

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

MINUTES

DATE: NOVEMBER 11-12, 1993

LOCATION: MONTANA STATE UNIVERSITY
STRAND UNION
ROOMS 275-276
BOZEMAN, MONTANA

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

REGENTS ABSENT: NONE

PRESIDENTS PRESENT: BILL DAEHLING (NMC), GEORGE DENNISON (UM), MIKE
MALONE (MSU), AND LINDSAY NORMAN (TECH); PROVOST
SHEILA STEARNS (WMCUM); JUD FLOWER (MCC), HOWARD
FRYETT (FVCC), AND DON KETTNER (DCC)

PRESIDENTS ABSENT: BRUCE CARPENTER (EMC)

DIRECTORS PRESENT: JANE BAKER (BUTTE VT), GEORGE BELL (BILLINGS VT), ALEX
CAPDEVILLE (HELENA VT), DENNIS LERUM (MISSOULA VT), AND
WILLARD WEAVER (GREAT FALLS VT)

DIRECTORS ABSENT: NONE

THURSDAY, NOVEMBER 11

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

- ▶ **Regent Pat Davison moved that the Board approve the minutes from the September 23-24, 1993 regular meeting as mailed to the Board members. The motion passed unanimously.**

CONSENT AGENDA**1. Staff Items**

- a. Item 81-100-R1193—Staff; The University of Montana
- b. Item 81-200-R1193—Staff; Montana State University
- c. Item 81-201-R1193—Staff; Montana State University
Post-Retirement Employment Contract, Floyd D. Lee
- d. Item 81-202-R1193—Staff; Montana State University
Post-Retirement Employment Contract, Douglas Polette
- e. Item 81-203-R1193—Staff; Montana State University
Professor Emeritus, Kenneth Emerson
- f. Item 81-300-R1193—Staff; Agricultural Experiment Station
Post-Retirement Employment Contract, C. Walter Newman
- g. Item 81-400-R1103—Staff; Extension Service
- h. Item 81-500-R1193—Staff; Montana College of Mineral Science and
Technology
- i. Item 81-800-R1193—Staff; Northern Montana College
- j. Item 81-802-R1193—Resolution Concerning the Retirement of Allan G.
Roush, Associate Professor of Industrial Arts, School of Technology and
Professional Studies; Northern Montana College
- k. Item 81-900-R1193—Staff; Office of the Commissioner of Higher
Education
- l. Item 81-7500-R1193—Staff; Billings Vocational-Technical Center

2. Capital Construction Items

- a. Item 81-102-R1193—Montana Education Telecommunications Network
(METNET) Laboratory; The University of Montana
- b. Item 81-204-R1193—Authorization to Renovate a Portion of the Huffman
Building; Montana State University
- c. Item 81-205-R1193—Authorization to Renovate a Portion of the
Johnstone Center Residence Hall Complex; Montana State University
- d. Item 81-701-R1193—Authorization to Renovate KEMC Public Radio
Station; Eastern Montana College
- e. Item 81-702-R1193—Authorization to Renovate Apsaruke Hall for Office
Space; Eastern Montana College
- f. Item 81-801-R1193—Authorization to Expend Funds to Renovate
Heating System, Family Housing; Northern Montana College

3. Collective Bargaining

Approval of Tentative Agreements with:

- a. International Association of Machinists and Aerospace Workers

- b. **International Union of Operating Engineers—University System**
 - ▶ **Regent Davison moved that the Board approve the Consent Agenda items (staff items, capital construction, and collective bargaining). The motion passed unanimously.**

COMMITTEE REPORTS

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

1. Announcements

The Commissioner's Office approved a Level I change from Montana State University to retitle a graduate degree in the Department of Mathematical Sciences to "Master of Science in Mathematics Education."

2. Action Agenda

Committee Chairman Cordell Johnson said the following items were on submission at the September 1993 meeting and were being brought forward for action:

- a. Item 80-7001-R0993—Minimum Qualifications of Faculty; Montana Technical System (NEW)
 - ▶ **Regent Johnson moved that the Board approve Item 80-7001-R0993. The motion passed unanimously.**
- b. Item 80-701-R0993—Proposal to offer new submajor in Bachelor of Arts and Bachelor of Science degrees under major in Sociology—new option in Women and Minority Studies; Eastern Montana College
 - ▶ **Regent Johnson moved that the Board approve Item 80-701-R0993. The motion passed unanimously.**
- c. Item 80-702-R0993—Proposal to offer a revision of existing Minor in Political Science with three areas of emphasis—General, Public Administration, and Pre-Law; Eastern Montana College
 - ▶ **Regent Johnson moved that the Board approve Item 80-702-R0993. The motion passed unanimously.**

- d. Item 80-210-R0993—Authorization for Montana State University to Change the Name of Its Department of Plant and Soil Science
- ▶ **Regent Johnson moved that the Board approve Item 80-210-R0993. The motion passed unanimously.**
- e. Item 80-211-R0993—Authorization for Montana State University to Identify Its Instructional Telecommunications Activities under the Rubric of the Burns Telecommunications Center
- ▶ **Regent Johnson moved that the Board approve Item 80-211-R0993. The motion passed unanimously.**
- f. Item 80-212-R0993—Authorization for Montana State University to Establish the Center for Economic Renewal and Technology Transfer
- ▶ **Regent Johnson moved that the Board approve Item 80-212-R0993. The motion passed unanimously.**
- g. Item 81-501-R0993—Proposal for Authorization to Establish an Environmental Business Opportunities Center; Montana College of Mineral Science and Technology
- ▶ **Regent Johnson moved that the Board approve Item 81-501-R0993. The motion passed unanimously.**
- h. Item 81-502-R0993—Proposal for Authorization to Offer a New Minor through the Computer Science Department; Montana College of Mineral Science and Technology
- ▶ **Regent Johnson moved that the Board approve Item 81-502-R0993. The motion passed unanimously.**
- i. Item 80-110-R0993—Proposal for a Major and Minor in Japanese; The University of Montana
- ▶ **Regent Johnson moved that the Board approve Item 80-110-R0993. The motion passed unanimously.**
- j. Item 80-3001-R0993—New AAS in Business Management: Hospitality Option; Flathead Valley Community College
- ▶ **Regent Johnson moved that the Board approve Item 80-3001-R0993. The motion passed unanimously.**

- k. Item 80-8001-R0993—Approval to Implement a New Associate of Applied Science Degree Program in Environmental Hazardous Materials Technology; Butte Technical Center

- **Regent Johnson moved that the Board approve Item 80-8001-R0993. The motion passed unanimously.**

Regent Johnson said the following three action items had received lengthy debate in the Academic and Student Affairs Committee meeting held that morning:

- a. Item 80-703-R0993—Master of Science in Information Processing and Communications; Eastern Montana College
- b. Item 80-215-R0993—Approval of Proposal to Convert the Approved Four-Year Bachelor of Science Degree in Business with Option in Accounting into a Four-Year Bachelor's and One-Year Master of Professional Accountancy Degree Sequence; Montana State University
- c. Item 80-109-R0993—Proposal to Deliver Master of Accounting to Montana State University and Eastern Montana College

Regent Johnson briefly reviewed the proposals, which had been notices of intent at the July 1993 meeting and submission items at the September 1993 meeting. He said they came about because of the requirement imposed by the Montana Legislature that beginning in 1997 a person who takes the CPA or LPA exam must have completed 150 credit hours of coursework in an institution that grants baccalaureate degrees. Regent Johnson said the law was passed at the request of the American Institute of Certified Public Accountants. He pointed out that this was the third time the proposals had been discussed at length and said the major argument for granting the master's degree was that other states were doing it, and Montana students would be at a disadvantage and not be able to compete in the national market unless Montana followed suit. For example, an employer reviewing a transcript or resume would give more weight to a master's degree, regardless of the number of hours of coursework a student had taken.

Regent Johnson said the committee's concern was that the coursework outlined in the proposals did not justify granting a graduate degree. He said if the coursework was graduate-level coursework and justified granting a master's degree, the proposals should be approved. However, to grant master's degrees to students simply because other states were doing it was not a sufficient reason. He said the committee was not convinced enough to recommend approval of the three proposals. Regent Johnson said the committee instead recommended approval of Commissioner Jeff Baker's recommendation outlined in his November 10, 1993 memo to the Board (on file).

Commissioner Baker said the key issue in his recommendation involved role and scope and was predicated on his interpretation that The University of Montana had the role and scope responsibility for graduate education in business and accounting. He said his recommendation tried to level the undergraduate playing field at 150 hours, and the one school (UM) with the role and scope authority for that area would offer the graduate program. Commissioner Baker said he wondered whether the system could offer quality academic programs to the best advantage of the students, regardless of the number of hours, and simultaneously serve as good stewards of the resources provided so as not to waste those resources or unnecessarily duplicate programs.

Regent Davison said he interpreted the role and scope statement differently than Commissioner Baker and moved that the Board approve Items 80-703-R0993 and 80-215-R0993 from Eastern Montana College and Montana State University, respectively.

Lengthy discussion followed among the Commissioner, the Regents, the Associate Commissioner for Academic Affairs, and representatives from MSU, UM, and EMC. Their comments focused on

- whether the programs represented unnecessary duplication;
- whether the course offerings were of a graduate level;
- having the Associate Commissioner for Academic Affairs ascertain that all the courses meet requirements for granting a master's degree;
- whether approving the programs was an educationally sound decision;
- quality being more important than marketability;
- interpretation of role and scope statements; and
- program changes that would result from restructuring.

Regent Davison amended his motion to stipulate that the Commissioner and his staff ensure that the quality of the programs be maintained at the level expected for graduate programs.

- ▶ **Regent Davison's motion to approve Items 80-215-R0993 (MSU) and 80-703-R0993 (EMC) as presented with the amendment that the programs' quality be maintained at the level expected of the system's graduate programs as determined by the Commissioner and his staff passed by a 4 to 3 vote—Regents Boylan, Coleman, Conroy, and Davison voted yes—Regents Johnson, Kaze, and Schwanke voted no.**

In light of the different interpretations of the role and scope statements, Regent Johnson suggested that they be reexamined at a future meeting.

Chairman Kaze said that Item 80-109-R0993 from The University of Montana would be considered "dead" for lack of a motion to approve.

The Board recessed at 3:00 p.m. for a public forum held in Strand Union, Ballroom B.

FRIDAY, NOVEMBER 12

The Board reconvened at 9:05 a.m. with all members present. Chairman Kaze asked Regent Davison to present the Administrative/Budget Committee report.

ADMINISTRATIVE/BUDGET COMMITTEE

1. Submission Agenda

- a. Item 81-001-R1193—Repeal "Restricting Access to Campus Property" (Board Policy 1005.2 REVISED)

The Board agreed to place Item 81-001-R1193 on the action agenda at the January 1994 meeting.

2. Action Agenda

- b. Item 2-016-R1073—Use of Plant Funds, Including Student Building Fee Reserves, for Projects over \$10,000; Montana University System (Board Policy 940.9.2 REVISED)
- c. Item 19-004-R0178—Use of Plant Funds, Including Student Building Fee Reserves, for Projects under \$10,000; Montana University System (Board Policy 940.9.1)
- d. Item 58-7008-R0388—Use of Plant Funds for Projects over \$10,000; Montana Vocational Technical Centers (Board Policy 971.7.3 REVISED)
- e. Item 58-7007-R0388—Use of Plant Funds for Projects under \$10,000; Montana Vocational Technical Centers (Board Policy 971.7.2 REVISED)
- ▶ **Committee Chairman Pat Davison moved that the Board approve Items 2-016-R1073, 19-004-R0178, 58-7008-R0388, and 58-7007-R0388, which were on submission at the September 1993 meeting. The motion passed unanimously.**
- f. Item 18-005-R1077—Fee Waivers; Montana University System (Board Policy 940.13 REVISED)

- ▶ **Regent Davison moved that the Board approve Item 18-005-R1077, which was on submission at the September 1993 meeting. The motion passed unanimously.**

- g. Item 80-001-R0993—Repeal of Certain Board of Regents Policies from the Montana University System Policy and Procedures Manual (includes policies 201.4, 205.3, 505.3, 601, 801.7, 802.2.1, 802.2.2, and 1003.6)

Regent Davison said Item 80-001-R0993 was on submission at the September 1993 meeting and represented the Board's ongoing attempt to eliminate Board policies that were either outdated or unnecessary. He referred Board members to Policy 1003.6—Construction and Maintenance; Funding. Although the committee recommended repealing the policy, the members were concerned about the statement that read: "The Board wishes to make known its position that state funding should not require as a condition that private funds be raised." The committee suggested putting something forward in the form of a resolution concerning where to draw the line: whether higher education was public-funded higher education or tax-assisted higher education. He said they were seeing more and more funding coming not from the taxpayers but from private sources. He thought there was merit in the Board adopting a resolution that presented its position on the issue.

University of Montana President George Dennison agreed with eliminating the policy but said if a resolution was going to be adopted, he would want it stated very carefully because over the next 20 years he thought they would see more of what the policy said they could not do. That is, sharing with the private sector to assist in maintaining a margin of excellence on the campuses. His concern was that the resolution not be phrased in a way that would seem to defy reality but instead recognize what reality is in regard to cooperative partnership efforts.

Regent Davison agreed. He said he was concerned about the misinterpretation of enhancement dollars versus replacement dollars. He said the Board needed to take a stand that enhancement dollars were not going to be treated as replacement dollars and suggested that a resolution be brought forward at a future meeting.

Chairman Kaze asked Commissioner Baker to have his office prepare a resolution stating the Board's general philosophy on the issue.

- ▶ **After further discussion, Regent Davison moved that the Board approve Item 80-001-R0993. The motion passed unanimously.**

- h. Item 81-101-R1193—Funding the Voluntary Termination Incentive Program for TRS and ORP members; The University of Montana

Regent Davison said this was part of the bonding process, and they were using some of the funds to finance payment of early retirement dollars. He said they were

making it official and complying with the law.

In response to a question from Regent Johnson concerning net pledged auxiliary revenues, UM President Dennison said those were dollars in the account when the refunding was completed that had to remain in an auxiliary account. He said UM was proposing to borrow from that with Board approval and pay it back within up to 10 years. The problem with the voluntary termination incentive program for faculty was that it was unfunded, and this was a way to fund it, accomplish the objectives, and still return the money to auxiliary accounts.

- ▶ **Regent Davison moved that the Board approve Item 81-101-R1193. The motion passed unanimously.**

- i. Item 81-103-R1193—Purchase of Property, 1200 Block of East Broadway; The University of Montana [Revised]

Chairman Kaze noted that the Board was voting on the revised version of the item received by the Board after the agenda mailing.

UM President Dennison said the later version included details that were not in the mailed version.

- ▶ **After brief discussion, Regent Davison moved that the Board approve Item 81-103-R1193 [Revised]. The motion passed unanimously—Regent Schwanke abstained.**

- j. Item 81-9001-R1193—Long-Term Plan for Expenditure of Reverted Appropriation, Montana Vocational-Technical System; Helena Vocational-Technical Center

Regent Davison said the Helena Vo-Tech was responding to Board policy by coming forward with a plan for expending reverted appropriation funds.

- ▶ **Regent Davison moved that the Board approve Item 81-9001-R1193. The motion passed unanimously.**

- k. Item 81-002-R1193—Request for Reconsideration of a Previous Board of Regents Decision; Montana University System

Regent Davison said about a year ago the Board made a decision after a recommendation from the Benefits Committee that certain insurance companies and mutual funds be selected for TSAs (tax sheltered annuities) within the system. Subsequent to that time, a company (IDS) that submitted a proposal for services came back to the university system and said they felt they were improperly classified as a mutual fund and should have been classified as an insurance company instead,

which they believe affected their ability to be selected. The Benefits Committee re-initiated the original process, made the correction, re-rated the proposals, and said that the rating IDS received would not be sufficient to recommend it as one of the companies for selection by the Board. IDS was still asking for reconsideration of that decision. Regent Davison said the Administrative/Budget Committee was recommending no action on the request. Steve Brown, legal counsel for the company, had spoken at the committee meeting but was not present to address the full Board. Regent Davison said he was assured by Director of Benefits Dave Evenson and Chief Legal Counsel LeRoy Schramm that the process had been fair and that IDS had been treated fairly.

After brief discussion, Chairman Kaze said the motion would be considered "dead" for lack of a motion to approve.

Regent Davison asked UM and MSU to present brief reports to the Board on their institutions' recent bond issues. The Board heard updates from UM President Dennison and MSU President Mike Malone (reports on file).

Regent Davison said he thought the people of Montana were well served by the two bond issues, and he appreciated all the work UM and MSU staff had put into the process.

NEW BUSINESS

a. Employee Assistance Program

Director of Benefits Dave Evenson said they had gone to bid on an employee assistance program for all employees throughout the university system that would cover faculty and staff members along with their families. He said most major corporations now had these types of programs, and they were particularly helpful in these times of stress and anxiety. Mr. Evenson said the program was a cooperative effort. They used UM's purchasing staff, and a committee of faculty and staff from throughout the system evaluated the bids—one was received from St. Patrick's Hospital in Missoula, and a second from VRI (Vocational Resources Inc.), also in Missoula. He said they were going to award the bid to VRI. Under the model, each faculty and staff member and their families would have up to six visits with a counselor available under the program. The cost would be \$1.40 per employee per month and would be paid by the health insurance account. Mr. Evenson pointed out that studies conducted in private corporations showed that as much as \$2.00 is saved for each \$1.00 spent on these types of programs.

After brief discussion, the Board thanked Mr. Evenson for his report.

b. School-to-Work Transition Bill

Dr. Jane Karas of the Commissioner's Office briefly reviewed the School-to-Work Transition Bill that was before Congress. The bill proposes a new education system to provide the majority of American youth with skills needed to compete in the workforce or continue their education. Three basic components of the bill include integration of work-based and school-based learning; integration of occupational and academic learning; and linking of secondary and postsecondary education. The grants program is being administered by the U.S. Department of Education and Labor, and Montana is applying for a Development Grant in the amount of \$200,000. Applicant agencies in Montana are the Governor's Office, Office of Public Instruction, Department of Labor, and Commissioner's Office. Dr. Karas said the Commissioner's Office would be the project's lead and fiscal agent. She said the project would increase coordination and cooperation between postsecondary education and K-12 education and would provide more integration of all education programs. The proposal would be submitted December 1, and funds should be received in February 1994.

After brief discussion, the Board thanked Dr. Karas for her report.

STUDENT REPORTS**Missoula Vo-Tech**

Student body president Raissa Short asked Commissioner Baker when he and perhaps some of the Regents would be able to meet with the Missoula Vo-Tech students. Commissioner Baker said he was planning on arranging a meeting November 22 and would contact Ms. Short to set a meeting time.

Montana State University

MSU student body president Dave Andrzejek introduced the new student lobbyist, Annette Jones, to the Board. He also announced that the student-operated radio station, KGLT, had received FCC approval to broadcast to Helena in addition to Bozeman.

Eastern Montana College

MAS (Montana Associated Students) President Todd Mitchell said the students had met earlier that morning to try to come to some agreement on restructuring issues but could not reach a consensus. He said they had a number of concerns that needed to be addressed and would be presenting those. He said both universities would have student lobbyists in Helena for the special session.

CAMPUS REPORTS

The University of Montana

President Dennison reported on the October 29 announcement of the Capital Campaign for UM, which covers the period from 1992 to 1997. The target is \$40 million, and the university is more than halfway there. President Dennison said the campaign's theme was: "Great societies rely on great universities."

On November 1, Governor Racicot sponsored a workshop on community service for students and the community at large. President Dennison said UM was co-sponsor with the governor. The purpose of the workshop was to talk about implications of the legislative act adopted in Montana to promote student volunteerism. He said the governor appointed an advisory committee to develop a statewide plan to coordinate what used to be under ACTION, VISTA, and other volunteer operations. Higher education would participate through the Montana Campus Compact. President Dennison said he would provide periodic updates to the Board.

Western Montana College

Provost Sheila Stearns said Western was proud to announce a grant of \$880,000 that would enable rural schools through Big Sky Telegraph to learn to navigate on INTERNET, especially for math and science education. The project director will spend some time on the Western campus but will primarily work from Hobson, Montana. Dr. Stearns said the teachers who link into this program will begin to eliminate the traditional isolation of classrooms. Western was one of only five institutions throughout the country to receive this level of award.

Montana State University

President Malone distributed copies of MSU's Viewbook and Application Forms for 1993-94, along with the Summary of the 1992 Graduate Survey (on file).

Northern Montana College

President Bill Daehling announced that Northern students who graduated last spring and sat for the Registered Nurse exam had received a 100-percent pass rate on the exam.

President Daehling distributed a November 10, 1993 memo to the Board concerning the Educational Opportunity Center Program operated by Northern (on file) and gave a brief report on the program.

Great Falls Technical Center

Director Will Weaver said the Great Falls Technical Center was happy to host one of the public meetings on restructuring. He said about 110 people attended the meeting.

Flathead Valley Community College

President Howard Fryett introduced Dr. Walt Nolte from Tacoma, Washington, as the new chief academic officer at the college.

COMMISSIONER'S REPORT

System Enrollment and Funding Projections

Commissioner Baker said he wanted to address some of the issues related to access, quality, and cost, since the public was not always aware of the details involved. He distributed and reviewed several graphs (on file) that presented information to help understand what the future holds and where the system is headed. The figures used were derived from data provided by the Western Interstate Commission for Higher Education (WICHE) and focused on projections of high school graduates in six western states to the year 2006; projections of Montana high school graduates; projected enrollment for the six units—both resident and non-resident; and projected funding for the university system.

Special Session

Commissioner Baker said the system's position was that higher education would contribute its fair share, and they would continue to emphasize that. In relation to the percentage higher education receives from the General Fund, the system's fair share amounts to about \$6.6 million. Commissioner Baker said the system would work with the legislative committees and the executive branch of government to live up to its fair share.

Public Meetings on Restructuring

Commissioner Baker said two public meetings had been held in Helena and Great Falls, and two more were scheduled in Kalispell and Billings. He was also trying to schedule a fifth one on the Hi-Line. Smaller meetings would continue to be held throughout the state to discuss restructuring.

Staff Resignations—Commissioner's Office

Commissioner Baker announced that Dr. Brady Vardemann, Associate Commissioner for Vocational-Technical Education, was resigning to take a position as a chief academic officer in the Georgia University System. Kathy Hicks of the fiscal staff was leaving to take a comptroller position at the University of Wyoming.

Commissioner Baker and Chairman Kaze thanked Dr. Vardemann and Ms. Hicks for their years of hard work in the Commissioner's Office and on behalf of the Board.

Before adjourning, Chairman Kaze thanked MSU President Malone and his staff for hosting the November Board of Regents meeting. The Board adjourned at 10:45 a.m.