana (REVISED)

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Item 46-601-R0385, Authorization to proceed with the planning and financing of a Swim Center at Western Montana College, an addition to the agenda, was reviewed by President Thomas. The item would give the College the authorization to pursue financing the construction of a Swim Center through state general obligation bonds should they be approved by the 49th Legislature. On motion of Regent Hurwitz, the item was approved.

Curriculum Committee

Action Agenda:

Dr. Carol Krause, Deputy Commissioner for Academic Affairs, reported that Item 43-3002-R0484, Approval of the Associate of Applied Science Degree in Nursing; Flathead Valley Community College, an addition to the agenda, had been on the submission agenda since March, 1984. The institution has requested it be withdrawn from consideration. On motion of Regent Paoli, the item was withdrawn.

Item 46-601-R1284, Authorization for an Associate of Science Degree in Information Processing; Western Montana College was reviewed by Dr. Krause as set out in his memorandum to the Commissioner dated March 5, 1985 (on file). He recommended approval. On motion of Regent Redlin the item was approved, with Regent Scully voting no.

Dr. Krause explained that Item 46-701-R0285, Authorization to Delete the Bachelor of Science and Associate of Science Program in Aviation, Eastern Montana College, is requested as a result of an extensive review and reorganization of the School of Business and Economics. The baccalaureate has not been offered for the last two years. On motion of Regent McCarthy, the item was approved.

Dr. Krause explained that two recommendations are made to the Board with regard to Item 39-502-R0483, Bachelor of Science Degree in Employee Health, Recreation and Fitness, Montana College of Mineral Science and Technology. The first request is that the item be removed from its present tabled status for the purpose of withdrawing from

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further consideration. With the item withdrawn from consideration, the Regents are asked to rescind the motion adopted in December 1983 which placed a moratorium on all health and fitness emphases at all units of the System until role and scope review is completed. The explanation for the requested withdrawal is more fully set out in Dr. Krause's memorandum to the Commissioner dated March 5, 1985 (on file) which was sent to the Regents with their agenda material.

Considerable discussion was held on several issues raised in Dr. Krause's memorandum. He stressed that what Tech is now proposing is a concentration in Applied Health Sciences to be offered within the approved Society and Technology degree program, and he supports that. While the additional concentration should be brought to the attention of the Board, under Regents' Policy it does not require Regental action. Judgments must always be made as to when a concentration takes on the characteristics of a major and there were concerns about that issue in this proposal which have been addressed to Dr. Krause's satisfaction. Tech's withdrawal of its request to offer a Bachelor of Science Degree in Employee Health, Recreation and Fitness removes the reason for a moratorium placed on these emphases at all units over a year ago, and allows the dynamics in those programs to continue. It does not reflect a change in philosophy towards role and scope review, nor is the offering of the proposed concentration an expansion of Tech's role and scope.

Regent Scully expressed opposition to the proposed concentration, stating that if the subject matter is appropriate, he believed the timing to be bad. Regent Paoli concurred, based on the current enrollment problems Tech is facing.

Commissioner Dayton noted that as a matter of information he wished to clarify that within the scope of appropriate programs, Tech is making a move which does not require Board approval -- offering an option -- but which is monitored by the Commissioner's office. The

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second action -- removal of the moratorium -- would put physical education programs in the same condition every other program is in -- units can implement options, which are simply alternative routes to the same degree or major.

In response to Regents questions concerning what other units propose if the moratorium is lifted, University of Montana replied that it will probably develop an option at this time, but not a degree proposal. Montana State University responded that a similar program is already in place and no change is anticipated at this time. President DeMoney spoke to Regent Scully's concerns, noting that the new concentration will allow better utilization of basic biology labs which are not now fully utilized, and allow more efficient use of resources at no additional cost to the institution.

Regent McCarthy moved that Item 39-502-R0483 be removed from tabled status and withdrawn from further consideration as requested by the institution, and that the motion adopted in December 1983 which placed a moratorium on all health and fitness emphases at all units of the System be rescinded. Regents Scully and Paoli voted no. Regents Hurwitz, Lind, Redlin, McCarthy and Chairman Morrison voted yes. The motion carried.

#### Budget Committee

Item 46-501-R0385, Authorization to Increase Student Service Fees at Montana College of Mineral Science and Technology was discussed by the Board. The item would authorize an increase in the Student Health Service fee from \$3.75 to \$13.00 per student per semester. The increased fee would permit the establishment of an on-campus Student Health Center with greatly increased medical services available to students on-campus. It was the consensus of the Board that it would be more comfortable authorizing an increase of that size if the students involved were polled to determine their support. On motion of Regent Paoli, the item was tabled to allow a poll of student opinion, and will be placed on the agenda at the May meeting for action when the results of that poll are known.

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Item 46-3001-R0385, Authorization to increase the building fee and implement a computer fee; Flathead Valley Community College, was reviewed by Mr. Lannan, Community College Coordinator. He stated that in addition to increasing the building fee to \$3.00 per credit hour, this item requests Regent approval of a change in the definition of the college's building fund. The change has been approved by Flathead Valley Community College's Board of Trustees, but no similar request has been made of the Regents before with respect to approval of a community college's definition of its building fund. Mr. Lannan believed that expanding the use of building funds to include rental of educational facilities or to provide for "goods and services directly related to the acquisition of educational facilities" could in the long term be detrimental to the college.

President Fryett of Flathead Valley Community College was present and responded to Regents' questions on the expanded definition and other matters relating to the campus facilities and the college's attempts to determine what services the voting public believes the college should provide. The college's Board of Trustees seriously considered whether it was appropriate to add the dimension of marketing to the definition of appropriate use of the building fund, and voted its approval. A marketing firm has been obtained to determine if the voters in the district wish to support an academic facility, a vocational-technical school, a theatre, a combination of those services, or nothing.

Chairman Morrison questioned the Regents' legal position on such an issue. How far does the Regents' authority extend? Chief Counsel Schramm responded that the Regents have the authority to say yes or no to an increase in the building fee, and implicit in that authority to approve or reject is the authority to condition. Mr. Lannan stated he would be quite uncomfortable if the polling the college intends to do to determine what types of services the college should



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provide could in any way be construed as using public funds to promote a mill levy. Commissioner Dayton recommended the item be approved with the stipulation that the building fund definition not be expanded. He stated he also recommended approval of the computer fee as proposed.

Regent Scully spoke in opposition, stating he felt it was inappropriate to increase tuition to the level recently approved by the Regents and then pass additional fee increases on those students. He believed the building fee expanded definition was an inappropriate concern and he did not support it, noting that if the subject matter was appropriate, the timing was terrible.

Regent Scully moved that Item 46-3001-R0385 be tabled. Regents Scully, McCarthy, Paoli, and Lind voted yes. Regents Hurwitz and Redlin voted no. The motion to table carried.

#### New Business

Chairman Morrison stated that the next order of business was the election of officers. He asked for nominations for Chairman and Vice Chairman. Regent Lind moved that Jeff Morrison be elected Chairman. The motion carried unanimously. Regent Hurwitz moved that Beatrice McCarthy be elected Vice Chairman. The motion carried unanimously.

#### Residency Appeal

Assistant Chief Counsel Weinberg presented the residency appeal of Leslie Burnett for in-state status for fee purposes. It was the consensus of the Board that the appeal would be heard. Chairman Morrison asked if Ms. Burnett was present, and if she had received proper notification. It was determined that Ms. Burnett was not present to speak in her own behalf. Ms. Burnett was notified by certified mail that the appeal would be before the Board and the return receipt was received signed on her behalf.

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Dr. Weinberg reviewed the reasons for denial of the appeal as set out in the memorandum to the Board dated March 11, 1985, and the supporting material sent to the Regents with the agenda.

On motion of Regent Hurwitz, the Commissioner's decision denying Ms. Burnett in-state residency status for fee purposes was upheld and her appeal denied.

The Talent Search Report was postponed to a future meeting.

#### Commissioner's Report

Commissioner Dayton noted that a revised staff list was submitted for the Bureau of Mines. Because Dr. Bingler is on assignment to another state agency, the requirement that he return to the Bureau of Mines at the end of his administrative leave period is inappropriate. Regent Scully moved that the Board waive the requirement that Dr. Bingler return to Tech for a stated period after his leave. The motion carried.

At the Commissioner's request, Dr. Weinberg reported on the progress of the System's asbestos abatement program. He explained that the consultant firm of Don Pinchin and Associates has been working with the System to determine what can be done to address the problem on each of the campuses. Those recommendations will include methods to manage asbestos on each campus, but not necessarily remove all asbestos at all institutions. Dr. Weinberg reviewed the workshops scheduled through the system on asbestos abatement, and the cost sharing arrangements made with other state agencies who will participate in the workshops.

The Council of Presidents, Superintendent of Public Instruction, and Board of Public Education had no reports.

#### Montana Associated Students

Les Morse, President, Associated Students of Northern Montana College, reported on the student government elections at that campus. Rod Karst was elected president of ASNMC for the coming year. Mr. Morse reported that 40% of the students at Northern Montana College voted in the elections.

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Diane Hill, President, ASMSU, noted that this was her last meeting in that capacity, and thanked the Board for the learning experience working with them had provided.

Chairman Morrison expressed the Board's sincere appreciation to Dr. Robert Thomas for his years of service to Western Montana College, and on behalf of the Board wished him every success in his new career.

Regular Agenda

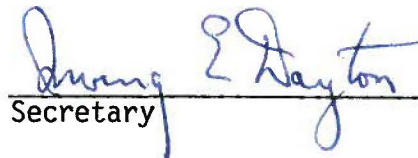
On motion of Regent Paoli, the following items were approved:

- Item 46-100-R0385, Staff, University of Montana  
(Includes 1 post-retirement contract)
- Item 46-200-R0385, Staff, Montana State University with Addendum  
Item 46-201-R0385, Retirement of J. Robert Dynes;  
Montana State University
- Item 46-300-R0385, Staff, Agricultural Experiment Station
- Item 46-400-R0385, Staff, Cooperative Extension Service
- Item 46-500-R0385, Staff Montana College of Mineral Science  
and Technology
- Item 46-500A-R0385, Staff, Montana Bureau of Mines and Geology  
(Substitute Item)
- Item 46-700-R0385, Staff, Eastern Montana College
- Item 46-900-R0385, Staff, Office of Commissioner of Higher  
Education

The meeting adjourned at 1:30 p.m. The next regularly scheduled meeting of the Board of Regents will be held on May 2-3, 1985 in Helena, Montana.

APPROVED:

  
Chairman, Board of Regents of Higher  
Education, Montana University System

  
Secretary