Chairman Morrison determined a quorum was present, and called the meeting to order at 8:05 a.m. Two members of the press representing Associated Press and the Great Falls Tribune were also present in the Commissioner's office.

Deputy Commissioner Noble reviewed Item 49-006-R0985, Final Bond Resolution for $9,090,000 State of Montana, Board of Regents of Higher Education Special Purpose Revenue Bonds (Various Institutions Pooled Equipment Financings) Series 1985. The item had been presented in final form except for the interest rate at the September meeting of the Regents, and extensively reviewed and discussed. Mr. Noble noted the interest rate is set out on page 5 of the item, and nets out at approximately 8% for the term. On motion of Regent Hurwitz, the item was approved.
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Item 49-209-R0985, Bond Resolution; Montana State University was discussed. Mr. Noble explained the resolution gives preliminary authorization for an issue of revenue bonds designated "The Board of Regents of Higher Education, Montana State University, Facilities Refunding Revenue Bonds, Series A 1985", and will provide the advance refunding of MSU's 1984 Series Bonds. Final authorization will be requested after the interest rate has been determined. Market declines make it advantageous to get to the market as quickly as possible.

Mr. Noble also noted the above issue will be followed in approximately 31 days with a new issue series for the Museum of the Rockies at MSU.

On motion of Regent Hurwitz, Item 49-209-R0985 was approved.

Chairman Morrison stated it was his intention to set in motion the search for a Commissioner of Higher Education. He asked for comments or objections from the Board. Regent Scully asked if that action would preempt the opportunity to select from within without a search. Regent Redlin responded the option to select from within is not precluded, but concurred with the Chairman that a search should be conducted. Acting Commissioner Krause stated there should be a search. It is a tradition in the System and is required in the selection of presidents at the units and of almost every other position on the campuses. Regent Scully disagreed. He stated the Acting Commissioner has been through the search process. Regent Scully stated he was pleased with the work Dr. Krause has done and did not believe there was a need for a search at this time.

Regent Hurwitz concurred with the remarks of Regent Scully, but stated it was his understanding Dr. Krause would be more comfortable if a search was conducted. Regent Hurwitz moved that a Commissioner Search Committee be
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formed and the necessary steps taken to solicit candidates. The motion carried with Chairman Morrison and Regents Redlin, Hurwitz and Paoli voting yes. Regents McCarthy, Lind and Scully voted no.

The meeting adjourned at 8:25 a.m. The next regularly scheduled meeting of the Board of Regents is October 24-25, 1985 in Bozeman, Montana.

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

ATTEST:

Secretary

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