



## Minutes

### Montana Board of Regents

The University of Montana-Helena College of Technology  
Helena, MT  
January 7, 2009

#### Wednesday, January 7, 2009

The Board convened at 1:00 pm.

Roll call indicated a quorum present.

**Regents Present:** Stephen Barrett Chair, Clayton Christian Vice Chair, Lynn Morrison-Hamilton, Lila Taylor, Todd Buchanan, Janine Pease, Mitch Jessen, Commissioner Sheila Stearns *ex officio*, Superintendent of Public Instruction Denise Juneau *ex officio*. Pat Wise represented Governor Schweitzer. Regents Lynn Morrison-Hamilton and Janine Pease participated by phone.

Roll call, approval of minutes, and introductions

- November 20-21, 2008 Minutes
- December 4, 2008 Conference Call Meeting

Regent Lila Taylor moved approval of the November 20-21, 2008 and December 4, 2008 minutes. Motion approved 7- 0.

Regent Barrett introduced Superintendent of Public Instruction Denise Juneau. Superintendent Juneau spoke on partnering with higher education.

#### Commissioner's Report

- 2009 Legislative Session Issues

Associate Commissioner Tyler Trevor, Office of the Commissioner of Higher Education (OCHE), explained the legislative process in the commissioner's office, legislative information available on the Montana University System website ([www.mus.edu](http://www.mus.edu)), and current legislation pertinent to the Montana University System (MUS). Mr. Trevor explained details for the MUS presentations to the Joint Education Subcommittee. Three areas that will be highlighted are enrollment, budget, and initiatives, including transferability, distance learning and two-year education. The MUS presentations will be January 21-23, 2009. The individual campus presentations will highlight the accomplishments in relation to the MUS Strategic Plan.

Regent Buchanan requested the regents be updated as the budget process moves along and when changes occur in the budget.

Commissioner Stearns identified legislation that the MUS is following and clarified that SB 41, entitled Clarify Community College District Approval Process, does not remove any of the oversight authority of the Board of Regents.

Deputy Commissioner Mick Robinson, OCHE, summarized the status of university



system funding. He explained the Montana University System (MUS) occupies two thirds of the square footage of state-owned buildings in use. However, the amount of executive budget direct funding allocated to the university system is less than ten percent of the amount designated to this item by the state budget. The proposed budget bill being offered to the legislature has a total of \$113 million in projects, of which \$60 million is funded by sources other than state funding. The level of funding from the state is significantly less than the percentage of building space occupied by the MUS. Many of the cuts in the December 15 version of the executive budget were directly related to funding that was targeted for the Montana University System, particularly for energy-related projects. Deputy Commissioner Robinson has been contacted by legislators regarding the level of funding for buildings, and concerning a bonded bill that would deal with construction. Mr. Robinson requested guidance from the regents regarding a bonding bill.

Discussion followed on the following points:

- Concern that a bonded bill could result in ongoing expenses
- Possibility of a stimulus plan for long term building projects
- The rationale for cutting the MUS extensively in the December 15 executive budget
- The possibility of other solutions in addition to raising tuition in response to the decline in funding
- Fiscal concerns due to the current economic situation
- Concern that if there is no increase in funding, then tuition will need to be raised
- Lack of state funding- while expenditures per student has increased and student enrollments have increased
- No proposed increase in funding by the state to fund present law adjustment
- The need to continue growth in on-line learning and other student-centered modes
- The need to maintain quality education

Mr. Robinson said generally when the economy falters, more students enter into post-secondary education. Therefore, as the economy declines, the MUS may be asked to serve a larger population in higher education.

Commissioner Stearns asked Regent Barrett to clarify the guidance of the Board of Regents. Regent Barrett responded to be prudent.

- Preliminary Education Subcommittee Presentation

Commissioner Stearns noted the legislative Joint Education Subcommittee presentations by the MUS were scheduled for January 20-23, with executive action planned for the following week. She said the MUS will be focusing on enrollment, budget and biennial initiatives.

### **INFORMATION**

- a. Making Opportunity Affordable (MOA) Update



Deputy Commissioner Mary Moe, OCHE, explained the document entitled Montana's Planning Year Scope of Work and Budget for MOA and the presentation entitled Planning for Change and Growth in Montana's Two-Year Colleges and Programs. She stated that the vision of the MOA is to develop and promote a system of two-year colleges encompassing the comprehensive community college mission and that system will extend the mission to all corners of the state. The coordination of Montana's system of two-year colleges will promote them effectively to target populations, such as Native Americans, high school students, adult learners, and persons in underserved regions. This will help expedite students' entry into two-year education, progress through it, and successful entry into the workforce and/or four-year degree programs. By using available data, it will be possible to look at the enrollment population in two-year education.

MOA priorities include:

- Align resources to serve more students
- Increase efficiency and cost-effectiveness of programs and operations
- Reward institutions for graduating students (productivity), not just enrolling them

Commissioner Stearns stated that two-year education is the most affordable way for students to participate in higher education. It is not necessarily the most economical way to deliver because of many high-cost work-force programs. One of the values of Montana's MOA planning year is that it provides data and analysis to help us understand why two-year education isn't reaching more students.

b. Update of Montana University System Science & Technology Advisory Committee

Deputy Commissioner Sylvia Moore explained this committee revived the Experimental Program to Stimulate Competitive Research (EPSCoR) committee as well as science and technology efforts in general. Five major research areas are the core focus of this *Plan*:

- Energy Sciences and Engineering
- Health and Biomedical Sciences
- Agricultural Science
- Environmental and Ecosystem Science
- Materials Science and Engineering

Deputy Commissioner Moore explained that there is a need for five million dollars in matching funds for the EPSCoR committee, which is looking at options other than state funding as possible sources of funding for match.

Commissioner Stearns commented on EPSCoR and clarified that this is a way for the federal government to build infrastructure to allow the state's researchers access to competitive research opportunities.

c. Communication Between Regents and Faculty Leaders



Andrew Ware, chair of Faculty Senate, spoke on communication between OCHE and faculty as well as between regents and faculty. Deputy Commissioner Moore explained that they are trying to increase the dialogue with regents by holding bimonthly conference calls with available regents and faculty.

d. BOR Policy 806.1 Report

Deputy Commissioner Moore said this policy provides that in the fall of every even numbered year, the teacher education programs in the Montana University System will review the compensation awards of those teachers supervising or evaluating student teachers. All teacher award programs in Montana were surveyed regarding teacher compensation, and the results showed teachers receive \$250 per student teacher supervised per semester. The results show comparability throughout the school systems.

e. Level II Memorandum

Deputy Commissioner Moore said the Level II Memorandum programs are informational at this point and explained the approval process whereby the memorandum is submitted at one meeting and acted upon at the following meeting. This document has been distributed to the chief academic officers throughout the MUS with the request for feedback from academic officers on all the programs. She will inform the regents of comments and issues that get raised.

The following discussion points were contributed by individual regents:

- A request that the campuses include budget and fiscal information on the programs
- Concern about duplication of programs
- Pursuing partnerships between campuses so that students can take the first one or two years at one campus and transfer to the partnering campus to complete the degree
- A request to participate in more of the discussion on requested changes or new programs, with the first discussion possibly being with the Academic and Student Affairs Committee as a whole, followed by the meeting with the chief academic officers
- A request not to address the program reviews during the January or July planning meetings due to the different format and length of the meetings
- A request for discussion on the intent of the process of new program approvals

Deputy Commissioner Moore explained that the MUS website lists all new programs being contemplated throughout the year and for a three year timeline. The form and guidelines for new program requests are available on the MUS website.



**ACTION**

- a. Northern Tier Inter-Cap Loan Authorization; UM-Missoula and MSU-Bozeman ITEM 142-1006-R0109

Deputy Commissioner Mick Robinson, OCHE, explained that an appropriation was made to the Montana Department of Administration during the 2007 legislative session to tap into fiber optic bandwidth to serve Montanan's research and other needs. The appropriation has now been transferred to OCHE and through OCHE to the MSU-Bozeman and UM-Missoula campuses. There is a need for capital expenditures connected with the project and that was previously approved by the board for a total amount of \$2 million maximum. This item indicates the \$2 million will be financed through an INTERCAP loan with the Board of Investments. The University of Montana-Missoula and Montana State University-Bozeman will be borrowing those dollars, to be repaid with current operating budgets and information technology (IT) capital replacement funds. Deputy Commissioner Robinson recommended approval of this financing arrangement to finalize and move forward with this project.

President George Dennison, The University of Montana, said there are efficiencies to accessing the Northern Tier bandwidth that will result in cost savings. Due to past legislative funding, the fiber is provided without cost to the Montana University System. This is also beneficial with match funding for EPSCoR.

Regent Christian moved approval of Item 142-1006-R0109. Motion passed 7-0.

- b. Construct Wind Turbine; MSU-Great Falls COT ITEM 142-2851-0109 Attachment

Deputy Commissioner Robinson stated that this was originally submitted for the November 2008 meeting, but was deferred to the January meeting to allow time for more information to be gathered by the campus.

Interim Dean Joe Schaffer, Montana State University-Great Falls College of Technology, explained the request is for approval of the construction of a 50 kilowatt turbine to be erected on campus. The opening of the MSU-Great Falls COT trades building resulted in significant increased utility costs on campus. Three primary goals could be served by the construction and implementation of the wind turbine. The turbine will:

1. Help the campus meet campus green energy goals
2. Provide educational and research opportunities throughout the region
3. Offset campus' energy costs

There are benefits beyond the overall cost of the turbine, such as providing a portion of wind energy for Montana. Dean Schaffer said the neighborhood has endorsed the project.

Representatives of Western Community Energy, Mike Costanti, Sean Micken, and Ian



Graham, made a presentation on the feasibility study report on the wind turbine project at MSU-Great Falls COT. Mr. Costanti explained the construction project process and timeline, equipment assessment, cash flow assessment and estimated cost savings. Western Community Energy recommended erecting a 120 foot tower to ensure that future construction in the neighborhood would not affect the windshed.

Regent Jessen read a letter from the President of the Associated Students of MSU-Great Falls, which said the students from MSU-Great Falls COT believe their campus needs to set an example of striving to meet Governor Schweitzer's 10X20 energy reduction initiative and this would be a step in energy savings.

Regent Jessen moved approval of item. Motion passed 7-0.

### CONSENT

- a. Appointment to Local Executive Board; ITEM 141-101-R0109
- b. Student Computer Fees; UM-Western ITEM 142-1601-R0109
- c. Student Equipment Fee; MSU-Billings ITEM 142-2701-0109

Regent Taylor moved approval on items a, b, and c. Motion approved 7-0.

### **Public Comment**

Representative Shannon Augare read a letter on behalf of the Montana Indian caucus expressing concern in the proposed reduction on funding in Governor Schweitzer's budget for tribal college non-beneficiary students.

Deputy Commissioner Robinson clarified there is \$900,000 in non-beneficiary funding in this biennium, whereas the projected funding for the next biennium is reduced by 50%.

Representative Norma Bixby urged support for funding for non-beneficiary students in the budget and asked the regents to address what university system needs to do to train teachers for Indian students.

Senator Jim Peterson, SD 16, and Dr. Bill Bryan, MSU-Bozeman, spoke to the board about a project entitled the 2030 project, which addresses the changing demographics, the aging population and the associated needs in Montana. Senator Peterson will be introducing legislation for funding for OCHE to coordinate with groups throughout the state to address this need. Senator Peterson described a proposal called Rural-Urban Institute.

Regent Buchanan suggested Senator Peterson discuss this issue with Leadership Montana, as some of these goals are also goals of Leadership Montana. Senator Peterson responded they have requested a meeting with Leadership Montana on this issue.

Meeting recessed at 4:42 PM.

The meeting reconvened at 5:00 PM for executive session in Room 1020.



**Executive Session**

- Honorary Degree; MSU-Bozeman
- Litigation Update

The Board approved the Montana State University-Bozeman honorary degree, 7-0.

The meeting adjourned at 6:05 PM.

**Posted on**

**Approved by the Board of Regents on**

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Date

Date

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Sheila M. Stearns  
Commissioner of Higher Education  
and Secretary to the Board of Regents

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Stephen Barrett  
Chair, Board of Regents