

Diane G. Barz

*375 Melita Island Road
Polson, Montana
59860
406-849-5045
dbarz@centurytel.net*

May 18, 2004

*Montana Board of Regents
P. O. Box 203101
2500 Broadway
Helena, MT 59620-3101*

Dear Board of Regents:

Enclosed you will find the written report of the SPECIAL PANEL ON THE UM ATHLETIC DEFICIT as requested by the Board of Regents on March 11, 2004. Commissioner of Higher Education Sheila Stearns selected the panel members who met each other for the first time on March 23rd. At that meeting, we learned the scope of our mission from Commissioner Stearns. In addition, each panel member talked about their concerns regarding the investigation and deficit.

In just six weeks the panel produced this report with few resources except their professional expertise and experience. It is remarkable because the process proceeded in the open meeting format and the panel had no subpoena power or ability to provide sworn statements. Subcommittees appointed by the chair spent countless hours between meetings gathering documents and interviewing dozens of UM employees. The employees of the State on this panel gave up their leisure time after their usual work week to meet this deadline. The other members volunteered many hours to complete the report. Our student members worked around their class schedules and final exams. Finally, I want to acknowledge, on behalf of the panel, two special people who worked overtime for many weeks to meet this deadline: Laurie Neils, your director of budget and accounting, and Cathi Darrington, our administrative assistant.

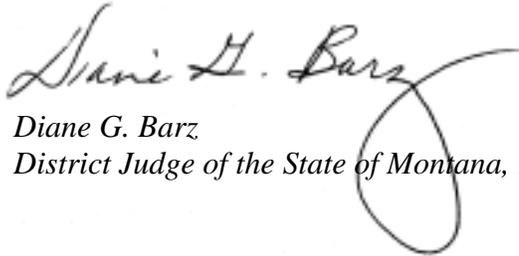
The panel's investigation was possible only because of the cooperation of

*the UM Intercollegiate Athletics staff, both past and present. We also
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*acknowledge the excellent cooperation of President Dennison's
administrative staff and Vice-President Durringer's financial staff.*

*We hope this report will assist in convincing the board that continuing
institutional support is vital to the future of Grizzly Intercollegiate Athletics
as well as athletic programs in the entire Montana University System. The
bright light that the "Griz" have caused to shine upon the economy of the
state should not be tarnished by the unfortunate deficiencies of the FY03-
FY04 budget.*

Sincerely,

A handwritten signature in cursive script that reads "Diane G. Barz". The signature is written in dark ink and includes a large, stylized loop at the end of the name.

*Diane G. Barz
District Judge of the State of Montana, retired*