



MINUTES
Montana Board of Regents
Highlands College
September 18-19, 2013

Wednesday, September 18, 2013

The meeting convened at 8:40 AM.

Roll call indicated a quorum present. Regents present: Chairman Angela McLean, Regents Todd Buchanan, Jeff Krauss, Major Robinson, Fran Albrecht and Student Regent Zack Rogala. *Ex Officio* members Commissioner of Higher Education Clayton Christian and Superintendent of Public Instruction Denise Juneau were present. *Ex Officio* member Governor Steve Bullock was represented by Shannon O'Brien, Education Policy Advisor. Regent Paul Tuss was excused.

Roll Call, Approval of Minutes, and Introductions

- July 15, 2013 Board of Regents Conference Call Minutes

Regent Jeff Krauss moved approval of the July 15, 2013 Board of Regents Conference Call Minutes. Motion passed 7-0.

Comments by Chairman Angela McLean

Chair Angela McLean introduced new Regent Fran Albrecht, noting her community involvement, and Student Regent Zack Rogala, who is currently attending law school. Chair McLean also introduced Governor Bullock's education policy advisor, Shannon O'Brien.

Chair McLean noted support for President Obama's goals in higher education in achieving 60% graduation rates.

Commissioner Clayton Christian reported that Senator Max Baucus announced Montana as one of the recipients of the TAACCCT grant. Deputy Commissioner John Cech added to the announcement with details on the implementation and participating campuses. The \$25 million grant will focus on strengthening collaboration focused on job training programs between two-year and four-year campuses across the state. The intent is to develop a statewide approach for developing workforce training in advanced manufacturing and energy fields. Commissioner Christian noted appreciation for Montana's congressional delegation and governor's office for their assistance in obtaining this grant.

Shannon O'Brien, Governor Bullock's Education Policy Advisor, spoke in support of the TAACCCT grant and the work that will be done related to energy and manufacturing workforce development.



Commissioner's Report

Commissioner Christian noted the focus at the recent Economic Summit on the critical role of higher education in workforce training. He pledged collaboration with business leaders in preparing students for their industries, which includes internships.

Commissioner Christian noted extensive work done in the MUS health insurance plans regarding access to the state health clinics.

Commissioner Christian spoke on the Governor's Main Street Montana project; every community has stressed the importance of higher education and collaboration between higher education and business leaders across the state for the good of Montana.

- Complete College Montana

Deputy Commissioner Tyler Trevor, OCHE, spoke on the commitment by Governor Steve Bullock to join Complete College America, which focuses on increasing the number of college graduation completions and increasing academic credentials for the citizens across the state. He pointed out the goal is to increase the percentage of Montanans that obtain a credential from 40% to 60% over the period of ten years.

Mr. Trevor noted this initiative is a nation-wide effort designed to develop specific strategies that move Montana forward. Steps include setting state and campus completion goals; uniformly measure progress and success; shift to performance funding; reduce time to degree; establish statewide approach to remediation and; restructure delivery for today's students.

Deputy Commissioner Trevor explained immediate areas of focus include implementing performance funding; increasing dual enrollment; creating guided pathways and academic maps for both two-year and four-year pathways and; measuring progress and outcome metrics.

- Performance Funding Update

Deputy Commissioner Trevor noted work being done on performance funding across the system by exploring and developing performance models for use in allocation methodology for appropriations to the MUS campuses. He explained the two phases include a short-term pilot phase and the second phase which will include faculty input in the development of the performance funding model.

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

ACTION

- a. Level II Action Items (from July submission)



Deputy Commissioner Neil Moisey explained the Level I and Level II processes, whereas Level I are lower level changes that will not affect the mission of the campuses and will not require substantial additional resources, whereas the Level II requests involve substantial changes to programs and do impact the campus mission.

b. Policy 406 Revision; OCHE ITEM 160-102-R0913

Dr. Moisey noted this policy change involves the ownership of electronic course material. The intent is that electronic course materials be treated the same as traditional delivered course material and would be considered as being owned by the particular faculty member.

c. Policy 504.5 Revision; OCHE ITEM 160-117-R0913

Deputy Commissioner Moisey reported that this policy was noted by the auditors as being duplicative. Campuses requested removing this policy since the components are duplicated in other current policies.

d. Honorary Degree: MSU-Bozeman

MSU President Waded Cruzado noted the request for an honorary degree for Philip Aaberg who has been an inspiration to and strong supporter of the MSU campus community.

CONSENT

a. Level I Memorandum

Deputy Commissioner Moisey noted these changes are minor in nature and do not affect the mission of the campuses.

Chancellor James Limbaugh was asked to explain the process MSU-Northern used in conducting the academic program prioritization review. He noted that the process included campus review to identify programs for being placed into moratorium or termination, and the difficult decisions involved. He added that the next steps will include how to grow some of the programs that have determined to be a high priority for the campus.

Regent Todd Buchanan spoke in support of the efforts and leadership by MSU-Northern in this process and of campuses devoting resources to the strengths of the particular campus.

Dr. Moisey added that all campuses conduct the annual program review exercises, but that they typically occur over a seven-year process. The program reviews for all the campuses will be presented at the November BOR meeting.

Regent Jeff Krauss suggested that campuses conduct academic program prioritization reviews more frequently than every seven years due to limited resources.



INFORMATION

a. Veteran Success Initiative Update

Director of Student Services, Ron Muffick, OCHE, spoke on the Veteran Success Initiative which was created to ensure that the MUS campuses are veteran friendly and provide the necessary services for veterans to complete college. He is working with campuses for veterans space and services as a result of \$1M one-time only funding that was received for these purposes. He noted that efforts will include increases in enrollments and completions of veterans, having better data, financial literacy education, outreach activities, advising, peer mentoring, and mental health services.

Director Muffick noted that the Veterans Taskforce is investigating best practices, including what services are offered at each campus and online learning options. A website is being created that will include all of this information for veterans to be able to easily reference. Mr. Muffick explained that the campuses are now finding dedicated space to be used for these efforts, which makes it possible to continue these efforts into the future. He added that he is closely watching possible federal legislation related to allowing veterans to gain resident status for the purpose of tuition levels.

Regent Krauss noted commitment of the board to continue this effort.

b. Student Affairs Initiative

Director Muffick noted the creation of a group consisting of student affairs officers to discuss a variety of issues directly related to student affairs. The group will address financial aid, admissions and enrollment, career services, residence halls, counseling center, health centers and student conduct. The group will address one issue at each BOR meeting during the ARSA committee agenda. He said the intent is to affirm that student affairs operations are an important key to the successful student learning experience.

Mr. Muffick noted the goal to develop system-wide approaches to solving student issues with collaboration between campuses and the commissioner's office. He stressed the intent of campuses sharing resources and best practices rather than duplicating efforts.

Regent discussion included requests for student involvement and to address quality education.

- ### c. BOR Policy 303.7 Report – Online Learning
- Policy 303.7 – Policy
 - Policy 303.7 Summary Transmittal
 - Policy 303.7 Annual Report

Deputy Commissioner Moisey noted this report will be given at the November board meeting.



d. Accreditation Reports Update

Chair McLean spoke in strong support of dual enrollment efforts across the system.

Superintendent Denise Juneau

Superintendent Denise Juneau highlighted efforts related to common core standards, graduation completions, dual enrollment, partnerships, and increasing graduation attainment.

Regent Krauss recommended finding non-traditional delivery methods in which to provide continuing education courses to meet the needs of K-12 teachers.

Professor Bob Mokwa, MSU Faculty Representative, encouraged maintaining high quality of dual enrollment courses to help assure student success in higher education.

Shannon O'Brien, Governor Bullock's Education Policy Advisor, spoke on the governor's priorities, including the importance of education. She noted that the governor's office is doing an education tour across the state, including early learning, K-12, and higher education sites. She spoke in support of strong dual enrollment efforts.

ADMINISTRATIVE, BUDGET AND AUDIT OVERSIGHT COMMITTEE

DISCUSSION

Review of MUS Budget Information & Metrics

Deputy Commissioner Mick Robinson reported that the total operating budget and spending authority for FY14 for campuses and OCHE will be presenting is \$1.4 billion and will require board approval. He explained that the 3% increase in authority was the result of legislative funding since there were no resident student tuition increases. He noted there will be some downward movement in funding from some federal research grants. Deputy Commissioner Robinson noted increases in the OCHE budget due to increased legislative funding received for WICHE/WWAMI expansions and the Veterans Success Initiative.

- Terms and Definitions for: *Definitions of MUS Funds/Accounts | Program Expenditures and Budget Metrics*
- All Funds Operating Budget

Regent Robinson requested receiving additional information from the campuses when there are significant budgetary changes. Deputy Commissioner Robinson replied that some of the plant fund changes are a result of major construction projects that the board approved prior to this, but that are being completed at this time.



Deputy Commissioner Robinson noted the increased level of state support received is indicative of the governor's and legislative support of higher education. He said the MUS will need to provide the legislature with information indicating how the MUS used particular one-time-only funds for designated projects.

- State Funds Summary
- BUD 300 – Current Unrestricted Revenue Summary
- BUD 200 – Current Unrestricted Expenses Summary
- Enrollment Summary

Deputy Commissioner Trevor explained the enrollment figures and the process used in obtaining those figures. He will present the official enrollment figures at the November BOR meeting.

- Expenditures Per Student FTE Summary

Deputy Commissioner Robinson noted this document included the total spending per campus divided by total FTE students. This is a method used on a national basis.

- Expenditures by Program Summary

Deputy Commissioner Robinson noted these are the program categories looked at nationally. He stressed that the MUS Strategic Plan states the goal for the MUS should be 70% of funding to be used for instruction, academic support and student services.

- Faculty & Staff Ratios

Deputy Commissioner Trevor explained that this information was used with legislators and proved helpful in addressing what is the appropriate number or ratio of faculty to students? He added that 18 to 1 is an average benchmark to use.

Campus Budget Presentations

- UM Campuses and Agencies
 - UM- Missoula; including Missoula College UM, Bitterroot College UM and FCES

President Royce Engstrom recognized enrollment challenges and said UM is making recruitment and retention efforts a top priority. He noted that tuition and mandatory fees at UM are the lowest in the entire country. Decreased enrollment has caused the student FTE to contract administrators/professional and student FTE to classified employees to decrease. President Engstrom presented action steps including: hiring an outside consulting firm to assist with recruiting; conduct an analysis of financial aid, scholarships, fellowships, and waivers; invest in in-state and out-of-state marketing and; maintain an attitude that students are consumers with many choices available to them.

President Engstrom presented budgetary information for the Forest Conservation Experiment Station and stressed the importance of providing information for landowners on water availability.



- MT Tech of UM: including Highlands College of MT Tech & Montana Bureau of Mines and Geology

Chancellor Don Blacketter told the board his campus is being more strategic with recruiting to focus efforts on: retention efforts through social media; providing virtual mentoring; supplemental instruction in math and chemistry and; by hiring directors of freshman engineering and student success.

Chancellor Blacketter presented information on the MT Bureau of Mines and Geology budgets, noting research and outreach accomplishments, as well as information on Montana's geologic resources and groundwater/surface water interactions.

- UM Western

Chancellor Dick Storey noted the UM Western predicts flat enrollment. He noted the campus exceeds the 70% target in funding devoted to instruction, academic support and student services.

- Helena College UM

Dean Daniel Bingham told the board Helena College UM has seen an increase in part-time students and a large increase in dual enrollment students. He noted that Helena College UM employs a high number of adjunct faculty. He added that the campus delayed hiring of personnel during FY13, which resulted in lower than expected expenditures.

Board discussion included: the possibility of centralizing some services; outsourcing some services; decreases in high school graduation rates will have a continuing impact on the MUS; concern regarding MUS campuses competing for the same groups of students and; a reminder that the MUS is a public university system and certain services still need to be provided at each of the campuses.

Commissioner Christian noted that Montana demographics show a downward trend in high school graduation rates. However, when addressing national goals and state-wide goals, those include growth components regarding increasing college degree attainment rates.

Campus Budget Presentations

- MSU Campuses and Agencies
 - MSU-Bozeman; including Gallatin College MSU and Agencies (AES, ES, FSTS)

President Cruzado reported that MSU has increased enrollment due to marketing and retention efforts. Strong efforts have focused on getting students who are missing just a few credits to graduate. While MSU has more students, those students are taking increased credit loads. She noted that the enrollment growth at MSU resulted in additional tuition revenue which MSU used to increase the number of faculty and class



sections offered, as well as to improve student and academic services. She added that the campus has experienced increases in costs associated with insurance and library services.

President Cruzado said the MT Agricultural Experiment Station provides services across the state in implementing improved pest management in crops, research focused on new varieties of wheat, and collaboration with constituent groups. Challenges faced by the Experiment Stations include employee compensation, recruitment and retention, and on-going costs associated with facility and laboratory equipment and improvements.

The MSU Extension Service supports local extension programs in local communities across the state and maintains strong county partnerships, noted President Cruzado. She added that the outcome of the Federal Farm Bill may have significant impact on the Extension Service.

President Cruzado told the board that the Fire Services Training School is a tremendous asset to Montana and that they reduce risks to communities and increase firefighting skills by offering training and services in the communities.

President Cruzado noted budgetary shortfall challenges in research funding and stressed that research is still a high priority of MSU. She and her staff will look for other resources to backfill \$2 million. She has formed a taskforce that has been charged with looking for alternatives of how to backfill the remaining \$1.2 million. President Cruzado requested that the board approve the MSU budget, but with full realization that she has not had ample time yet to receive the recommendations of the taskforce and how they will move forward.

- MSU-Billings; including City College at MSU Billings

Chancellor Rolf Groseth noted declining enrollment, but stressed commitment to remaining efficient and to serve the students with the available resources. He added that his campus focused resources to advance strategic initiatives. Chancellor Groseth said the campus is dedicating funds into both marketing and direct recruiting and will be reaching out to former students that are close to graduating, but have stopped their college attainment efforts.

- MSU-Northern

Chancellor James Limbaugh noted a slight increase in enrollment. MSU-Northern exceeded their enrollment goals and identified ways to improve advising and recruiting. Growth areas included new business, nursing and welding. He strongly stressed to the board that it will take several years to complete the process of implementing the program reductions that they've recently agreed to make according to the recent program review, as they have an obligation to the students already enrolled in those programs.



- Great Falls College MSU

Dean Susan Wolff, noted the expansion of the welding program and the reinstatement of the nursing program, which are reflected in the budget increase. She said a large portion of budgetary increase resulted from employee compensation and employee health care expenses. Dean Wolff said Great Falls College MSU has implemented a program that flags students that may not be attending classes, which allows the advisors to contact the student to try to remedy the situation.

Questions of MSU campuses

Regent Krauss spoke in support of the Ag Experiment Stations and the Local Government Center.

Regent Robinson recommended focusing efforts on students that are just a few credits away from achieving their degree completion.

Regent Albrecht spoke in support of the efforts to meet students' needs.

Commissioner Christian explained that this method of presenting the campus budgets shows trends and allows the board to hear the same information under the same structure from each campus. He cautioned the campus CEO's against intra-state competition in recruiting efforts used to attract the same groups of resident students. He said he was aware of recruitment efforts for out-of-state student, but he expressed strong concerns regarding campuses using state funding focused on the same groups of students. Commissioner Christian reminded the board and campuses that although some discussions regard performance funding as being a new effort, they need to realize performance funding has already been in place to some degree in the FTE funding models described in today's presentations. He noted that the presentations indicate that campuses are trying to posture themselves to recruit more of the FTE to their perspective campuses, which is understandable, but that it also causes him concern.

Commissioner Christian noted that the MUS campuses are run efficiently and effectively and applauded the campuses for their work.

Campus Budget Presentations

- Community Colleges
 - Dawson CC

President Mike Simon noted Dawson Community College faces challenges as well as opportunities. He stressed that DCC needs to serve the students and community in a manner different than in the past. DCC is focusing resources toward workforce training and career and technical training opportunities; is developing a new strategic enrollment management plan to target enrollment growth and; needs to achieve a level of enrollment that is sustainable. President Simon recognized that DCC is going to have to grow its way out of its current situation.



○ Flathead Valley CC

President Jane Karas noted that FVCC experienced large enrollment growth several years ago in response to the change in the economy; that level of growth was not sustainable. She said FVCC has eliminated programs with low enrollment and added new health care and occupational programs.

○ Miles CC

Interim President Lisa Watson noted that MCC has experienced a decline in enrollment. She said there is a local decline in high school graduates in the regional schools, which results in large decreases in enrollment at MCC. Ms. Watson also noted a decline in traditional students enrolling at MCC. She added that MCC is implementing a strategic enrollment plan to utilize new marketing and recruitment efforts. She said they are supporting programs that are growing and sustain programs that already exist.

ACTION

- a. FY 2014 MUS Operating Budgets; OCHE *ITEM 156-105-R0912*
- All Funds Summary
 - MUS Operating Budgets – System Summary Information and Campus Specific Information

Deputy Commissioner Robinson explained that this is a summary of what was already presented by the campuses earlier.

- b. Smart Buildings Initiative Fund Policy; OCHE *ITEM 160-104-R0913*

Student Regent Zack Rogala explained that this item is a student initiative that has been evolving over the past two years to make investments in utility conservation projects. This allows campuses to create an account, using energy savings, to make investments that will reduce the operation costs of campus buildings. He noted that students across the MUS are in support of this.

Deputy Commissioner Robinson urged support and noted this has been developed in cooperation with the financial offices on both MSU-Bozeman and UM-Missoula, as well as the commissioner's office.

CONSENT

- a. Proposal to Lease Two Building; MT Tech *ITEM 160-1501-R0913*
b. Proposal to Lease Building for Bureau of Mines and Geology; MT Tech *ITEM 160-1502-R0913*
c. Authorization for Operating Agreement Between UM Western and UMW Foundation; UM Western *ITEM 160-1601-R0913*
d. Revision of BOR Policy 940.2, Application Fee; OCHE *ITEM 160-101-R0913*
e. Renne Testing Center; MSU-Bozeman *ITEM 160-2003-R0913*



- f. Lewis Hall Basement Lab Renovation; MSU-Bozeman *ITEM 160-2004-R0913*
- g. Lewis Hall 307 & 407 Renovation; MSU-Bozeman *ITEM 160-2008-R0913*
- h. City College Repair/Replace HVAC; MSU-Billings *ITEM 160-2702-R0913*
- i. Renovate Existing Facilities; Great Falls College MSU *ITEM 160-2904-R0913*
- j. Renaming Center for Entrepreneurship; MSU-Bozeman *ITEM 160-2009-R0913*

Regent Robinson requested moving item “f” Lewis Hall and Renovation and item “h” for City College Repair from the consent agenda for further discussion.

Regent Robinson asked what the consultant fees listed included in consent item “f”, ITEM 160-2004-R0913. Vice President Terry Leist, MSU-Bozeman, said the consultant fees involve design fees.

Regent Robinson requested the campus include that information detail in the items in the future.

Deputy Commissioner Robinson responded that is one of the policies that will be brought to the November BOR meeting to be revised and he assured the board that language will be included to address Regent Robinson’s concerns.

Regent Robinson spoke on “h”, ITEM 160-2702-R0913. He noted no budget was shown on that item and again stressed that he would expect to see the budget details included. Deputy Commissioner Robinson explained that the 2nd page references the equipment and the overall replacement costs.

Chancellor Groseth responded that this is an estimate and that the campus facility people would be purchasing the equipment to perform the necessary system replacements.

INFORMATION

a. Bitterroot College Facility

UM President Engstrom reported that there is a set of developers considering building a facility for the Bitterroot College to use to offer courses. He has encouraged the developers to include a philanthropic donation in rent, but does not know if that will occur. The intent today is simply to give the board a heads up because if this goes forward, it will go quickly.

b. UM Finance Planning

UM Vice President Mike Reid explained possible finance options being considered. He noted that the university has been looking at alternatives for loans falling between \$3 – 10 million. Mr. Reid said the most cost effective approach is a direct placement with a



local bank under that umbrella of the existing indenture. He has met with some local banks and will be receiving proposals from those banks in the near future.

- c. MSU-Bozeman Creative Arts Center Access Improvements
- d. MSU-Bozeman AJMJ Ecology Lab Renovations

Deputy Commissioner Robinson noted information items c & d are both projects on the MSU-Bozeman campus.

- e. MSU-Bozeman Housing Dining Financing Plan

MSU Vice President Terry Leist explained this finance plan includes a potential housing expansion, dining upgrade and a financing piece. He said the intent is that MSU will present this to the board at the November BOR meeting for action.

Regent Krauss noted this takes fees paid for by the students for other projects and using those fees for purposes other than what they were intended for. Regent Krauss expressed concern and wanted to consider this proposal further before action is taken.

Chair McLean agreed the board needs to learn more about how public private partnerships work, but also urged the board to take action on this proposal at the November meeting because of the students' needs. She noted that following research on options, this option was recommended to MSU by the consultants.

Commissioner Christian noted that the campuses and commissioner's office have been looking at other options for student housing at both MSU and UM. He said public funds are more limited and restricted than the private sector; some private developers can do these more efficiently. He told the board other options are being considered and how the options would potentially intersect with the private sector and when it would be appropriate to proceed with an option like this.

President Cruzado responded that she has a responsibility to the students and parents of MSU students. She said she does not want to compete with the private sector regarding this, but she has an obligation to the students of MSU to provide options. She urged the board to support this project.

Regent Albrecht spoke in appreciation of exploring options with the private sector. She said the campus needs to be given the power and authority to proceed with projects such as these.

Public Comment:

Sandy Osborne, MSU faculty member, urged the board and campuses to target potential students that are children of MUS employees in recruitment efforts and to remind them of the tuition waivers that are available to children of MUS employees.

The meeting recessed at 5:45 PM.



Thursday, September 19, 2013

Long Range Building Program Presentation

Deputy Commissioner Robinson explained the LRBP process that begins with all the MUS campuses this fall. He noted this is a continuous planning process beginning with campuses compiling possible construction and deferred maintenance projects, followed by the campuses prioritizing their needs. Mr. Robinson noted the MUS project priority ranking guidelines for projects that would qualify. The priority list will come to the board for approval at the May 2014 BOR meeting. He stressed there is a significant focus on deferred maintenance costs. The lifetime operation and maintenance of the buildings is often higher than the construction costs. Deputy Commissioner Robinson noted the projects must adhere to regents' priorities and that there has been a reasonable balance among MUS units over multiple biennia. He told the board that there needs to be a significant need in order for a new construction project to make it on the priority list.

MT Tech Long Range Building Program Presentation

Chancellor Don Blackketter noted some LRBP requests for MT Tech that are indicative of typical projects that would be included in the priority list sent to the president. He noted that some of the projects listed include code compliance needs for the buildings. Chancellor Blackketter stated that many of the renovations would actually increase the usable space they currently have. The campus process includes involvement of faculty and students before being brought forth to the BOR.

Regent Robinson asked Deputy Commissioner Robinson to explain the process that the campuses go through to award projects to an architect or consultant. Deputy Commissioner Robinson responded that the process includes: the Architecture and Engineering Department at the State level (A&E) determines the RFP that is needed; A&E chooses a project committee according to statute; the department sends out the RFP to the approved list of architects that qualify; the committee selects a limited number of architecture firms that they recommend and; they forward the list of three architectural/design firms to the A&E division.

Regent Albrecht asked what priority MT contractors are given to participate in that process. Deputy Commissioner Robinson said that A&E makes the decision. In the past, there had been a preference given to Montana contractors and that is no longer in place; but rather, low bid proposals are awarded preference.

Campus CEO's told the board of capital campaigns that have begun to help raise funds to go toward renovation and construction projects; they noted working with potential donors and industry partners.

Chancellor Blackketter cautioned the board to be careful about depending too heavily on possible donors, as it is not as enticing for private businesses to provide funds for construction on campuses as it may have been in the past.

Commissioner Christian noted that his office works with the campuses, the executive



branch, and the legislature with the priority list that the board approves; the MUS also seeks legislative support for some large deferred maintenance projects. He reminded the board that some projects are also covered by certain fees paid for by the students with funds going into a pool that are used for maintenance projects. The Smart Buildings Initiative was specifically designed to create pools of funds to be used for maintenance projects on campuses, for example.

STAFF AND COMPENSATION COMMITTEE

Regent Robinson said he will be working with the other committee members to develop a Staff and Compensation Committee Work Plan for the November BOR meeting.

Regent Robinson noted he will be working with the OCHE staff and MUS groups similar to the past Compensation Focus Group on developing an action plan to move forward and to research additional options in to enhance overall compensation for MUS employees.

INFORMATION

Compensation and Collective Bargaining Update – OCHE Staff

Deputy Commissioner Kevin McRae updated the board on the collective bargaining progress and noted that that board would be acting on the 11 labor agreements that have been ratified so far. He said BOR guidance was for a 2.25% salary increase plus \$250, effective October 1, 2013 and October 1, 2014. Commissioner then provided guidance to the campuses according to the normal salary increases in the bargaining agreements.

Regent Rogala asked if the board if should review the Recruitment and Retention Task Force document before acting on particular staff items. Regent Robinson recommended taking action on the consent agenda now and working with the compensation group for future guidance.

Commissioner Christian reminded the board of the extensive work done by the Recruitment and Retention Task Force in 2007, and that the board did look closely at the group's findings. He cautioned the board, though, noting that the overall bargaining issues need to be dealt with in the bargaining process.

Mr. McRae noted that the report was a driving force in reaching bargaining agreements. The MUS made adjustments last biennium as a direct result from the taskforce report.

Regent Buchanan suggested addressing the compensation levels of the tier of employees that are not benefiting as much when doing across-the-board increases and where the needs are the most acute. Regent McLean noted those needs have to go back to the bargaining groups and their process.



Regent Robinson moved approval of the consent agendas for staff items a-n and labor agreements a-k. Motion passed 7-0.

Public Comment

- Marco Ferro, MEA-MFT, spoke in support of the work in the Compensation Focus Group and urged the board to develop a plan that will be part of legislative action.
- Jay Reardon, field representative for labor #1686, urged the board to recognize the employees at the lower compensation levels in addition to those employees at the highest compensation levels.
- Dean Ridgway, MSU custodian, spoke of concern of the compensation levels of custodians and that they are unable to continue to live in the communities they work in because of their low wages.
- Senator Jim Keane, Butte, noted the unions and the board have a responsibility to keep campuses safe for students and to have a staff to maintain the campuses. Senator Keane noted concerns by constituents and union members regarding the disparity in compensation for MUS administration and MUS employees that are on the lowest compensation levels.

Regent Albrecht committed to taking a comprehensive look at how to attract and attain all employees across the system and to be proactive in compensation issues.

TWO-YEAR EDUCATION & COMMUNITY COLLEGE COMMITTEE and ACTION INFORMATION

a. Big Sky Pathways FY14 Plan

Deputy Commissioner Cech and T.J. Eyer, OPI, spoke on the Big Sky Pathways Initiatives. Goals include: to increase awareness for Big Sky Pathways programs; to expand the Big Sky Pathways Initiative by strengthening grants; to expand dual credit opportunities for high school students; creation of the State Career and Technical Education Board; expansion of career technical student organizations and; improve secondary and postsecondary awareness of Big Sky Pathways. They stressed the importance of students realizing the value of what this can provide in lower cost college credit.

Chair McLean strongly supported this effort. She requested that a high school teacher from eastern Montana find a place for a high school teacher from eastern Montana be added to the taskforce.

b. Dual Enrollment Taskforce

Regent Krauss spoke in support of dual enrollment opportunities across the state.



Deputy Commissioner Cech presented an overview of the Dual Enrollment Taskforce. The intent is to revise dual enrollment guidelines and make recommendations for expanding dual enrollment opportunities and participation across the state. The taskforce will recommend BOR policy revisions to enhancing dual enrollment opportunities to be acted upon at a future BOR meeting.

Chair McLean requested the taskforce work with the unions on an option of allowing teachers that have the appropriate accreditation to receive training and to be assessed on their understanding of the subject content.

Chair McLean also requested having an on-line application option for dual enrollment, one application that is the same for all students and all courses.

c. Two-Year to Four-Year Tuning Initiative

Deputy Commissioner Cech noted the Lumina Foundation funds to be focused on this initiative which will work with two-year and four-year colleges to address how we can create smooth pathways for students moving from two-year to four-year campuses. He stressed that this is a pilot program involving four-year business programs.

d. Developmental Education Council Next Steps

Sharon O'Hare, Assistant VP for Student Success UM, reported to the board about the work of the Developmental Education Council to develop strategies and programs and to form recommendations. She noted the goals of creating pilot projects for placement into developmental and college-level math, writing, and reading courses. Ms. O'Hare recognized the need for the MUS to partner with OPI to create a college readiness communication platform. She noted that the council will bring recommendations to the board for policy revisions to address guidelines for developmental education participation.

e. Workforce Development Taskforce – J. Cech, W. Cruzado

MSU President Cruzado noted progress made on the Workforce Development Taskforce that was created a year ago. She stated there is a profound sense of responsibility in the MUS to focus on future preparation for technical, energy, and healthcare fields.

Deputy Commissioner Cech provided details on key issues the taskforce has addressed over the past year, including: the MUS is a critical partner for all aspects of energy workforce development and to continue to develop education and outreach programs at both two-year and four-year campuses.

Short term and long-term goals: how to prepare students to enter the workforce; how can the MUS communicate more effectively and; how to respond quickly to industry needs. Dr. Cech noted that people do not look at what the MUS does as individual institutions, but rather as the MUS overall.



Regent Krauss spoke on the importance of two-year education and stressed that in order to reach the president and governor's goals of increasing degree attainment in higher education, it will involve both four-year and two-year campuses.

Board members noted that the taskforce needs to spend considerable time working with K-12 and OPI, use targeted communication from the taskforce and work closely with teachers and high school counselors.

ACTION

Two-Year and Community College Committee 2014 Work Plan; *OCHE*
ITEM 160-118-R0913

Regent Krauss moved approval of ITEM 160-118-R0913. Motion passed 7-0.

COMMITTEE REPORTS, DISCUSSION & ACTION

- a. **Staff and Compensation Committee Report** (action taken during committee meeting)
- b. **Academic, Research and Student Affairs Report**

ACTION

- a. Level II Action Items (from July submission)

Regent Krauss moved approval of Level II Action Items (from July submission). Motion passed 7-0.

- b. Policy 406 revision; *OCHE* ITEM 160-102-R0913

Regent Rogala moved approval of ITEM 160-102-R0913. Motion passed 7-0.

- c. Policy 504.5 revision; *OCHE* ITEM 160-117-R0913

Regent Krauss moved approval of ITEM 160-117-R0913. Motion passed 7-0.

- d. Honorary Degree: MSU-Bozeman

Regent Albrecht moved approval of the MSU honorary degree. Motion passed 7-0.

CONSENT

- e. Level I Memorandum

Regent Krauss moved approval of the Level II memorandum. Motion passed 7-0.



c. Administration, Budget and Audit Oversight Committee Report

ACTION

- a. FY 2014 MUS Operating Budgets; OCHE *ITEM 160105-R0912*
 - All Funds Summary
 - MUS Operating Budgets – System Summary Information and Campus Specific Information

Regent Robinson moved approval of ITEM 160-114-R0913. Motion passed 7-0.

- b. Smart Buildings Initiative Fund Policy; OCHE *ITEM 160-104-R0913*

Student Regent Rogala moved approval of ITEM 160-104-R0913. Motion passed 7-0.

CONSENT

- a. Proposal to Lease Two Building; MT Tech *ITEM 160-1501-R0913*
- b. Proposal to Lease Building for Bureau of Mines and Geology; MT Tech *ITEM 160-1502-R0913*
- c. Authorization for Operating Agreement Between UM Western and UMW Foundation; UM Western *ITEM 160-1601-R0913*
- d. Revision of BOR Policy 940.2, Application Fee; OCHE *ITEM 160-101-R0913*
- e. Renne Testing Center; MSU-Bozeman *ITEM 160-2003-R0913*
- f. Lewis Hall Basement Lab Renovation; MSU-Bozeman *ITEM 160-2004-R0913*
- g. Lewis Hall 307 & 407 Renovation; MSU-Bozeman *ITEM 160-2008-R0913*
- h. City College Repair/Replace HVAC; MSU-Billings *ITEM 160-2702-R0913*
- i. Renovate Existing Facilities; Great Falls College MSU *ITEM 160-2904-R0913*
- j. Renaming Center for Entrepreneurship; MSU-Bozeman *ITEM 160-2009-R0913*

Regent Krauss moved approval of the consent agenda items a-j. Motion passed 7-0.

- d. **Two-Year and Community College Committee Report** (action was taken during the committee meeting)

The meeting adjourned at 11:55 AM.

Approved by the Board of Regents on

Date

Date



MONTANA UNIVERSITY SYSTEM

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

Angela McLean
Chair, Board of Regents