



MINUTES
Montana Board of Regents
Helena College UM
January 8, 2013

The board meeting convened at 9:20 AM. The board met in Executive Session for the purpose of individual privacy. The Executive Session topics included:

- Honorary Doctorate – MSU-Bozeman
- Honorary Doctorate - UM-Missoula

Roll call indicated a quorum present. Regents present: Chairman Angela McLean, Regents Joe Thiel, Paul Tuss, Jeffrey Krauss, Pat Williams. *Ex officio* members Commissioner of Higher Education Clayton Christian and Superintendent of Public Instruction Denise Juneau were present. Regent Todd Buchanan and *Ex officio* member Governor Steve Bullock were excused.

Regent Paul Tuss moved approval of the November 5 Conference Call and November 15-16, 2012 minutes. Motion approved 5-0, with Regent Todd Buchanan being absent from the meeting.

Chair Angela McLean announced the recent selection of Student Joe Thiel as a Rhodes Scholar.

Chair McLean noted legislative priorities of the Montana University System for the 2013 Montana Legislative Session; higher education is a strong return on investment; and the importance of investing in students. She said the board is committed to freezing tuition if the legislature grants a fully funded pay play plan and grants full funding to maintain current services.

Commissioner's Report

- Milk River Update

Commissioner Clayton Christian updated the board on the Milk River Ranch and the possible acquisition of paleontological and archeological rights for research purposes that was discussed at the November 2012 BOR meeting. Any MUS action on the acquisition is currently on hold until further information is gathered on the value to the university system. He noted that if the acquisition were to occur, it has been decided to have the research rights belong to the Montana University System rather than a specific campus within the system. Commissioner Christian stated that while the MUS has the authority to purchase the rights, it has not yet been determined if it is in the best interest of the university system to do so. He stressed that the MUS has not made any commitments nor signed any documents related to this acquisition yet. Commissioner Christian said he will come back to the board with a recommendation at a later time if he decides it is in the best interest of the university system to pursue further action.

- Legislative Session Update

Associate Commissioner Kevin McRae noted that the MUS is focused on supporting



funding for the pay plan and present-law adjustments to continue current services. Full funding of these would make it possible for the board to maintain current tuition levels.

Associate Commissioner McRae noted that the MUS budgets presentations will be held the end of January 2013 and themes will focus on the value of higher education; efficiencies; natural resources and energy; arts, culture, quality of life; business and entrepreneurship; community service and support, food and fiber; and healthcare initiatives.

- MUS Data Points: Wall Street Journal Article Response

Associate Commissioner Tyler Trevor responded to a recent Wall Street Journal article that examined the University of Minnesota and public education in general. He noted a number of statements in the article about administrative bloat in higher education and its direct relation to tuition increases. He explained some assertions and data points from the article, accompanied by equivalent data and summary points from the Montana University System. Mr. Trevor stressed that Montana has led the nation in holding down tuition and has long been one of the most efficient higher education systems in the entire country. Mr. Trevor presented individual campus data for each of the ratios addressed in the article. He noted that in Montana, while administrators have increased, they have not increased at nearly the rate that student enrollment has increased.

Commissioner Christian added that much of the tuition cost differences have been attributed to funding switches over the years. In the past, the state covered 80% of college costs, compared to students now having to pay 66% of their education costs and the state covering only 34% of costs.

Commissioner Christian noted funding in the executive budget for providing services for military veterans and in providing consistencies throughout the system for veterans.

Deputy Commissioner Mick Robinson added that the executive budget also includes funding toward a veterinary medicine program, healthcare initiative, and for increasing the number of Montana's WWAMI (Washington, Wyoming, Alaska, Montana and Idaho) medical education slots.

Office of Public Instructions Legislative Update *Superintendent of Public Instruction Denise Juneau*

Superintendent of Public Instruction Denise Juneau gave a presentation entitled Montana's Public Schools, Our State's Greatest Asset. She discussed: school funding; increasing Montana's high school graduation rate; higher standards for English and math; common core for English and math; improving technology in the classrooms; conducting online assessments and; supporting dual enrollment and concurrent dual enrollment in the schools, which would reimburse school for costs and fees when the students have concurrent enrollment. Superintendent Juneau noted the efforts focused on a seamless system with higher education and supporting higher education funding.

Superintendent Juneau noted legislative priorities for her office include raising the legal dropout age to 18, providing state support to encourage concurrent enrollment



opportunities, and increasing K-12 BASE aid.

ACTION

- a. Core Themes; MSU-Billings *ITEM 158-2703-R0113*

Provost Mark Pagano, MSU-Billings, noted that the core themes focus on: cultivating teaching excellence; providing an environment for learning; promoting and engaging in civic responsibility; and enhancing the community.

Regent Tuss moved approval of ITEM 158-2703-R0113. Motion passed 5-0.

- b. Adoption of Reimbursement Resolution; MSU-Bozeman *ITEM 158-2007-R0113*

Terry Leist, MSU-Bozeman Vice President Administration and Finance, explained this item establishes compliance with reimbursement bond regulations in accordance with the IRS codes.

Student Regent Joe Thiel moved approval of ITEM 158-2007-R0113. Motion passed 5-0.

- c. Authorization to Issue Refunding Revenue Bonds; MSU-Bozeman
ITEM 158-2008-R0113

Vice President Terry Leist, MSU-Bozeman, explained this item authorizes MSU-Bozeman and the Commissioner of Higher Education to issue refunding revenue bonds at a fixed interest rate and includes refunding of its variable rate bonds.

Student Regent Thiel moved approval of ITEM 158-2008-R0113. Motion passed 5-0.

- d. Operating Agreement Between MSU-Northern and MSU-Northern
Foundation; MSU-Northern *ITEM 158-2801-R0113*

Chancellor Jim Limbaugh noted this item seeks approval for MSU-Northern to enter into an operating agreement with the MSU-Northern Foundation.

Regent Tuss moved approval of ITEM 158-2801-R0113. Motion passed 5-0.

- e. Operating Agreement Between UM-Missoula and UM-Missoula
Foundation; UM-Missoula *ITEM 158-1005-R0113*

President Royce Engstrom noted this authorizes UM-Missoula to enter into a new agreement with the UM Foundation. He noted the agreement does call for a modest increase from the university, as the university moves forward to strengthen outside donor relationships.

Regent Thiel moved approval of ITEM 158-1005-R0113. Motion passed 5-0.



CONSENT

- a. Staff Item; MSU-Bozeman *ITEM 158-2000-R0113*
- b. Staff Item; MSU-Bozeman *ITEM 158-2001-R0113*
- c. Authorization for Vice President for Research and Creative Scholarship; UM-Missoula *ITEM 158-1000-R0113*
- d. Authorization to Execute Lease Between UC Market and The Bookstore; UM-Missoula *ITEM 158-1008-R0113*
- e. Authorization to Enter Into Lease for SpectrUM; UM-Missoula *ITEM 158-1009-R0113*
- f. Authorization to Enter Into Off-Campus Lease for Maureen and Mike Mansfield Center; UM-Missoula *ITEM 158-1010-R0113*
- g. Authorization to Expend Student Computer Technology Fees; Helena College UM *ITEM 158-1902-R0113*
- h. Design New College of Business Building; MSU-Bozeman *ITEM 158-2002-R0113*
- i. Authorization to Amend Intercap Loan for Campus Expansion; FVCC *ITEM 158-301-R0113*

Regent Tuss moved approval of the consent agenda. Motion passed 5-0.

Student Appeals

- Student Appeal #1

Chair McLean noted the two student appeals and explained that the board members have each received the commissioner's decision and the written appeal, with supporting documents, submitted by the student. She explained that the board would address each appeal separately and that the issue before the Board, in each of these, is solely to determine whether to hear these appeals at a later meeting. Chair McLean said the BOR policy does not require the Board to entertain the appeals if the board members are satisfied with the commissioner's review and decision. She stressed the appeals are confidential, therefore, the board could not address these students by name, nor identify the campus involved, nor address the facts or the specific issues at this time.

Chair McLean stressed that the sole issue today is whether any regent believes the issues addressed in the commissioner's decision need further review at the Board level. She clarified that if the board did not wish to hear a specific appeal at the BOR level, it was not necessary to make a motion. A lack of action on the board's part would signify the board's decision not to hear the case.

No motion was made, therefore, the request to entertain the appeal is denied. The commissioner's decision is upheld.

- Student Appeal #2

No motion was made by the board. Therefore, the commissioner's decision will be upheld.

INFORMATION



a. Campus Athletic Reports *Athletic Income Details | Student Athlete Information Summary | Financial Aid Summary*

Deputy Commissioner Mick Robinson noted the process for the campus athletic reports. The individual campuses provide information to the commissioner's office pertaining to summaries per sport, including revenues and expenditures. He explained that the data includes athletic income details, student athlete information and a financial aid summary regarding fee waivers and scholarships awarded to student athletes. The information is audited every year as part of the recording requirements. Mr. Robinson clarified that surplus revenue from athletics generally goes back to the athletic designated fund, which is part of the entire university budget, but the funds are designated for university athletics. He noted a portion of every dollar generated from athletic funds is used for the campus general fund and are used for student support.

Vice President Terry Leist said there is a mixture of state appropriations and tuition that make up the campus general fund, which includes coaching and athletic expenses and salaries.

Discussion followed on campus efforts to improve graduation rates of student athletes.

b. Level I Memorandum

Deputy Commissioner Neil Moisey noted that the Level I Memorandums are approved at the commissioner's office and involve minor changes to programs or titles.

c. Level II Memorandum – *for action at March BOR meeting*

Deputy Commissioner Neil Moisey noted that Level II Memorandums involve more substantial changes and will be brought back to the board for action at the March meeting.

d. Progress Report - Experimental Program to Stimulate Competitive Research (EPSCoR)

Deputy Commissioner Neil Moisey gave a brief update on the Montana EPSCoR which promotes ecosystem research and build the science infrastructure needed. He noted that the EPSCoR program is a five-year \$24 million partnership between the State of Montana and the National Science Foundation which requires a state match of \$4 million.

e. Policy 401 and 404 Research Reports; MSU-Bozeman and UM-Missoula | *Strategic Plan Goal | MSU 401 Report | UM 401 Report | MSU and UM 404 Report*

Deputy Commissioner Neil Moisey explained that these are research reports made at each January meeting that include information on inventions, patents, and federal research. The attached reports contain federal priorities in which MSU and UM coordinate requests for federal initiatives for their affiliated campuses.



f. Strategic Plan – MSU-Billings

There was no discussion on this item.

Final Comprehensive Two-year Mission Expansion Plan Presentation
D. Rosenberg, College Brain Trust, J. Cech

Deputy Commissioner John Cech noted the mission of two-year education in Montana is to provide a comprehensive, accessible, responsive, and student-centered learning environment that facilitates, supports and enhances communities in Montana.

Dan Rosenberg, College Brain Trust, presented an executive summary on moving the comprehensive mission implementation plans forward for the two-year campuses in Montana. The consulting firm reviewed existing plans, visited colleges, developed and refined initiatives, and assisted the colleges in compiling the final draft plans. Mr. Rosenberg noted that two-year colleges address the needs of a different student population than what would typically enter other campuses. He recommended continuing the planning process on an annual basis, honoring the unique qualities of individual campuses, within a consistent plan framework. He also recommended that the State continue to utilize a standard set of metrics for assessing progress.

Mr. Rosenberg clarified that the initiatives are actions the colleges are proposing to enhance the level of comprehensive mission for their institution. Initiatives fell into the following categories: transfer; workforce development; developmental education; lifelong learning; community development; branding and marketing; and other institutional elements. He noted the initiatives are strategies for change and are focused on student success.

Members of the board discussed how to allocate two-year education funds according to the comprehensive plans.

- Bitterroot College Two-Year Comprehensive Mission Expansion Plan
- City College Two-Year Comprehensive Mission Expansion Plan
- Gallatin College Two-Year Comprehensive Mission Expansion Plan
- Great Falls College Two-Year Comprehensive Mission Expansion Plan
- Helena College Two-Year Comprehensive Mission Expansion Plan
- Highlands College Two-Year Comprehensive Mission Expansion Plan
- Missoula College Two-Year Comprehensive Mission Expansion Plan

Public Comment

- Zach Brown, UM-Missoula student, spoke about the bus service in Missoula and the efforts that are going into options for the purchase of improved buses and cleaner fuels. He also noted a MOU recently signed by UM President, ASUM, and Mayor John Engen about working together in creating a better community.



MONTANA UNIVERSITY SYSTEM

- Phillip Perzyk, Missoula resident, spoke in support of education and on concerns in Missoula and how legislators may be able to help solve some of the problems.
- Charlie Brown, MAS President and Great Falls College MSU Student, spoke in support of the recent name and mission changes for the two-year campuses. His comments included his personal transformation from not believing in the College!NOW initiative (not sure it would help the student) to wholeheartedly believing in the initiative noting it has already resulted in major impacts at Great Falls College.
- Professor Sandy Osborne, Chair of the Montana coalition of Union Faculty (CUF) of MSU-Bozeman, voiced concern of low faculty compensation levels at UM-Western.

The meeting adjourned at 12:50 PM.

Approved by the Board of Regents on

Date

Date

Clayton T. Christian
Commissioner of Higher Education
and Secretary to the Board of Regents

Angela McLean
Chair, Board of Regents