



MINUTES
Montana Board of Regents
Helena College - UM
March 9-10, 2017

Thursday, March 9, 2017

The meeting convened at 8:48 AM

Roll call indicated a quorum present.

Regents Present: Paul Tuss, Chair; Fran Albrecht, Vice Chair; Bill Johnstone; Martha Sheehy; Casey Lozar; Bob Nystuen, and Levi Birky were present. Ex officio members included: Commissioner of Higher Education Clayton Christian; Ex officio Governor Bullock was represented by Ms. Siri Smillie and Ex officio Superintendent Arntzen was present.

Chair Tuss welcomed all attendees and extended thanks to Dean Bingham and Helena College for hosting the meeting. He discussed the upcoming agenda, noting that it would focus on legislative updates, highlights on committee work, budget analysis, tuition factors, updates on Shared Services as well as updates related to Academic, Research and Student Affairs, and Two-Year Education updates. He briefly discussed the currently proposed funding level by the Legislature, noting the proposed deficit of \$23 Million to the budget; which would result in severe impacts to higher education across Montana and directly impact students. Chair Tuss and Commissioner Christian acknowledged Dean Bingham's many years of service to the MUS and Helena College and extended thanks.

Dean Bingham welcomed all attendees to the Helena College-UM campus. He led a brief panel discussion about recent events at Helena College including an update on the research council, recently established at Helena College and its successes to date including articulation agreements with other campuses; and the success of transferability at Helena College-UM. An update on the Small Business Development Center, funded by Department of Commerce, was also presented. This program offers assistance to small businesses in the local community through consulting services, as well as, low cost educational classes.

Approval of Minutes

- January 12, 2017 Conference Call Minutes

A motion for the approval of the January 12, 2017 Conference Call Minutes was made by Regent Johnstone; the motion passed 7-0.

System Issues Reports and Action

- Commissioner's Report

Commissioner Christian shared good news related to Math Pathways. Last month, the MUS was invited to join the National Advancing Mathematics Pathways for Student Success Initiative which is sponsored by The Charles A. Dana Center at The University of Texas at Austin, Complete College America, (CCA), and the Carnegie Foundation for the Advancement of Teaching, and leverages the



leadership of three major public university associations: the Association of Public and Land-grant Universities (APLU), the American Association of State Colleges and Universities (AACSB), and the National Association of System Heads (NASU). The purpose of the Initiative is to leverage the success of states like Montana to spread math pathways across the entire country. In addition we received word that funding for the Prior Learning Assessment will continue as USA Funds recently notified us they are granting to the MSU another \$199,000 to continue with our work in scaling PLA and outreach to adult learners. The grant is to OCHE. This is indeed very good news and a credit to all the work of many people at all of our universities and colleges.

- Legislative Update

Commissioner Christian updated the Board that the MUS legislative team is tracking about 120 bills that have been identified as having an impact or connection to higher education. The subjects range far and wide from alcohol licenses for colleges for educational purposes; to the decennial 6-mill-levy ballot measure for \$20 million per year in baseline MUS funding; to the state's share of campus operational and infrastructure support for the next two years. He updated the board on a few of the bills including:

House Bill 2 (Rep. Nancy Ballance) General Appropriations Act. The MUS, Governor and Legislature have worked hard over the last decade to make college more affordable in Montana. We don't want to take a substantial step backward in affordability, nor do we want to reduce access that Montanans have to educational programs. He discussed the presentations and efforts during subcommittee week. He explained the funding imbalance, noting that Montana still remains very low, on a national level, related to state funding for higher education. He clarified that any of these proposed cuts would have a great and direct impact on students in the form of tuition increase or cuts to services, programs or a combination of both; final decisions to be determined by this Board.

House Bill 3 (Rep. Nancy Ballance) focuses on revising expenditures and providing supplemental appropriation. This bill contains the \$358,000 supplemental request for OCHE as a reimbursement for the lottery program funding that was supposed to be received for the STEM Scholarship Program. This bill also contains about \$30,000 in Fiscal Year 2019 base funding for having offered back \$100,000 in Fiscal Year 2017 research funding.

House Bill 5 (Rep. Jim Keane) Long-Range Building appropriation. A number of authority-only projects for the MUS are included in this bill. Examples of non-state funds include federal special revenue, donations, grants, auxiliary funds, or proprietary funds. He noted the various projects across the MUS on this list.

House Bill 13 (Rep. Moffie Funk) State Employee Pay Plan. This bill would appropriate approximately \$3 million to the MUS for compensation. If the MUS were to look at implementation dates as suggested (but not binding) in the bill, which are Nov. 15 in each year, the funding level in the bill would cover about 4/10ths (four-tenths) of a 1% pay raise.

House Bill 14 (Rep. Jim Keane) Bonding program. This bill includes the Romney Hall project (\$25 million funded plus \$3 million authority) and another \$3 million in deferred maintenance for MUS facilities. Commissioner Christian stated that he continues to receive positive feedback related to the Romney project and that there is a better understanding for the need of this project.



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Senate Bill 85 (Sen. Mary Moe) Submitting a 6-mill levy for support of the Montana University System to voters. He extended thanks to both Senator Mary Moe and Representative JP Pomnichowski for her assistance in sponsoring the bill.

- Update on Searches Across MUS

Commissioner Christian updated the Board on the searches for the University of Montana, Helena College-UM and MSU-Billings. He noted that search advisory committee has been formed and seated for the University of Montana. They met formally in February and are currently reviewing the draft advertisement for the position. He stated that next steps include: continued review of the draft ad and developing a profile for the position as well as adding a member from local government and a Dean, to the search advisory committee. He noted that the committee is receiving lots of input and feedback related to the search, which is being relayed to the national search consultants assisting with this search. He discussed the timeline, noting after much discussion and research, consensus was that a better pool of candidates could be obtained through this timeline which focuses on bringing finalists to campuses for visits in the fall. This will also be beneficial as session will have ended and we'll have a better understanding of our budget and tuition.

In regard to Helena College-UM, following Dean Bingham's departure, we will need to look for new leadership for this institution. He stated that this effort is in the planning stage with considerations being made to interim opportunities as well as the development of a search timeline. He stated that this OCHE office and Board are committed to finding the right person to continue the success of this campus.

For MSU-Billings; Dr. Larsen will serve as interim chancellor for the foreseeable future. We want to give Chancellor Larsen an opportunity to stabilize the campus. Chancellor Larsen will be focusing on advancing retention and enrollment work. MSUB and City College need to strengthen student retention and the enrollment without further delay. He noted that there is a certain amount of undertow concerning what the vision of MSUB is. He expressed that it was critically important for the OCHE office and Board to be integrally involved in this conversation and help coordinate this effort, through OCHE, to help move it forward and ensure that a vision is adopted and carried out. Discussion followed.

- Campus Reports
- Campus Introductions

Introductions were made for Interim Chancellor Ron Larsen of MSU-Billings; Dean David Gurchiek of Highlands College.

- Other

Budget, Audit and Enterprise Risk Committee

INFORMATION

Deputy Commissioner Tyler Trevor noted the renaming of this committee and agenda breakdown. He noted that the information on the agenda is intended as a resource for the board.

Budget | ATAF Chart



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- a. Legislative Updates
 - Budget Status

Deputy Commissioner Trevor discussed HB 2, specifically the funding breakdown for various programs including:

Program 1: OCHE Administrative office, in which a 7% reduction is proposed, totaling approximately \$500,000 for the biennium;

Program 2: Student Assistance, proposed 4% reduction across all programs, besides WICHE/WWAMI. Professional graduate programs (WICHE/WWAMI/WIMU/MN Dental) are fully funded, including the entire present law adjustment. Discussion followed.

Program 4: Community Colleges, which has a proposed 9% reduction, totaling approximately \$2.4M for the biennium. Note, reductions may potentially vary by campus. Discussion followed.

Program 9: Appropriations Distribution (MUS Ed. Units), a proposed 5% reduction, totaling approximately \$18.6M for the biennium. No funding of Present Law Adjustments (PLA), including no New Space O&M. FY18 Reduction Hole = \$8.3M (tuition side PLA) + \$5.7M (state side PLA) + \$9.3M (5% cut) = \$23.3M. Discussion followed on how this relates to tuition. Commissioner Christian clarified that we did not ask the state to fund non-resident students.

Program 10: Research and Service Agencies, in which a 3.5% reduction is proposed, totaling approximately \$1.9M for the biennium. The impact to the various agencies varies because of calculated SWPLA (State-wide Present Law Adjustments). The Committee moved forward a companion bill concept aimed at adjusting the CC formula and possibly providing funds for the Fire Services Training School. Discussion followed.

MUS Total Budget: General Fund & State Special Revenue:

FY17 Base Budget = \$250,228,439

FY18 Reduction = (12,125,651) FY19 Reduction = (12,145,465)

Total Biennial Reduction = (24,271,116) (does not include prg 2 state special increase)

- Funding & Tuition Scenario Overview
- Ed. Appropriations Subcommittee – Info Packet

- b. MUS Budget Model

Deputy Commissioner Tyler Trevor discussed Board Governance Framework that was discussed by the Board at their July 2016 Retreat. He noted the importance of mission differentiation and setting mission parameters as well as, shared services, noting the importance of collaboration to operate more efficiently as a system. In relation to developing a cohesive financial plan he discussed the connection and interplay between state appropriations, tuition, and financial aid. He noted that during the tuition freeze era a lot of these connections were taken care of for us. He stressed that it is now



critical, at this point, moving out of that era to pay as much attention as we can to the connection between state appropriations and tuition but not forgetting financial aid.

- Budget Building Blocks

Deputy Commissioner Trevor discussed the budget building blocks that were discussed in September. He discussed the formula of institutional requirement less state appropriations equating tuition revenue; noting that previously we used an approach that added state appropriations and tuition to calculate institutional requirement. The main difference between these approaches is that in the past we didn't start with our ideal and determine what should be funded and what campuses should be funded based upon their mission parameters. He suggested an opportunity to take steps toward that. He discussed the current phase we are in which includes adding present law adjustments to the FY 17 base, less reductions to PLA and FY17 base, equates to the FY 18 tuition revenue requirement. We need to get into the specifics between now and the upcoming May Board meeting to apply the campus level drivers and incorporate enrollment projections and other drivers to evaluate how those projections will impact revenue streams, then apply the state allocation decision model which would result in applying tuition decisions. Discussion followed.

- System/Campus Detail

c. Benchmarks and Drivers

Deputy Commissioner Trevor spoke to benchmarks and drivers as tools that the board can use as they make tuition and allocation decisions and as this budget model is further developed. He reiterated the differences of campuses related to current size, enrollment mix, and projections for the future. He stressed the importance of FY18 & FY19, underlining that we must have a better understanding and expectation of campus metrics and goals and how they drive budgets 6-10 years out. He suggested system collaboration to develop a six-year model that would utilize some of these drivers to set as goals and expectations for individual campuses to reach based upon their mission parameters and some of the unique attributes that those campuses have.

- Shared Policy Goal

Deputy Commissioner Trevor stated that the Legislature, Governor Bullock, and the Montana University System have a vested interest in maintaining a quality system of higher education that operates in an efficient manner. In order to help ensure the educational units of the Montana University System are providing quality and efficient delivery of higher education, parties including members of the Education Appropriations Subcommittee, Commissioner of Higher Education and Governor agree to establish efficiency benchmarks. For the 2019 Biennium, the mutually agreed on efficiency benchmarks are: 1) MUS average state support per resident student FTE, plus or minus \$2,500; and 2) funding comparisons to regional peers of the MUS campuses. With the lump sum funding provided by the Legislature, the Montana University System will strive to allocate funds in such a manner that all campuses of the Montana University System fall within the efficiency benchmark range. Given that MUS Flagship campuses (MSU & UM) operate with approximately 60% of the median state support per student FTE as their regional peers and that the MUS ranks 48th in nation in total educational revenue per student FTE, all parties will strive to provide adequate funding levels for the Montana University System in relation to median income. He spoke to the importance of using tax dollars efficiently across the system. Commissioner Christian clarified that this is not the



same document that was used for the MOUs related to the College Affordability Plan. Discussion followed.

- Peer Analysis | MSU | UM | MT-Tech | UMW, MSUN, MSUB | 2-yr
- Operating Budget Metrics Dashboard
- Enrollment | Spring 2017 | Projections

Deputy Commissioner Trevor discussed spring enrollment numbers and reminded attendees that enrollment numbers are not final until the end of semester. He stated that the combination of enrollment figures from spring, summer and fall and are used to determine fiscal year enrollment. Fiscal year enrollment is used to run enrollment projections, as well as to determine the annualized number. He noted that they are currently working with campuses on calculating FY 17 enrollment projections.

d. Tuition Decision Points

Deputy Commissioner Trevor discussed the following decisions points in preparation for a decision in May regarding tuition and developing a framework that would help set campuses up for success over time, as well as measure that success. Discussion followed.

1. Establish single, base tuition rates for undergraduate and graduate tuition at each campus. (i.e. remove lower division discounts)
2. Strive to level tuition by mission type.
3. Establish range expectations and goals based on peers. (ex. Flagships = 100% of peers, 4-yr = 75% of Flagships, 2-yr = 50% of Flagships)
4. Establish expectations based on the ratio of tuition to median household income, use peer average as benchmark.
5. Strive to connect tuition revenue and state allocation to meet Cost of Education (COE) benchmarks – set COE benchmark using efficiency benchmark, mission parameters, peer levels, enrollment projections, etc.
6. Work to develop system-wide resident student recruitment efforts.
7. Work to standardize mandatory fees by campus type.

- Tuition Rates: Flagships | 4-year | 2-year
- Tuition Compared to Median Household Income

e. State Allocation Decision Points

Deputy Commissioner Trevor spoke to the following suggested decision points:

1. Establish Performance Funding allocation amount (ex. \$15M in each year of the biennium)
2. Identify primary allocation distribution drivers
 - 3-year resident student FTE averages
 - Cost of Education benchmarks
 - FY17 allocation distribution
3. Utilize Efficiency Benchmarks to establish goals (ex. Shared Policy Goal)



- State support per resident FTE
 - % state share expectations by mission type
 - Peer comparisons
4. Strive to connect tuition revenue and state allocation to meet Cost of Education (COE) benchmarks – set COE benchmark using efficiency benchmark, mission parameters, peer levels, enrollment projections, etc.
 5. Return responsibility for individual campus allocations to OCHE

Discussion followed.

- State Allocation Methodology
- Performance Funding

UM Budget & Planning Update

Dr. Sheila Stearns, President of the University of Montana; Mr. Mike Reid, Vice President of Administration and Finance at UM; Mr. Brock Tessman, Dean of the Davidson Honors College-UM; Dr. Tom Crady, Vice President of Student Affairs and Enrollment-UM; Dr. Beverly Edmond, Interim Provost-UM; Dr. John DeBoer, Faculty Representative-UM; and Mr. Sam Forstag, ASUM President; provided an update for the Board on the efforts underway at the University of Montana. Dr. Crady spoke to enrollment efforts which include: stabilizing the incoming freshman class, increasing non-resident students, continuing growth at Missoula College, continue steady graduate student admissions and expand international student recruitment. Vice President Reid spoke to the short-term response to budget alignment challenges which include attrition and salary savings, proceeding with new hires only with presidential approval, evaluate retirement incentives and streamlined services. Mr. Tessman spoke to the strategic planning process which focuses on learning from people, finding patterns, identifying principles, explore strategies, and test and revise. He discussed how the strategic planning will assist the President and institution to make informed decisions that support and further the campus mission. President Stearns spoke to the Forward125 initiative, which is currently being used to assist with examining the organization and make sound decisions to reflect the needs of students and maximize the finite resources available to achieve the UM mission. Forward125 puts UM on a path toward achieving this end. Discussion followed.

Audit

- a. Montana University System Workforce Data Reporting Performance Audit-Update *One-year Follow-up Response | Attachment #1 | Attachment #2*

Deputy Commissioner Trevor presented to the board an update on the one year follow-up response from the Montana University System to the performance audit on Workforce Data Reporting (14P-05). He spoke to the three recommendations associated with the audit and noted that they are in implementation or are in the process of being implemented. He clarified that the following action steps have been taken: The MUS has implemented a consistent position categorization model. The model is a modified version of the University of North Carolina's JCAT framework. Embedded in the process of applying JCAT codes to the 8,000 employees within the MUS is a detailed review of all workforce data. As a new generation of JCAT coded data is now available, and new system-wide reports are



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being developed and integrated into the budgeting process, OCHE has the opportunity to conduct a detailed analysis of IPEDS reported data. Discussion followed.

- b. Montana State University Consolidated Financial Statements (all campuses & agencies)-June 30, 2016-Unmodified (Clean) Opinion
- c. University of Montana Consolidated Financial Statements (all campuses & agencies)-June 30, 2016-Unmodified (Clean) Opinion
- d. Montana State University Consolidated Revenue Bond Report-June 30, 2016-Unmodified (Clean) Opinion
- e. University of Montana Pledged Revenue Bonds-June 30, 2016-Unmodified (Clean) Opinion
- f. KEMC-FM Yellowstone Public Radio operated by Montana State University-Billings, Financial Statement Audit for the year ended June 30, 2015-Unmodified (Clean) Opinion
- g. KUFM-FM Radio operated by University of Montana, Financial Statement Audit for the year ended June 30, 2015-Unmodified (Clean) Opinion
- h. Montana PBS Public Television operated by the Montana University System-Financial Statement Audit for the year ended June 30, 2016-Unmodified (Clean) Opinion
- i. KGLT-FM Public Telecommunications operated by the Board of Regents-Montana University System Financial Statement Audit-June 30, 2016-Unmodified (Clean) Opinion
- j. MUS Workers' Compensation Program Financial Statement Audit-June 30, 2016-Unmodified (Clean) Opinion

Mrs. Frieda Houser, Director of Accounting and Budget at OCHE, discussed the posted audit reports noting they all had clean, unmodified opinions. Discussion followed.

Enterprise Risk/Shared Services/Facilities

- a. Shared Services Presentation *Attachment #1 | Attachment #2 | Attachment #3*

Mr. Ron Muffick, Director of Student Affairs, provided an update to the board on shared services. The goal behind shared services is to promote collaboration between campuses through a shared services approach designed to identify and promote efficiencies in services and to reduce the cost of operations. He informed the Board that a taskforce has been developed and is meeting regularly. In addition shared services guiding principle have been developed. He reviewed the list of potential services that will be evaluated and prioritized going forward with focus on cost and potential efficiencies. He reviewed the summary of three focus areas which include: procurement efficiencies initiative, improve compliance through Maxient software, as well as, employment based immigration



processing for international employees. He noted that to date, there are many shared services currently underway across the campuses. Next steps include finalizing the inventory of what is currently being shared and prioritizing the list of potential shared services to develop a plan going forward. Discussion followed.

b. Enterprise Risk Taskforce Update

Mr. Ron Muffick Director of Student Affairs updated the board on the Enterprise Risk Taskforce. He discussed the need behind this taskforce noting that Enterprise Risk Management is an enterprise-wide, strategically-aligned portfolio view of organizational challenges to provide better insight on how to prioritize resource allocation to ensure successful mission delivery. He clarified that currently there are risk management professionals on campuses. OCHE has historically worked with campuses to identify, assess, and mitigate specific risks. OCHE has not provided guidelines and framework to implement Enterprise Risk Management. Going forward, OCHE will develop a coordinated, collaborative and intentional plan for Enterprise Risk Management. Campuses will implement Enterprise Risk Management with a holistic view and response to risk. OCHE will define the ERM structure, risk types and functional areas to assess for risk. OCHE will host quarterly meetings to discuss enterprise risk and provide leadership. Campuses will follow the ERM process described by OCHE and approved by the BOR – Develop a risk inventory – Complete a risk assessment. Campuses will provide OCHE/BOR an annual report detailing ERM efforts. He described the draft ERM structure as well as the risk types and the functional areas to assess for risk. The Enterprise Risk Assessment Plan for the Montana University System will be completed and presented as an action item at the Board of Regents meeting in May, for Board approval. By July 1, 2017 OCHE will convene a system-wide meeting to roll out the plan with guidance and expectation. Enterprise Risk and Shared Services Initiatives will be coordinated and collaborate extensively. Discussion followed.

CONSENT

- a. Authorization to Expend Student Computer Fees; UM-Western *ITEM 174-1602-R0317*
- b. Authorization to Expend Student Equipment Fees; MSU-Billings *ITEM 174-2702-R0317*
- c. Authorization to Expend Student Computer Fee Equipment; UM-Missoula *ITEM 174-1015-R0317*
- d. Authorization to Expend Student Computer Fee Employment Allocation; UM-Missoula *ITEM 174-1014-R0317*
- e. Request for authorization to enter into off campus lease for Intercollegiate Athletics *ITEM 174-1011-R0317 | Attachment #1*
- f. Request for authorization to enter into off campus classroom lease for Montana Weatherization Training Center; MSU-Bozeman *ITEM 174-2007-R0317*
- g. Authorization to Expend Student Computer Fee on Classroom Technology Equipment Initiative; UM-Missoula *ITEM 174-1009-R0317*



ACTION

- a. Policy Revision 970.1 Financial Affairs – Biennial Allocation of State Funds to Montana University System Campuses; OCHE *ITEM 174-102-R0317 | Revised Policy*

Deputy Commissioner Trevor presented this request for the Board of Regents to approve revisions to Policy 970.1, Biennial Allocation of State Funding to Montana University Campuses, to amend procedures for allocating state funding to the campuses of the Montana University System.

- b. Request for Authorization to Transfer Interest in Real Property; Missoula College to Missoula County Public School District; UM-Missoula | *ITEM 174-1012-R0317 | Attachment #1*

Mrs. Frieda Houser, Director of Accounting and Budget at OCHE, presented this request for the Board of Regents of the Montana University System to authorize the University of Montana – Missoula, to proceed with transferring the real property of the old Missoula College located at 909 South Avenue West, Missoula, MT 59801 back to Missoula County Public Schools.

- c. Request for Authorization to Replace and Finance Artificial Turf at Montana State University's Bobcat Stadium; MSU-Bozeman | *ITEM 174-2008-R0317 | Attachment #1 | Attachment #2 | Attachment #3*

Mrs. Frieda Houser, Director of Accounting and Budget at OCHE, presented this request, in accordance with Board of Regents Policy 1003.7, to authorize the Montana State University to replace the field turf and surrounding warning track at Bobcat Stadium at a cost of up to \$625,000, and to finance the costs over a period of three years. Discussion followed.

- d. Request for Authorization to install new center hung video board in Dahlberg Arena of the Harry Adams Center – University of Montana-Missoula *ITEM 174-1003-R0317*

Mrs. Frieda Houser, Director of Accounting and Budget at OCHE, presented this request, consistent with Board of Regents Policy 1003.7, that the Board of Regents of the Montana University System authorize the University of Montana - Missoula to implement steps necessary to replace the center hung video board in the Adams Center on the UM Missoula Campus. This authorization is for \$850,000.

- e. Transfer Interest in Real Property; MSU-Billings *ITEM 174-2701-R0317 | Attachment #1 | Attachment #2*

Mrs. Frieda Houser, Director of Accounting and Budget at OCHE, presented this request, consistent with the provisions of BOR Policy 1003.6, that the Board of Regents of Higher Education authorize Montana State University Billings to execute the transfer of interest in real property within the approved Property Acquisition Zone.

- f. Request for Authorization to enter into off campus classroom lease by Gallatin College; MSU-Bozeman *ITEM 174-2006-R0317*

Mrs. Frieda Houser, Director of Accounting and Budget at OCHE, presented this request, in accordance with Board of Regents Policy 1003.6, that the Board of Regents of the Montana



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University System authorize Gallatin College Montana State University to enter into an off campus lease for classroom usage by the college. Discussion followed.

- g. Policy Revision 1004.1 – Naming of Property, Programs and Interior Spaces;
OCHE *ITEM 174-103-R0317 | Attachment #1*

Ms. Viv Hammill, OCHE Chief Legal Counsel, presented this request for the Board of Regents to review and consider formal adoption of the revised naming policy drafted after the board and staff working group revised the policy. Discussion followed. Regent Tuss inquired about a sentence structure in Section III. Park E. Discussion followed.

Staff and Compensation Committee

INFORMATION

- a. Legislative update on compensation bills

Deputy Commissioner McRae and Regent Johnstone noted the early discussions related to the update on the Legislative session, specifically related to HB 13.

CONSENT

Emeriti Faculty

- a. Fedock; MSU *ITEM 174-2002-R0317*
- b. Weeden; MSU *ITEM 174-2003-R0317*
- c. Lynch; MSU *ITEM 174-2004-R0317*

ACTION

- a. MSU-Billings; *ITEM 174-2700-R0317*

Deputy Commissioner McRae spoke to this item as hiring a previously interim status coach at MSU-Billings.

- b. OCHE; *ITEM 174-100-R0317*

Deputy Commissioner McRae noted that this is a revision to an existing contract for a staff member undergoing additional duties being assigned.

- c. Policy 407 Employee Equity Interest – Rau & Patel; UM Missoula *ITEM 174-1013-R0137 | Attachment #1*

Deputy Commissioner McRae presented this request before the Board of Regents of Higher Education to approve UM-Missoula employees Dr. Thomas Rau and Dr. Sarjubhai Patel for having an equity interest in Glia Diagnostics, an Australian corporation whose address is 29 Clarendon St., Armadale VIC 3143. The Board of Regents of Higher Education would further authorize The University of Montana-Missoula to enter into licensing agreements and contractual arrangements with Glia Diagnostics for use of University facilities, if needed.

Board Education Topic – Research Centers and Institutes



Ms. Janelle Booth, MUS Research Director, presented this before the board along with UM Vice President of Research Dr. Scott Whittenburg and MSU Vice President of Research Dr. Renee Reijo Pera. Ms. Booth distinguished the difference between research centers/institutes and academic programs. Vice President Whittenburg discussed the current centers, authorized by the Board for UM. Vice President Reijo Pera discussed the centers and institutes, and their importance related to research funding at MSU-Bozeman. Ms. Booth discussed the other various centers across the MUS from campuses including MSU-Billings, Montana Tech, MSU-Northern and UM-Western. Dr. Whittenburg discussed the state wide institute, Montana Institute on Ecosystems which manages the ESPSCoR award of \$20 Million over five years. Partners include: Montana Tech, MSUB, Montana Climate Office, One Montana, USGS, Montana Water Center, MtnSEON, Aaniih Dakota College, Blackfeet CC, Great Northern LLC, Dept. of Interior NCCSC, Terra. Dr. Reijo Pera noted the synergy between research center collaboration related to the Center for Mental Health Research and Recovery at MSU; Neural Injury Center at UM; and Puget Sound VA. She noted that the activities of these two centers have been combined in hopes of improving access to novel treatments in clinical trials. Dr. Whittenburg discussed the UM National Center for Landscape Fire Analysis which improves wildland fire management through scientific innovation, creation of management tools, and production of future fire professionals. He then discussed the notable success related to these centers in terms of dollars gained for research efforts and to help grow these efforts across campuses. Dr. Reijo Pera discussed the MSU OpTeC (Montana Optics and Photonics Companies). Center which over time has been very successful and has experienced exponential growth. She also spoke to the notable success of MSU centers to date. The panel discussed challenges and opportunities related to centers. These often include: funding, duplication of efforts and sun-setting of inactive centers. Dr. Reijo Pera discussed the many benefits associated with centers including: magnifying research strengths, creating vibrant communities for students, faculty and staff; increasing visibility for grant applications; enhancing faculty recruitment and retention; can leverage resources across and between universities; and providing expertise for mentoring and advising. Discussion followed.

Public Comment

None.

Meeting Recessed at 3:48pm

4:00 PM

Executive Session | *Don 123*

- Personnel Discussion

Friday, March 10

The meeting reconvened at 8:16am

Remarks by Governor Bullock

Governor Bullock provided several updates. He discussed the collective success over the last four years in providing better education at low-cost and reducing time to degree while preparing students for entering into the workforce. He spoke to the coordinated and concerted efforts across the MUS. He noted this history of increased investments in the 2013 session and 2015 session which resulted in the ability to freeze tuition. He spoke to state support for higher education on a national level. He spoke to dual credit opportunities for high school students and associated cost savings of almost \$5



million dollars. He mentioned Prior Learning Assessment, specifically the system-wide implementation of a system-wide prior learning assessment policy that makes it easier for veterans and adult learners to demonstrate competency and received credit for training they have already received during their service. Through EdReady, cost savings is attained by reducing the need for students to take remedial math courses. In 2015 a priority of this board and the governor, they started making investments into research in Montana; discussed the MREDI grant and its success to date, noting that funded projects are directly feeding into the Montana economy. He discussed efforts to date for MT Tribal colleges to integrate apprenticeship programs with existing academic programs in partnership with the Department of Commerce.

He discussed the Legislative Session, noting difficult decisions ahead and his determination to keep investments in K-12 and Higher Education alive. The budget proposed differs from his initial proposed budget, which he said was concerning given the significant cuts to higher education and other key programs. He spoke to the need to enhance higher education opportunities for students and the need to position the board to make informed, good decisions related to tuition. He extended thanks for the work to date and support shown up at the capitol during this session, as well as for the continued service towards local communities, the state of Montana and higher education for students overall.

Remarks by Superintendent Arntzen

Superintendent Arntzen spoke to her positive outlook going forward related to K-12 education. She expressed her desire for robust partnerships to help continue promoting student success across the state. She discussed the legislature, her budget, and ensuring responsible funding for education. She extended thanks to Governor Bullock for signing HB 191 which gave schools a \$47.4 million inflationary increase and helped add stability to their budgets. She spoke to the importance of the Natural Resource Development payment, currently in statute. She discussed the proposed one-time-only inflationary increase for special needs students that she requested. She updated the board that Dr. John Cech has been involved in the Bipartisan Education Caucus. She spoke to the efforts to date with tribal communities to try to improve services to the students in those communities. She spoke to mental health awareness and the importance of suicide prevention efforts for the youth of Montana.

Two-Year Education and Community College Committee

INFORMATION

a. HealthCARE MT Rural and Frontier Outreach | *Attachment #1*

Dr. Shannon O'Brien, Dean of Missoula College, presented an update on HealthCARE Montana and its efforts to transform localized college healthcare education into a statewide workforce system. She spoke to healthcare by the numbers noting the 5,000 students enrolled, and 2,000 students being directly served across 15 campuses. There are 155 healthcare certificates/degrees offered across the MUS system involving 200 industry representatives and resulting in \$8,000 reduction in cost for nursing students. There are three colleges offering PN via distance delivery as well as 48 employees who are enrolled in registered healthcare apprenticeships in 18 facilities. She noted the facilities offering CRRN training across the state; distance PN pre-requisite students across the state as well as the registered apprenticeship programs across the state. She reminded the board that this effort is new on a national level. Discussion followed.



b. MUS Co-Requisite Design Initiative | *Attachment #1*

Mr. Erik Rose, Program Manager at OCHE led a discussion with Dr. Robert Hoar, Provost at MSU-Billings. He noted that roughly 1 in 10 students who place in remedial algebra goes on to graduate. The percent of students enrolled in remedial math who pass gateway course in 2 years clearly demonstrates remedial education is a barrier to student success. States such as Georgia, Tennessee, West Virginia, Indiana and Colorado have increased student success in gateway math and English courses from 10-30% to 60- 70%+ by replacing prerequisite remediation with corequisite remediation. They discussed the path to scale from the starting in May of 2013 with the Complete College Montana Initiative to the formation and implementation of the Steering Committee, formed in February 2017; looking forward to the goal of scaling Co-Requisite remediation by August of 2018. The implementation steering committee is comprised of 21 members representing the 11 units of the MUS. Provost Hoar discussed the Math 105 program at MSU-Billings and the successes to date compared to other Math 105 level classes. He noted success stories related to Math Pathways efforts underway to steer students toward the correct math course and ensuring they are prepared for that course. The Math 105 Program leads to a contemporary math course rather than a calculus course; he noted that this model works very well despite the delivery format.

c. Dual Enrollment Update

Ms. Amy Williams, Dual Enrollment and Big Sky Pathways Program Manager, led a panel discussion with Dr. Cliff Coppersmith, Dean of City College; and Dr. Stacy Klippenstein, President of Miles Community College. They shared updates related to dual enrollment and spoke to the recent pilot programs. She noted the upcoming Western Regional Conference being held on April 3-4, 2017 at the Missoula College campus. She discussed the substantial growth seen over the last year, thanks to campus efforts. They spoke to keys for success including: top level administrative support, enthusiastic teachers & high school leadership, faculty investment, free/reduced tuition, increased program marketing, balance in CTE classes and Gen. Ed. Courses, growing the pool of qualified teachers, and supporting teachers in Title II. Dean Coppersmith noted the five-fold increase in enrollment in dual enrollment courses from AY14-15 to AY16-17 at City College MSUB and partner schools. President Klippenstein discussed the dual enrollment pilot project at MCC. He noted the pilot program's offering of free dual credit for high school student enrolled at Custer County District High School and Sidney High School. There were no credit limits. He noted that this pilot combines dual credit in SHD and CCDHS with MCC early college options online or on campus. This allows students to complete a C.A.S. in General studies while still in high school. Discussion followed.

Academic, Research, and Student Affairs Committee

CONSENT

- a. Revision to PLA Policy; OCHE *ITEM 174-101-R0317 Attachment #1 | Attachment #2*
- b. Honorary Doctorate; UM *ITEM 174-1001-R0317*
- c. Honorary Doctorate; UM *ITEM 174-1002-R0317*
- d. Honorary Doctorate; MSU *ITEM 174-2001-R0317*

ACTION

- a. Level II Executive Summary | *Memorandum*



Deputy Commissioner Cech spoke to the process related to these submissions. He spoke to each request from the following campuses: University of Montana Missoula's request for a B.S. in Pharmaceutical Sciences, D.P.T. and M.P.H Dual Degree, Pharm.D.-M.P.H. Dual Degree, Pharm.D. – Pharmaceutical Sciences M.S. Dual Degree, Community Health and Prevention Sciences option in the M.P.H; University of Montana Western's request for a Minor, Certificate, A.A., and a B.A. in Glass; and Montana State University Bozeman's request for the Western Lands and Peoples Center (WLPC). Discussion followed.

INFORMATION

a. Board Governance: Mission Parameters Concept | Attachment #1

Mrs. Elizabeth Ternes, Academic Policy Specialist, noted the purpose behind the proposed concept is to define the distinct and unique missions and roles of the institutions in the Montana University System; to configure a system of colleges and universities to meet the educational needs of the citizens of the State of Montana; and to maintain system integrity by defining institutional categories. She reiterated the need for mission parameters based on campus differentiation to make this framework successful and serve as the basis for many policies and operational practices including admissions, allocation, tuition, compensation, program peer sets, etc. Clearly defined mission parameters are lacking the current MUS system, with exception to the two-year colleges. Current mission statements, while valuable, do not help guide the overall governance of the institution. She discussed the proposed concept of four institutional classification categories:

Two-year Colleges: (Great Falls College, Helena College, Gallatin College, City College, Missoula College, and Highlands College). The Two-year Colleges in the MUS possess a comprehensive community college mission, committed to providing transfer education through the associates degree, workforce development including certificates and applied science degrees, developmental and adult basic education, lifelong learning opportunities, and community development. These institutions provide affordable, open access admissions that will allow opportunities for all Montanan's to access higher education.

Four-year Regional Universities: [MSU Billings, MSU Northern, UM Western] The Four-year Regional Universities in the MUS offer comprehensive education primarily at the baccalaureate level in specific, regional niches that connect with economic development and industry demands within the state. These institutions are embedded with Two-year Colleges and programs that work to enhance the breadth of opportunity for students. When approved by the regents, these institutions may also offer select graduate-level programs. Admissions policies define minimum levels of preparation that match the academic focus of the institution.

Research Doctoral Universities: (University of Montana, Montana State University) Research Doctoral Universities are comprehensive research institutions offering education from the baccalaureate through the master and doctoral levels. These institutions provide select graduate and professional programs. Doctoral programs correlate with defined research and academic strengths. These institutions make significant contributions to new knowledge, economic development, and the culture of the state. These institutions are embedded with Two-year Colleges that work to enhance the breadth of opportunity for students. Admissions policies define specific preparation levels necessary for student success.



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Special Focus Four-year Universities: (Montana Tech) Special Focus Four-year Universities possess a high concentration of degrees, typically 75% or more, granted in a single field or set of related fields. Admissions policies define specific preparation levels necessary for student success.

She noted that next steps going forward would include: the board formally adopting the mission parameters as Board policy at the upcoming May board meeting. In addition, identifying detailed steps for MT Tech to move forward. Discussion followed.

b. Rural Educator Taskforce Update *Attachment #1 | Attachment #2*

Mrs. Angela McLean, Director of American Indian / Minority Achievement and K-12 Partnerships, provided an update to the board. She reminded attendees that in August 2016, the Montana University System Office of the Commissioner of Higher Education assembled the first ever MUS Educator Recruitment and Retention task force. The group is comprised of representatives of MUS campuses and OPI, MREA, MEA-MFT and SAM to nimbly meet the needs of Montana schools. Efforts to date include: development of a website to track and promote the work of the task force; collected data on MUS educator prep program enrollment and graduation rates, student teaching assignments and campus' efforts to address the needs of Montana's rural schools; worked with MREA to launch the inaugural Rural Educator Fellows Program. This scholarship program will incentivize student teaching in Montana's most rural communities; EDU 101 was sent to the GenEd Council to determine its transfer system wide as a part of the MUS core. MSU was awarded a Title II grant to train a cadre of teachers in Edu 101 coursework delivery; worked to plan an educator pipeline "roundtable" will be convened between now and May to hear from high school and college students about why they chose to teach; working to develop an Education Pathway which would combine dual enrollment educator prep courses with online and face to face offers to ensure a seamless pipeline; working with SAM to ensure educator retention happens by design through incorporation of their LPLP program; and working with campuses on a grant proposal to NSF to incentivize rural STEM teachers.

c. Revised Curriculum Proposal Form

Mrs. Elizabeth Ternes, Academic Policy Specialist, presented the revised curriculum proposal form. She noted that this revised form has been redesigned to merge a combination of our existing form and combining a form that NWCCU requires. She noted that this revised form requires more information to be brought forward for NWCCU purposes. This aligned form will allow campuses to only submit paper work once. She noted some of the specifics of the form including a transparency piece, a detailed revenue section of the form as well as pieces to ensure the CFO is involved in this process. Discussion followed.

d. STEM Scholarship Update | *Attachment #1*

Mr. Ron Muffick, Director of Student Affairs, provided an update on the STEM scholarship process, timeline to date, and procedural changes for the future. He provided historical background information. He noted that rather than operating off projected revenue for funding scholarships we will be changing to awarding the scholarships in the academic year following incoming revenue.



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- e. Level I Memorandum (October, November, December, January)

Regent Sheehy spoke to the process behind these submissions noting the approval process.

- f. Intent to Plan Proposals (October, November, January)

Deputy Commissioner Cech, Provost Mokwa of MSU and Provost Edmond of UM spoke to the programs listed below which are under development and have completed the necessary intent to plan documentation. Discussion followed.

Programs Under Development (Completed Intent to Plans)

Submitted January 2017 - Expiration September 2018

Montana State University-Bozeman

Electrical Engineering PhD

Submitted November 2016 - Expiration September 2018

Helena College-University of Montana

Aviation Maintenance Technology C.A.S.

Montana State University-Bozeman

Individual Interdisciplinary PhD

University of Montana-Missoula

Center for Translational Medicine

Submitted October 2016 - Expiration September 2018

Montana State University-Bozeman

Global Health Minor

Committee Reports & Action

- Budget, Audit and Enterprise Risk Committee

CONSENT

- a. Authorization to Expend Student Computer Fees; UM-Western *ITEM 174-1602-R0317*
- b. Authorization to Expend Student Equipment Fees; MSU-Billings *ITEM 174-2702-R0317*



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- c. Authorization to Expend Student Computer Fee Equipment; UM-Missoula *ITEM 174-1015-R0317*
- d. Authorization to Expend Student Computer Fee Employment Allocation; UM-Missoula *ITEM 174-1014-R0317*
- e. Request for authorization to enter into off campus lease for Intercollegiate Athletics *ITEM 174-1011-R0317 | Attachment #1*
- f. Request for authorization to enter into off campus classroom lease for Montana Weatherization Training Center; MSU-Bozeman *ITEM 174-2007-R0317*
- g. Authorization to Expend Student Computer Fee on Classroom Technology Equipment Initiative; UM-Missoula *ITEM 174-1009-R0317*

A motion for the approval of the consent agenda, items a.-g. was made by Regent Nystuen. Motion passed 7-0.

ACTION

- a. Policy Revision 970.1 Financial Affairs – Biennial Allocation of State Funds to Montana University System Campuses; OCHE *ITEM 174-102-R0317 | Revised Policy*

A motion for the approval of action item a. Item 174-102-R0317 was made by Regent Sheehy. Motion passed 7-0.

- b. Request for Authorization to Transfer Interest in Real Property; Missoula College to Missoula County Public School District; UM-Missoula | *ITEM 174-1012-R0317 | Attachment #1*

A motion for the approval of action item b. Item 174-1012-R0317 was made by Regent Albrecht. Motion passed 7-0.

- c. Request for Authorization to Replace and Finance Artificial Turf at Montana State University's Bobcat Stadium; MSU-Bozeman | *ITEM 174-2008-R0317 | Attachment #1 | Attachment #2 | Attachment #3*

A motion for the approval of action item c. Item 174-2008-R0317 was made by Regent Nystuen. Motion passed 7-0.

- d. Request for Authorization to install new center hung video board in Dahlberg Arena of the Harry Adams Center – University of Montana-Missoula *ITEM 174-1003-R0317*

A motion for the approval of action item d. Item 174-1003-R0317 was made by Regent Lozar. Motion passed 7-0.

- e. Transfer Interest in Real Property; MSU-Billings *ITEM 174-2701-R0317 | Attachment #1 | Attachment #2*



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A motion for the approval of action item e. Item 174-2701-R0317 was made by Regent Albrecht. Motion passed 7-0.

- f. Request for Authorization to enter into off campus classroom lease by Gallatin College; MSU-Bozeman *ITEM 174-2006-R0317*

A motion for the approval of action item f. Item 174-2006-R0317 was made by Regent Lozar. Motion passed 7-0.

- g. Policy Revision 1004.1 – Naming of Property, Programs and Interior Spaces; OCHE *ITEM 174-103-R0317 | Attachment #1*

A motion for the approval of action item g. Item 174-103-R0317 was made by Regent Sheehy; discussed followed. Regent Birky asked for follow-up on this revised policy within one year. Motion passed 7-0.

- Staff and Compensation Committee

CONSENT

Emeriti Faculty

- a. Fedock; MSU *ITEM 174-2002-R0317*
- b. Weeden; MSU *ITEM 174-2003-R0317*
- c. Lynch; MSU *ITEM 174-2004-R0317*

Motion for the approval of consent items a. – c. was made by Regent Johnstone. Motion passed 7-0.

ACTION

- a. MSU-Billings; *ITEM 174-2700-R0317*

Motion for approval of action item a. Item 174-2700-R0317 was made by Regent Nystuen. Motion passed 7-0.

- b. OCHE; *ITEM 174-100-R0317*

Motion for approval of action item b. Item 174-100-R0317 was made by Regent Johnstone. Motion passed 7-0.

- c. Policy 407 Employee Equity Interest – Rau & Patel; UM Missoula *ITEM 174-1013-R0137 | Attachment #1*

Motion for approval of action item c. Item 174-1013-R0317 was made by Regent Johnstone. Motion passed 7-0.

- Two-Year Education and Community College Committee
- Academic, Research, and Student Affairs Committee

CONSENT



- a. Revision to PLA Policy; OCHE ITEM 174-101-R0317 Attachment #1 | Attachment #2
- b. Honorary Doctorate; UM ITEM 174-1001-R0317
- c. Honorary Doctorate; UM ITEM 174-1002-R0317
- d. Honorary Doctorate; MSU ITEM 174-2001-R0317

Motion for approval of consent agenda items a.-d. was made by Regent Sheehy. Motion passed 7-0.

ACTION

- a. Level II Executive Summary *Memorandum*

Motion for approval of action item a. Level II Executive Summary was made by Regent Albrecht. Discussion followed. Motion passed 7-0.

Public Comment

This portion of the meeting is time certain in that it will not end before 11:30 am

Mrs. Norma Bixby Director of Tribal Education Dept. in Lame Deer MT. spoke in support of continued partnerships for tribal colleges and their various programs; specifically, dual enrollment efforts related to tribal colleges and agreements with institutions across the MUS.

Meeting Adjourned at 12:00pm

Approved by the Board of Regents on

Date

Date

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

Paul Tuss
Chair, Board of Regents