

MINUTES OF THE BOARD OF REGENTS
OF HIGHER EDUCATION
MONTANA UNIVERSITY SYSTEM

DATE: April 27-28, 1987

LOCATION: Conference Room
Montana University System
33 South Last Chance Gulch
Helena, Montana

REGENTS PRESENT: Morrison, Hurwitz, Kaze, Lind, McCarthy
Birkenbuel, Redlin
Commissioner of Higher Education Carrol Krause

REGENTS ABSENT: None

PRESIDENTS PRESENT: Koch, Carpenter, Merwin, Norman, Tietz

PRESIDENTS ABSENT: Monday, April 27: Treadway
Tuesday, April 18: None

State Board of Education Meeting

The Board of Regents of Higher Education and the Board of Public Education met as the State Board of Education in the Governor's Conference Room, State Capitol, Helena, Montana from 9:00 a.m. to 10:50 a.m.

Joint Meeting of the Board of Regents of Higher Education and the Montana Higher Education Student Assistance Corporation Board of Directors

On adjournment of the State Board of Education, the Board of Regents and the Montana Higher Education Student Assistance Corporation (MHESAC) held a joint meeting in the Conference Room of the Montana University System, 33 South Last Chance Gulch, Helena,

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Montana. Present were all members of the Board of Regents, Regent members and David Hunter of the MHESAC Board, Jim Stipcich, Director of MHESAC, Bill Lannan, Director of the Montana Guaranteed Student Loan Program, and representatives of Touche Ross & Company.

Mr. Aaron Reynolds and Mr. Gary Adams presented the recommendations in the report on the Student Loan Servicing Feasibility Study prepared by Touche Ross & Company (on file), and responded to Board members' questions.

At the conclusion of the discussion, Regent Morrison moved adoption of the following resolution:

WHEREAS, the joint Boards have earlier authorized a study to determine the feasibility of performing student loan servicing in Montana, and

the study has determined it is feasible to perform student loan servicing in Montana on a time-sharing basis, and,

the joint Boards have determined it is in the best interest of the state of Montana, the Montana Higher Education Student Assistance Corporation (MHESAC) and the Montana Guaranteed Student Loan Program (MGSLP) to perform the student loan servicing in Montana on a time-sharing basis,

IT IS HEREBY RESOLVED, that MHESAC and MGSLP should develop a migration plan which will allow for a transition from complete student loan servicing on a contract basis to in-house student loan servicing with computer support and hardware provided for on a time-share basis.

The motion carried.

It was the consensus that the Chairman of each Board would appoint one member to work with Mr. Lannan and Commissioner's staff to assist in negotiations for implementation of the plan. Regent Jeff Morrison was appointed as the representative of the Board of Regents.

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The meeting adjourned at 12:20 p.m. Detailed minutes of the joint meeting are on file in the MHESAC offices, 33 South Last Chance Gulch, Helena, Montana, 59620.

Minutes of the April 27, 1987 Board of Regents' Meeting

Chairman Lind called the regular meeting of the Board of Regents to order at 1:20 p.m. Roll call was taken and it was determined a quorum was present.

Chairman Lind called for additions or corrections to the minutes of the previous meeting. None were stated, and the minutes of the March 27, 1987 meeting were ordered approved.

Legislative Recap

Jack Noble, Deputy Commissioner for Management and Fiscal Affairs, distributed and reviewed a report on the final legislative action on the appropriations bill, House Bill 2. Mr. Noble cautioned that while these figures have been checked with the Governor's Budget Office, there is the possibility some of the figures may be in error. Certified copies of HB 2 will not be available until next week.

Mr. Noble explained the System came out of the legislative session having obtained close to the 1986-87 actual expenditure level. The target was to reach House Bill 500 at the 1986-87 level. Over the biennium, the System fell about \$12 million short of that target. Approximately \$73.1 million general fund dollars are appropriated to the System for the coming year, approximately the same as 1985-86.

Mr. Noble referenced the previously discussed problems with the estimates on the non-resident tuition levels for MSU and UM. Language has been added to HB 2 that would provide a contingent supplemental for those two campuses if the non-resident

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tuition levels are unrealizable. Money would be moved from the second year of the biennium into the first year; then a supplemental appropriation would be sought to cover the shortfall.

Mr. Noble also reviewed the effect passage of SB 200 would have on the System's millage accounts. The bill was passed in the final moments of the session, and there was no opportunity to adjust HB 2 for the possibility that the millage estimates may not be realized. He also called attention to the two drastic cuts suffered by MSU in the final moments of the legislative session. The Museum of the Rockies lost about \$140,000, and approximately \$469,000 in enrollment phase down money was removed from MSU by the actions in the conference committee.

Mr. Noble reviewed modifications to Section 7 of HB 2 which reflect changes in the appropriations language.

Commissioner Krause reviewed bills which negatively impact the System budgets, including the increased cost of Worker's Compensation insurance, property tax relief granted to the Columbia Falls aluminum plant, and other bills amounting to approximately \$26 million in selected property tax relief which will impact not only the System, but all educational institutions in the state.

Mr. Noble reviewed other bills passed that were of particular interest to the System, including HB 3, the budget amendment act; HB 300, the portable retirement option TIAA-Cref bill; HB 193, authorization of the 6-mill levy; and HB 434, the supplemental appropriation bill. He cautioned that even with the passage of HB 434, the Regents' budget is running short because of the extra activities required

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of the Regents in the last year in completing the System study and review, and participation in the legislative session.

Mr. Noble noted that while HB 611, increasing the amount of indirect costs to be retained, did not pass, language was inserted in HB 2 that allows the System to retain 50% of indirect cost money anticipated to be collected. The WICHE/WAMI payback bill did not pass, which was consistent with the Regents' position. The pay freeze legislation passed, and was amended to include all classes of state employees.

Mr. William Lannan reported the Long Range Building Program passed, and consists only of some basic maintenance. No new buildings were authorized.

LeRoy Schramm, Chief Legal Counsel, reported on the passage of the changes to the employment law, particularly affecting rights of employees to sue employers for wrongful discharge. The Veterans' preference bills were defeated in the Senate. Legislation passed requiring all settlements paid must now be public information. The open meeting law was expanded to include groups funded with some public, some private funds, clearly intended to focus on the Montana High School Association.

Dr. Krause reported that with the passage of HB 39 transferring the governance of the vocational-technical centers to the Board of Regents, he intended to visit the centers as soon as possible to work out the cooperative agreements necessary to implement the change over the next two years. Dr. Krause reviewed briefly the other requirements of the bill, including a study of vocational-technical education, negotiating collective bargaining agreements with the centers by July 1989, and the responsibilities

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involved in disbursing the federal funds. Dr. Krause reported on the staff that will need to be hired by July 1, 1987, including a Deputy Commissioner for Vocational-Technical Education, a fiscal officer, a federally mandated sex equity position, and one support staff. Dr. Krause explained his concern with the wording of the legislation, which could be interpreted to mean the System can do nothing but plan for the change-over during the next two years. He stated his hesitation to accept that interpretation, and his plan to move forward as quickly as possible to effect the change in governance as smoothly as possible.

Dr. Krause referenced the report heard in the morning State Board of Education meeting regarding the Billings MBA program. Regarding the possibility that might be expanded to be offered at other locations, Dr. Krause stated that would be a program change that should be brought to the Board for approval before plans are made for such expansion. The Board should also be advised if Montana Tech and the University of Montana are engaged in planning to offer upper division business courses for Montana Tech by the University.

Dr. Krause briefly commented on the number of bills introduced, and the language incorporated in HB 2, calling for the System to become more uniform and to provide more information to the legislature, particularly on personnel and accounting. While that legislation did not pass, and the language was struck from HB 2 because of the projected costs involved, there is a problem the Board needs to address. Dr. Krause suggested the problems might be explored at the next Council of Presidents' meeting, working with the Chief Fiscal Officers, perhaps by formatting the budgets differently and by having more uniformity in personnel

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reporting and accounting. It is obvious the legislature perceives there is an information gap, and ways must be found to address that perception.

Chairman Lind stated as a result of some of the concerns expressed in the session by members of the Education Subcommittee, it is the intention of the Regents to invite the members of the Legislative Finance Committee and/or the Education Subcommittee to meet jointly with the Regents to open up communications and work towards a resolution of those problems. Presidents are encouraged to work towards uniformity in presentation of budgets and in personnel records.

President Tietz requested clarification on the purpose of the funding study. The expectations of the System, and the methodology for funding the System, should be clearly established to avoid the accusations and misunderstandings now expressed by legislators who participated in the previous study, and should have had a clearer picture of what that study was intended to develop -- a method to fund the System, not an allocation method.

Chairman Lind responded it is the Regents' intention that definitions will be established, and information generated will be shared by all entities involved so it is truly a joint study conducted for clearly established purposes. Regent Morrison stated it is critical that agreed upon data be the basis for the study, and the funding formula derived be simple enough that it cannot be misunderstood or manipulated. It is apparent there is a need for simplification of the method of funding the University System, and the purpose of the study should be established before the study begins.

Concluding the legislative wrap-up, Dr. Krause cautioned the state's revenue estimates are still

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precarious. Many legislators believe the budget will not stay balanced for the rest of the biennium, and a special session will be necessary within a year. Contingency planning in the System should be continued, along with the recognition the System is probably overextended now, and will be more seriously so in the next several months. The public should understand the System's financial problems are by no means solved. It can perhaps survive with the present budget, but not without even more drastic changes if the present budget fails to materialize.

Authorization for Planning and Staffing for Vo-Tech

Chairman Lind commented on the vast number of things that need to be accomplished in the next several months to accomplish the change-over in vo-tech governance, as outlined by the present Director of Vocational-Technical Education for the Office of Public Instruction, Gene Christiaansen. Chairman Lind announced the appointment of a Regents' Committee to work with Commissioner's staff to review policy planning and implementation of the change in governance of the vo-techs, and to report regularly on the process to the full Board. Appointed to that committee were Regents Kaze, Hurwitz, and McCarthy, with Regent Kaze serving as Chairman. Finalists for the staff positions in the Commissioner's office will be reviewed by that committee, and will be brought to the full Board for approval.

On motion of Regent McCarthy, the Commissioner's office was authorized to proceed with the planning necessary to implement the changes in vo-tech governance to comply with HB 39. The Commissioner was also authorized to advertise and select finalists for the Deputy Commissioner for Vocational-Technical

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Education; the fiscal position; the sex equity position; and one support staff, with the understanding there would be Regent participation in selection of the professional staff.

A vo-tech orientation workshop for the Regents will be scheduled. Gene Christiaansen, Center Directors, and if possible, representatives of the Centers' Local Boards of Trustees, will be invited to participate. Site visits to the Centers will be scheduled as soon as possible.

Appointment of Committees

Chairman Lind noted at the State Board of Education meeting held earlier today a request was made that the Regents appoint two members to a committee to study the feasibility of presenting a unified education budget to the next legislature. Regent appointments to that committee are Regent Redlin and Chairman Lind.

Appointment of members to the funding study committee will be made after the Commissioner meets with the Governor's Budget Office and the LFA. There will be representation from the Regents, Council of Presidents, and the Commissioner's office.

Chairman Lind stated Regent authorization is requested for the Commissioner to begin a search to fill the Deputy Commissioner for Academic Affairs position which has been vacant for some time. Regent McCarthy moved the Commissioner be so authorized. The motion carried.

The meeting recessed at 2:30 p.m. The Regents reconvened immediately in executive session.

The regular meeting of the Board will reconvene at 8:30 a.m. tomorrow in the same location.

Minutes of Friday, April 28, 1987

Chairman Lind called the meeting to order

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at 8:35 a.m. Roll call was taken, and it was determined a quorum was present.

Chairman Lind noted this would be the last meeting President Treadway would attend as President of Western Montana College. On behalf of the Board, Chairman Lind thanked Dr. Treadway for the tremendous job he had performed at Western Montana College. At the Chairman's request, Regent Redlin read Item 55-001-R0487, Resolution on the Retirement of President Douglas Treadway; Western Montana College, into the record (on file). With respect and admiration, the Board wished Dr. Treadway the very best in his future endeavors.

Appointment of Acting President; Western Montana College

Chairman Lind stated the Regents have reviewed candidates for Acting President of Western Montana College. That president will be charged with the responsibility of cooperating with the University of Montana in completing the merger, and in keeping Western Montana College a viable unit of the Montana University System. The Board is pleased to announce the appointment of Dr. Michael Easton as Acting President of Western Montana College, effective May 15, 1987, at an annual salary of \$57,500. Dr. Easton will be on leave from the University of Montana.

Budget Committee

Item 55-501-R0487, Authorization for Student Activity Fee Increase; Montana College of Mineral Science and Technology, was reviewed. Dr. Krause distributed a copy of Regents' policy on the use of student activity fees. Section 2 of Regents' policy prohibits the use of student fees for athletics, though the Board has approved exceptions in the past to that prohibition. If the item before the Board is approved, it would be an exception to current policy.

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President Norman stated the item was submitted in full recognition that its approval would set a precedent. He reviewed the discussion at the Yellow Bay workshop on costs of athletic programs, and the possible elimination of athletics at some campuses. He also reviewed the activities which have occurred at Montana Tech since that discussion to make intercollegiate athletics at Tech at least fifty percent self-supporting. The student body voted by more than a two-to-one margin to support the increase in the student activity fee to support intercollegiate athletics. Under this proposal, full time Montana Tech students will be able to attend Tech athletic events free of any additional charge.

Jim Malmo, President, ASMST, spoke in support of the item. Discussion was held on student in-put on how the fee monies would be used, and student rights to withdraw the fee. It was agreed contractual obligations could be endangered unless withdrawal rights were limited. Students agreed if a two-year sunset provision was added to the item, there would be no change in the amount collected in that two-year period.

Regent Morrison moved Item 55-501-R0487 be amended to add a provision the fee would sunset in two years, and that the item be approved as amended. The motion carried, with Regent Redlin voting no.

Item 55-502-R0487, Authorization for KMSM-FM Radio Fee Increase; Montana College of Mineral Science and Technology, was reviewed by President Norman. He explained the station has made no major equipment upgrades since 1973. To continue services to the campus and the community, it is proposed to increase the fee from \$2.50 per semester to \$5.00 per semester. The increase was overwhelmingly approved by a vote of

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the student body. Jim Malmo also spoke in support of the fee increase, and student support for the program. The fee increase would allow the station to upgrade its signal from 50 watts to 250 watts. On motion of Regent Hurwitz, the item was approved.

Item 55-102-R0487, Fee for Late Payment of Family Housing Rent; University of Montana was reviewed by President Koch, University of Montana. The item authorizes the University to assess a late fee of ten dollars for each instance on which a rentor fails to make rent payment due prior to the 15th day of the month, or arrange for deferred payment of rent with Family Housing. Dr. Koch and Vice President Williams responded to Regents' questions regarding the increase and severity of the problem. On motion of Regent McCarthy, the item was approved.

Converting the \$2.00 Per Credit Hour Tuition Surcharge to Regular Tuition Effective Summer Quarter 1987

Jack Noble reviewed the history of the \$2.00 surcharge, which was intended to expire on June 30, 1987. Tuition rates and tuition levels were the subject of discussion during the legislative session, and even though the System's tuition level for in-state students is higher than the peer average, because of the tight money situation, there was general consensus in the legislature that the surcharge should remain in effect. The Appropriations Committee appropriated the anticipated revenue from the surcharge, which is approximately \$1.6 million, into the budgets of the campuses. To realize the revenues in House Bill 2, the surcharge will have to continue.

Commissioner Krause responded to Regents' questions concerning notification to students of the proposed action. The presidents of the student

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governments are aware of the proposal, and would probably like to comment.

Greg Anderson, President, Montana Associated Students, spoke in strong opposition to retaining the tuition surcharge. He presented statistics on the increase in student tuition compared to the rise in inflation and in student aid. He stated that coupled with all the other increased costs students face, and the decline in availability of student aid and in part-time employment, students have to ask when this will stop. He referenced the next items before the Regents, which implement tuition differential for selected professional programs. Students are willing to help, but the increases over the last few years have been excessive.

Chairman Lind noted when the Regents have attempted to eliminate programs, almost without exception students have appeared before the Board and asked that tuition differentials be put in place, rather than allow programs to be eliminated. He asked Mr. Anderson the same question -- should the Regents further reduce programs, or make the tuition surcharge permanent?

Mr. Anderson responded the issues should be separated. When the tuition surcharge was put in place, students were assured it would sunset on June 30, 1987. Now it is being made permanent. Again, students recognize the fiscal situation facing the state, but feel they are being taxed at an excessive rate.

Regent Morrison stated he believed the surcharge was just that, a surcharge to get the System through an emergency period. With or without the surcharge, he believed the System would have been looking at a tuition increase in this biennium. Effectively, this action will eliminate the surcharge,

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and increase the base. Regent Morrison stated he personally would not vote to increase tuitions above that level for the remainder of the biennium regardless of what financial shortfalls develop.

Regent Redlin commented she felt the students had a justifiable complaint on methodology. She believed the Regents were somewhat betrayed, and by extension the students were betrayed, by the way the tuition surcharge was presented and the way it was appropriated.

Chairman Lind reviewed the rollbacks late in the fiscal year which necessitated the original tuition surcharge. The rollback was not recovered in the recent legislative session, and the System faces the same dilemma in the coming biennium. Commissioner Krause concurred the System needs the surcharge to meet the budget the System was appropriated. This action takes it out of the realm of a surcharge and makes it part of the regular tuition collections. More probably, he stated, the Board should be commended for not looking at additional tuition increases, given the present budget problems facing the state.

Hearing no further discussion, the Chairman called the question. Regent McCarthy stated that very reluctantly she moved the \$2 per credit hour tuition surcharge be made part of the regular tuition collections effective summer quarter 1987. The motion carried.

Tuition Supplements for Selected Professional Programs

President Koch stated it was with a sense of real reluctance he brought to the Board the request for tuition supplements for three professional programs at the University of Montana. In determining the need for the fees, the University evaluated the need against

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a set of criteria. These were, the program should be unique and not duplicated elsewhere in the state; it should be clearly distinguishable from other programs to prevent the levying of special fees for any need that arises. A second criteria was that the program was identifiably high cost in nature. The third criteria related to controlled admission. A special supplemental fee in the University's view is more legitimate when you are talking about controlled admission, rather than the kind of circumstance that could be applied to all students, and could result in simply an overall rise in tuition. A fourth criteria, though not a major one, was ability to pay. If a special fee is assessed, it is perhaps more reasonable if the future anticipated income of the student would enhance the student's ability to pay. The fifth criteria applied was to achieve some specific goals, such as accreditation or enrollment expansion. Taken into consideration was the intent of the University to not price its students out of the market. The proposals before the Board for action still provide quality professional programs for students at less than they would have to pay at our peer institutions, except in one instance. The one exception is the School of Law in Wyoming. President Koch noted also that while students, faculty, and the administration are not enthusiastic about the tuition differentials, in all instances, either by vote or expression of opinion, those groups have agreed the actions are necessary to achieve specific goals.

President Koch then reviewed each of the following three items, additions to the agenda:

Item 55-104-R0487, Fees, School of Law, FY 1988-90, University of Montana

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Item 55-105-R0487, Fees, Pharmacy Professional Program; FY 1988; University of Montana

Item 55-106-R0487, Fees, Physical Therapy Program; FY 1988; University of Montana

At the conclusion of President Koch's review, the Chairman called for comments from the public. Greg Anderson, President, Montana Associated Students, referenced the action making the tuition surcharge permanent. He stated the students feel it establishes a dangerous precedent to raise tuition for any program above the level of current state support. For some programs, he stated, students' tuition will rise from \$300 to \$1,000, in addition to the surcharge.

Jan Hulme, Director of the Physical Therapy program, spoke in favor of the tuition differential for that program, citing the opportunity to stabilize the program, and applauding the statement of the President that the money would be reinvested in the Physical Therapy program. Applicants far outnumber the number of students the program can presently accommodate. Physical Therapy is a higher cost program, and students are willing to help pay that cost because they recognize the need to stabilize the program.

Discussion was held on the possibility the program will be forced into becoming a five-year program because of national accreditation requirements. Ms. Hulme responded the message received by the University from the accreditation council was that if the program is fully accredited this year, it will remain so for a maximum of eight years, and a minimum of five years, at the bachelor's level, regardless of what occurs nationally. It is not anticipated that guarantee will be received in writing, however. She also reported on efforts to establish an endowment, and efforts to

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establish scholarship programs through medical facilities. In response to Regents' questions, Ms. Hulme reported the starting salary for PT graduates is approximately \$22,800, and they have 100 per cent placement, with 70 per cent licensed to practice in Montana. Students in the PT program also testified in general support of the fee increase in order to maintain the program, with some requesting the initial fee increase be reduced.

Frank Pettinato, Acting Dean of the School of Pharmacy, spoke in support of the fee increase, noting the pharmacy students main concern is the magnitude of the increase. He cautioned if the School of Pharmacy is to remain an accredited program, it does need more support, but the \$1,000 increase is a burden on the students.

Regents discussed the amount needed to maintain the programs' accreditation. If the programs are to be maintained, they have to receive accreditation. Accreditation deadlines for the Pharmacy program were discussed.

Regent Morrison stated his resentment of outside forces over which the Regents have no control that dictate the needs of the programs. For accreditation agencies to impose the types of sanctions they do is an invasion of the Regents' prerogatives. He stated he would support the increased fee for the Pharmacy School and the Physical Therapy program if both programs are subjected to a program review in two years. If excessive demands continue from the accrediting agencies, he would favor elimination of the programs rather than continued tuition differentials.

Regents discussed with Acting Dean Pettinato the accreditation and educational requirements

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of the Pharmacy Program. Attempts to establish scholarships to help students in the Pharmacy program are also being made. The present uncertainty as to whether the program will be continued is seriously affecting the program's ability to retain students as well as faculty, as is the case with other programs in the System.

Regents discussed whether it would be feasible to phase in the increased fees in the Pharmacy and Physical Therapy programs, as is proposed for the Law School. The conclusion was that it was not.

Regent Redlin stated she believed the Regents set the course at the last meeting that tuition differentials were acceptable, and for that reason she would not vote against them now. If, however, the Board is going to adopt a policy of tuition based on cost of the program, it should not consider them separately because the trend is to go to the maximum amount that can be charged for each program, without consideration of what the cost of another program might be. In effect, the Board is saying it is alright to charge as much as you can for any program. What is needed is an analysis of what the programs cost the institutions. Then, in relationship one to another, tuition differentials could be set so there is a rationale for defending the increased cost, other than stating it is cheaper than going somewhere else to obtain the program. Regent Redlin stated she would not vote for any additional tuition differentials until the Board has established criteria against which the increase can be measured, and a rationale for the relationship between the various types of programs.

Dr. Krause commented on the size of the fee increases, and Regent Redlin's concerns. He shared

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Regent Redlin's concern that solving the budgetary problems with tuition differentials should not become the norm. There is a budget problem now, but he recommended the Board look at these fees as a short-term solution, not a long-term one. He did, however, believe there is real justification for undergraduate tuition being the same across-the-board. It is imperative to continue to look at the goal of providing equal access to all the System's students at the undergraduate level through restoration of funding, or cutting programs if necessary. Access to the programs is indeed reduced through the imposition of fees of this magnitude. A review of the fees should occur in two years, and a review of where the System stands.

Regent Kaze questioned whether a review in two years would not put the programs back exactly where they are now -- at risk on their accreditations. President Koch responded he would prefer the two year review consider whether the level of the fee is appropriate, and whether there might be general fund or other dollars to substitute for the fees. If the review of Pharmacy is to include whether the program should be retained, the accrediting agency will react negatively, and the same problems with retention of students and faculty will continue. The purpose of the fee proposed today is to stabilize the program and guarantee it will be there.

President Tietz spoke briefly on the Northwest Planning Forum coordinated by WICHE that is examining these types of cooperative programs. He suggested these be monitored by the Board through the Commissioner working with Dr. Knapp. He noted it is almost impossible to terminate an accredited program, because of the number of students enrolled in those

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programs. Once that decision is made, phasing the program out and providing protection to the students to obtain an accredited or licensable education puts the institution in a very difficult situation.

Regent Morrison asked when the people who are paying the bills have the right to say to the accrediting agencies that enough demands have been made. President Tietz responded you always have that right; the issue is whether it will have any effect. He briefly explained the purpose of accrediting agencies, which in part is to insure each institution has a program that meets the nationally set cost ranges. Legally, the System is in a very difficult situation. Cooperative regional programs may be the only answer available to states suffering the budget deficits Montana faces.

Regent Morrison elaborated on his concern that outside agencies can demand concentration of resources in programs, when in his opinion, they would be better spent by spreading them out through other programs. President Tietz responded that is the price a college or university pays for quality control. Technically, the accrediting organizations are in business to protect the public, as well as the profession, and to establish a base quality control system. In certain professions, you must graduate from an accredited program to be licensed to practice, and the chances of that changing very swiftly are remote.

Regent Hurwitz commented it is not really feasible to state the Board will not raise tuitions again, if it intends to continue to offer quality, accredited professional programs. Exploring other methods to provide those programs should be an on-going process.

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Commissioner Krause spoke in defense of accrediting agencies. Generally, the standards they demand are not unreasonable. There has to be responsibility for the institutions to assure the public they are providing quality education, and the graduates are competent. Montana's financial situation has deteriorated to the extent its programs are in jeopardy.

President Tietz concurred. He stated this problem points up where higher education in Montana really resides, relative to other institutions, and relative to other regions in the country. Accrediting agencies establish standards that are the national norm. Montana is so far below in terms of overall support for higher education, that it cannot meet what is the average for professional programs in other states. Because of the inadequate support provided for higher education across the board in Montana, by contrast with other states and other institutions, it looks terrible.

Hearing no further discussion, Chairman Lind summarized the consensus of the Board it has been established in today's discussion that without the supplemental increases the System cannot continue to provide these professional programs. The fees will be separated for voting purposes.

The question was called on Item 55-104-R0487, Fees, School of Law, FY 1988-90, University of Montana. On motion of Regent McCarthy, the item was approved.

Chairman Lind called for further discussion on Item 55-105-R0487, Fees, Pharmacy Professional Program; FY 1988; University of Montana. Hearing none, the question was called. Regent Hurwitz

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moved the item be approved. Regent Morrison moved the item be amended to review the \$1,000 fee in two years. The amended motion carried, with Regent Birkenbuel voting no.

Regent McCarthy moved Item 55-106-R0487, Fees, Physical Therapy Program; FY 1988; University of Montana be approved. Regent Morrison moved the item be amended to review the \$1,000 fee in two years. The amended motion carried, with Regent Birkenbuel voting no.

Regent Redlin then moved a survey of costs of professional and graduate programs be undertaken and reported back to the Board for analysis before any additional requests for tuition differentials are considered. Commissioner Krause noted that as the funding study progresses, cost-per-student information by various disciplines will be accumulated. The motion carried, with the understanding the information will be gathered as part of the University System funding study, and a specific report will be brought back to the Board.
Formula Funding Study Mandated by HB 2

Commissioner Krause stated \$150,000 had been appropriated by the legislature for a formula funding study to be conducted jointly by the Legislative Fiscal Analyst, the Office of Budget and Program Planning, and the University System. The committee to conduct the funding study will consist of eight legislators, membership from the Board of Regents and the Governor's Budget Office. He asked the Chairman to determine the involvement of the Board of Regents, anticipating they will participate in the meetings of the committee. Funding and staffing as provided in HB 2 were explained. Commissioner Krause stated it was his hope a work plan would be developed for that study as soon as possible, and he asked Ms. Dori Nielson,

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Legislative Fiscal Analyst's Office, to convey that message to the Fiscal Analyst.

Chairman Lind stated it was the intention of the Board to have as much Board participation as possible. To accomplish that aim, Chairman Lind appointed a special committee of the Board of Regents consisting of Regent Hurwitz, Jeff Morrison, and himself to work directly on the funding study with the LFA and the OBPP. The special committee will report regularly to the full Board.

By-Laws and Policy Committee

Item 34-104-R1282, Collection and Remittance of Fees for Student, Non-profit, Non-partisan organization; University of Montana (REVISED), was opened for discussion. Regent Birkenbuel noted he had asked this item be placed on the agenda on the recommendation of the ASUM student body president, and representatives of the Montana Public Interest Research Group (MontPIRG). The revised item as presented for action changes the fee collection method by authorizing the Associated Students of the University of Montana to collect the fee, and changing the fee collected from an elective fee to a special, waivable, refundable fee, remitting the proceeds to MontPIRG under the terms and conditions set out on the revised item.

Students, officers of MontPIRG, student government officers, faculty, and legislators spoke in support or presented letters and petitions in support of the revisions (on file). Reasons for transferring the signatory authority from the UM President's office to the ASUM office were explained, as were the safeguards to assure continued student support, and the ease of the method of obtaining a refund of the fee if a student so desires.

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Jonathan Motl, Helena attorney, spoke to legal concerns with the proposal, including the issue of use of state funds, and any Constitutional issue that may be raised. The state funds issue arose because the University was the collector of the fees on behalf of the students. That issue was first addressed by this Board in 1981. It was the opinion of the then Chief Legal Counsel that no state funds would be involved if the fee was optional (waivable). That remains the official position of the Board.

A more recent argument is the association argument. That issue has become important because of litigation on the East coast. Mr. Motl explained the appellate decision in that litigation, stating that by footnote in the decision, waivable fees were specifically excluded from the association concern. Mr. Motl also explained his long term association with MontPIRG, and assured the Board it could support the proposal without fear of legal concerns. He urged the Board to support the revised item.

Testimony was received at some length from supporters of the proposal on the validity of the services to students performed by MontPIRG, and the value of the type of training for better citizenship PIRG provides.

Jacki Amsden, Co-Chair of Mont-PIRG, high-lighted three areas in which this proposal is different than the waivable, refundable fee collection method operated under in the past. The first difference is the contract is now with ASUM, rather than the University President. Second, the renewable contract with the students occurs every two years, either by majority petition drive or referendum in which 25 percent of the students vote. The third difference

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relates to the 50 percent clause. If 50 percent of the UM students waive the fee in two consecutive quarters, MontPIRG would be disbanded. She asked that clause exclude summer quarter, because of the reduced number of students on-campus during that period. Copies of the amendments incorporating those changes was distributed to the Board. Ms. Amsden also addressed issues of MontPIRG's responsiveness to students, questions of accountability, and the often raised issue that approval of the requested funding method opens the door for other student groups to request the same funding mechanism for other organizations.

At the conclusion of testimony in support of the policy change, the Chairman called for opponents. Hearing none, he asked President Koch for the administration's position. President Koch stated the administration had not taken a position, but was cognizant of the amount of student support, and had agreed, in light of that, to remain neutral. Personally, he stated he preferred the check-off fee, and that the organization not be called a research group.

The Chairman called for discussion from the Board. Regents' questioned whether PIRG's are increasing or decreasing nationally, and were told they were holding about even. Regent Morrison questioned why, if MontPIRG has such strong student support, it was not funded by ASUM. Students could vote for an increase of their ASUM fee with the increase to be dedicated to MontPIRG. In his mind, that would be much less of a "back door, pickpocket" approach than the method proposed, and would not single MontPIRG out as receiving special treatment from the Board not granted any other student organization. Regent Morrison stated it is the fee collection method he objects to; he would not object if the funding was through ASUM.

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Contributions solicited from sources outside the University were discussed, and whether those solicitors were paid and/or University of Montana students. Chairman Lind questioned Mr. Tuss, President, ASUM, whether he considered MontPIRG a student organization, or an independent organization. Mr. Tuss responded he considered it a student organization, run by students. Speaking to the concern expressed by Regent McCarthy that a student taking only one credit can be associated with MontPIRG, Mr. Tuss explained that is also the case with many other student offices, including the ASUM president.

Chairman Lind stated concerns he has as a Board member are with the funding mechanism, and the precedent established which opens the door for other organizations to make the same request. Mr. Tuss responded that door was opened in 1981 when the waivable, refundable check-off system was first implemented. There have been no other requests for this type of fee generating system on the UM campus, or any of the other campuses.

Chairman Lind stated another concern is with the apathetic student, or the freshman student who is overwhelmed by the registration process and simply pays the fee. Ms. Amsden explained the dorm packet and other information disseminating methods employed by MontPIRG to assure all students understand what the organization does, and that the fee is waivable, refundable.

President Tietz spoke to the precedent approval of this proposal would set systemwide. He also expressed his concern of the use of the University System as an umbrella for both political advocacy and consumer advocacy.

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Regent Morrison again stated his objection to the funding mechanism. He maintained whether MontPIRG is a valuable organization has nothing to do with today's discussion; the funding mechanism is devious and deceptive. It takes advantage of a group of people who many times are not adequately informed; if any student organization wants student support, it should have to "come in the front door."

After brief further discussion, Chairman Lind asked the pleasure of the Board. Regent Birkenbuel moved Item 34-104-R1281 (REVISED), be amended in paragraph 2 to add back "of the University of Montana", and to add a new paragraph 7 as submitted by officers of MontPIRG (on file), and the item be approved as amended.

The question was called. Regents Kaze, Redlin and Birkenbuel voted aye. Regents Morrison, McCarthy and Hurwitz voted no. Chairman Lind voted aye. The motion to approve Item 34-104-R1281 (REVISED) as amended carried.

Chairman Lind stated his vote reflects a great deal of personal concern with the way the fee is collected. His vote in support was based on the overwhelming evidence of student support for the collection of that fee, and the real effort made by MontPIRG to account for the manner in which it is accomplished. He urged continued solicitation of student support to assure that continuation. Regarding precedent, he noted several of the fees passed earlier in this meeting may also not have set a good precedent.

President Koch asked that the record reflect that MontPIRG not be viewed in any sense as an official agency of the University of Montana.

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Montana Dairymen's Association

Commissioner Krause explained the Montana Dairymen's Association had requested an opportunity to address the Board because of the financial difficulties experienced by Montana State University, which led to the elimination of the Dairy Specialist position. MSU has made attempts to try to accommodate that position by providing some assignments to other agents working for the Cooperative Extension. The Dairymen's Association does not believe these actions adequately meet the needs of the Association.

Mr. Larry Kaufman, President, Montana Dairymen's Association, introduced Harry Mitchell, immediate past president of the Association, and Mark Brewer, Chairman of the Dairy Advisory Committee.

Mr. Mitchell made opening comments on the seriousness with which the loss of the dairy extension specialist position is viewed by Montana dairymen, and their view that through the last four years, Montana State University has lost credibility with the dairymen because of the sequence of events.

Mr. Brewer distributed copies of a digest consisting of excerpts and quotes from correspondence on the issue over the past four years (on file). He reviewed the chronology which led to elimination of the dairy extension specialist. A complete package of related documents was presented to Chairman Lind (on file). Mr. Brewer emphasized the Association's position the Montana dairy industry is worth at least one slot at Montana State University. The specialist position is believed by the industry to be essential, and should be restored as part of the University's responsibilities.

Mr. Kaufman summarized the presentation, noting the trend to larger dairy operations. There is

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continual need for technical information to be disseminated. A complete program was provided by the University in the past. That was then reduced to one position, and now the industry faces the loss of that final position. The dairy industry is second only to cattle production in Montana. He urged restoration of the dairy extension specialist.

President Tietz responded on behalf of Montana State University. He reviewed the history of discussions and changes in the dairy program at MSU occurring since approximately 1979. Assurances were given to the dairy association that services would continue to be provided. Historically, a number of reductions occurred in the System last June. A program planning and priority committee was formed, which brought forward a series of recommendations. It was recommended from the Extension Service that 17 positions be eliminated, three of which were tenured faculty members. He explained the termination procedure followed, and the recommendation of a termination committee of the rescission of the letters of termination to the three tenured faculty. In recent action, another \$200,000 has been removed from the Extension Service, about \$140,000 from the Communications Specialist, and vacancy savings moved from 2 percent to 4 percent. Millage money is also reduced.

Mr. Bryant, the extension specialist referred to, is now located in Philipsburg. He retains a one-quarter time appointment to handle the BHIA responsibilities. MSU and the Agricultural Experiment Station have agreed to provide counsel to the dairy industry in the best way possible with the resources available.

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President Tietz noted the situation was not handled in quite the manner he personally would have handled it, but it has been done in reasonable understanding of the problems of the industry. He enumerated reductions in the poultry, range, swine, and sheep programs necessitated by budget deficits. The dairy industry is not being dealt with in isolation. The only program where a backup attempt has been made to continue to serve the industry has been in the dairy program. MSU believes its dealings with the dairy industry have been up-front, and continues to pledge to the dairy industry it will operate in the best way possible with resources available.

Discussion by the Board included questions on a point of contact for the industry on the Bozeman campus, and the assistance Mr. Bryant is still rendering. It was the understanding of the Board that the need of the industry is to have access to a contact person who can facilitate problems, but who does not necessarily have all the expertise to deal with them directly. Industry representatives present reiterated the need is to have the dairy specialist located on the Bozeman campus. The Board questioned the possibility of the dairyman's association providing funding for the position through contributions from the industry. The actual amounts saved through elimination of the dairy specialist were discussed. Attempts to obtain a specialist from Utah to provide service to Montana were reviewed by President Tietz. To some extent through telex and other means that is being done now. President Tietz agreed that what the industry needs is not another telephone number, but a person in whom they have confidence. Ultimately, he believed the System will provide that. He empathized with the Association's view of the loss of Mr. Bryant as a major loss.

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President Tietz said the plan now is establish a single point of contact for dairymen's needs. The point of contact will be the Animal Science Department, and an individual, not yet identified. The dairy herd improvement effort will be conducted by Mr. Bryant from the Philipsburg office. That is funded, and will be in place at the time he assumes the position. President Tietz commented on the state's funding for the Ag Experiment Station and the Cooperative Extension Service. Montana was 50th out of 50 states in funding for those organizations 10 years ago, and the situation has not improved. In North Dakota, a state considerably smaller than Montana, \$22 million is spent on the Ag Experiment Station. Montana spends \$9 million. For Coop Extension, North Dakota spends \$9.5; Montana spends \$3 million in a state half again bigger than North Dakota, with an industry as dispersed and diverse as any in the country. There is no way for Montana to keep up with the other states; the question is, how to handle the problems. There has been a consolidation of the two programs at MSU, and an attempt to improve communications, to use electronic systems, and to use the most current information. That was a mandate not only of the institution, but the legislature. The result of that reorganization was removal by the legislature of the communications program from the operation. Every modification put into the legislature for the Ag Experiment Station and Coop Extension in ten years has failed to be approved by the legislature. President Tietz stated one of the real tragedies of his administration over the last ten years has been what has happened to those two entities, but he can not tell the Board how to solve it. Montana State University is mandated to provide many services to

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agriculture, but it can not be done without resources. There is no cohesion in the agriculture industry, and great evidence of lack of support from the rural area legislators in the past legislative sessions.

Chairman Lind expressed the Board's genuine appreciation of the industry's concerns. He assured the representatives of the industry present the Board will continue to work with President Tietz in whatever effort possible to restore some funding level or some method of accountability to the industry within the budgets available.

The Board recessed for lunch with student government representatives, and reconvened at 1:40 p.m. with the same members present.

Chairman Lind stated that because of flight schedules that need to be met, the order of the agenda would be revised. The first order of business would be the academic program reductions on the Curriculum Committee agenda.

Action on Academic Programs on Contingency Reduction Plans

Chairman Lind stated in January 1987 the Board requested the presidents to present contingency plans to meet the executive budget. A list of academic programs on contingency reduction plans was included in the agenda material (on file). The legislative session is now completed, and while the budget approved for the System is higher than that recommended by the Executive Branch, the System is substantially below the level which was requested. The presidents are asked now to bring the Board up to date on what will be necessary on each campus to meet the present budget, based on the contingency plans presented earlier.

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Montana State University

President Tietz reported Montana State University is proceeding under the plan presented in January 1987 with some modifications. The special tuition approved at the March 1987 meeting has preserved the Architecture program. President Tietz reviewed a handout on MSU proposed reductions for FY 1988 (on file) in the areas of Instruction, Public Service, Academic Support, Student Services, Institutional Support, Benefit Pool, Administrative Computing, Energy savings, and IDC Shift, for a total reduction at MSU of \$2,338,600. He noted that in the Veterinary Science program, termination notices have gone out, although the master's and doctoral degrees are being retained because of students in those programs.

President Tietz asked the Board's concurrence at this meeting on MSU's previous recommendation regarding the Great Falls Nursing Program. The recommendation is now to reduce the nursing program at Missoula by about half, and maintain the program at Great Falls at nearly its current level. The two programs, in any given year, would alternate 20 juniors and 40 seniors. The result would be a 60 student unit at both locations. Dollars saved over the two-year period would be roughly \$160 - \$170,000, but would preserve the flexibility and utilize the medical facility at Deaconess Hospital in Great Falls, which has been adamant about retaining the program. The revised proposal is made in the face of anticipated demand for graduates, and the belief it would best meet current budgetary requirements, in addition to serving the two communities affected.

At Chairman Lind's request, President Tietz listed those academic programs which have been at

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least given notice of termination. Those are Industrial Arts Education; the academic program in Veterinary Science; the two-year program in Administrative Assistant in the College of Business; and the academic program in Business Education at the baccalaureate level.

Discussion was held on the nursing program proposal. On-campus review of the proposal and community involvement was discussed.

Regent McCarthy moved President Tietz be authorized to continue with the contingency plan for MSU as outlined, including the recommended change in the Great Falls/Missoula nursing campuses.

University of Montana

President Koch explained the difference between the Executive budget proposed and the level of HB 500 requested for the University of Montana was about \$3.6 million. The budget realized gave the University back about \$2.2 million over that proposed for the coming biennium by the Executive Branch, and on which the contingency plans were originally based. With those dollars, and the supplemental fees approved earlier in this meeting for the Physical Therapy and Pharmacy programs, President Koch stated he believed it is possible for the University to restore all six of the academic programs listed for elimination on the original contingency plan presented by the University last December.

President Koch urged retention of the Communications Sciences and Disorders and the Religious Studies programs, citing the unique nature of the former, and the national recognition of the latter, which is also vital to the University's liberal arts core. Speaking to Home Economics, he argued strongly it does not duplicate a similarly named program at MSU, and

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elaborated on the reasons. President Koch acknowledged the Business Education program is duplicated elsewhere in the System, but stated he believed it is the best such program in the System, with 25 percent of business ed teachers in the state having graduated from the program.

President Koch discussed briefly the several cuts the University is making which the Board is not asked to retain or restore, including those in central administration, intercollegiate athletics, and the physical plant. Most of the cuts made at the University are recommended to be made from those areas, with the University's main focus continuing to be restoration and retention of academic programs.

Chairman Lind noted before calling for a motion he wished to clarify the Board will discuss those programs previously listed as duplicated programs at a later point in the meeting.

Regent Morrison moved President Koch be authorized to proceed with the contingency plan for the University of Montana as outlined above, with the exception those programs previously designated as duplicative (Home Economics; Business Education; Ph.D., Mathematics) will be considered at a later point in the meeting. The motion carried.

Northern Montana College

President Merwin explained the contingency plan presented to the Board in January 1987 represented savings of approximately \$860,000. This present allocation appears to contain approximately \$300,000 in new money. The reorganization at Northern Montana College will proceed as previously outlined, with the exception the work force will be reduced by about half the number previously proposed. Academic programs on

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the list sent with the agenda material will be consolidated or eliminated

As NMC moves into the new budget year, President Merwin proposed the following changes to the previous contingency plan: no reduction in classified staff; approximately \$170,000 will be allocated to the physical plant; approximately \$100,000 will be restored to the operating budget; approximately \$300,000 will be restored to the capital budget; faculty sabbaticals will be reinstated. President Merwin reported also that as a result of the Northwestern Association of Colleges and Schools visitation, elimination of the Dean of Students position at NMC is not appropriate. A search will be conducted to fill that position, possibly in January 1988.

The following list is proposed for elimination. These are primarily options within majors:

Agricultural Technology - AS

Farm-Ranch Management

Agri-Mechanical

Agri-Services

Electrical Technology - AS

Electronics Technology - Two Year Option - AS

Auto Technology - Body Shop Management - AS

Drafting Technology - Mechanical - AS

Mechanical Technology - Metals - Option Without Minor - BT

Diesel Technology - Option With Minor - BT

Construction Technology - Option With Minor - BT

Drafting Technology, Architecture - With Minor - BT

Drafting Technology, Mechanical - Broadfield Without Minor - BT

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Drafting Technology, Mechanical - With
Minor - BT
Drafting Technology ,
Architectural-Mechanical - Broadfield
Without Minor - BT
Trades/Industry Auto - Secondary Education
Without Minor - BS
Business Education - Broadfield
Secretarial Occupations - BS
Canadian Studies - Minor
Government - Minor
Health - Minor
Trades and Industry Electronics - Minor
Interdisciplinary Studies
Travel-Transportation
Tribal Government
Communications
Environmental Resources

President Merwin reported the positions restored from the original contingency plan recommendation include Director of Physical Plant; Director of Inter-Mural Sports; and Controller. Regent Morrison requested a complete list of restored positions and those to be eliminated be submitted to the Commissioner for review by the Board.

Hearing no further discussion, Regent Redlin moved Northern Montana College be authorized to proceed with the contingency plan presented. The motion carried.

Western Montana College

Chairman Lind stated for the record that because of the action taken by the Board to administratively merge Western Montana College with the University of Montana, and the elimination of certain

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graduate programs at WMC, no additional contingency plan was requested from that institution.

Eastern Montana College

President Carpenter stated EMC is currently looking at a reduction of between \$400,000 to \$500,000. EMC intends to drop the following from the list submitted with the agenda material:

Master of Science in Special Education
Hearing Impaired
Health, Physical Education, Recreation
Option
Minors
Library Science, Teaching
Library Science, Non-Teaching
Rehabilitation and Related Services
Special Education, Non-Teaching

Art - AA

Communication Arts - AA

Chemistry Technician - AA

Engineering Technology - Pre-Professional

The following are requested to be put on hold while the School of Business and Economics completes its review on a restructuring:

Accounting - BA

Economics - BA

Information Systems - BA

Regent Kaze moved Eastern Montana College be authorized to proceed with the contingency plan as outlined, and a report brought back to the Board with respect to the three programs designated as on hold. The motion carried.

Montana College of Mineral Science and Technology

President Norman reviewed the drastic nature of the cuts the Executive budget would have

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imposed on Montana Tech. The contingency plan presented to meet that budget would have gutted the institution. Montana Tech did receive increased funding during the legislative session, but still faces an approximate 5 percent reduction in operating funds, and must still reduce programmatic options. Productivity, production, and efficiency issues will be looked at to meet the quarter of a million dollar reduction facing the institution. About a half dozen people will be terminated, mostly faculty, and that process has begun. Campus security will be further cut; boilers will be shut down whenever possible; intercollegiate athletics will be reduced 24 percent; vacancies in the business office and other administrative areas will not be filled.

Proposed to the Board for action today is a reduction of some 20 percent of the undergraduate degree programs, and 42 percent of Tech's graduate degree programs as follows:

Society and Technology - BA
Mineral Processing Engineering - BS
(consolidate within Metallurgical Engineering)
Metallurgy - MS (consolidate within Metallurgical Engineering)
Mineral Processing - MS (consolidate within Mineral Processing Engineering)
Geology, Geochemistry, Geophysical Engineering, Geological Engineering - MS degrees (consolidate as MS in Geosciences)

Some of the efficiencies in these consolidations were achieved by removing barriers that often exist on a campus, and will allow sharing of faculty across degree programs. Bureau of Mines faculty will be involved also.

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After discussion, Regent Morrison moved that Montana Tech be authorized to proceed with the contingency plan as outlined. The motion carried.

Chairman Lind questioned the presidents if the contingency plans take into account the additional funds necessary to meet the increased obligations of the Worker's Compensation increase, and was told they did.

Academic Programs Listed in the Commissioner's Report as Duplicative

Chairman Lind referenced the listing of perceived or actual duplicative programs in the System before the Board at the December 1986 meeting. Those were continued for action until the conclusion of the 50th Legislative Assembly. It is now the desire of the Board to proceed with review of those programs. Consideration of those programs will not be based on financial need, but whether the Board should consider consolidation or elimination of those programs on the basis of duplication.

Chairman Lind stated it is the intention of the Board at this meeting to determine if any of those programs should be removed from the list, either because they are not duplicative, or are appropriate duplication. The programs remaining on the list will be reviewed against the following criteria: (1) is it an unnecessarily duplicated program; (2) is it necessary to the central mission of the unit; and (3) do the number of students in the program justify its continuance.

A public hearing will be held on the programs that remain on the list on May 14, 1987. Board action will occur on those programs on May 15, 1987.

After discussion, it was the consensus of the Board that because the Elementary Education program at Montana State University was discussed earlier, along with elementary education at other institutions, it

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should be removed from the public hearing agenda. Regent McCarthy so moved. The motion carried.

Hearing no further discussion, the Chairman announced the public hearing on the programs remaining on the agenda will begin at 9:00 a.m. on May 14, 1987, in Helena, Montana, at a location to be announced. The programs on the public hearing agenda are:

Montana State University

Fish and Wildlife Management

Engineering Science

Master of Fine Arts

University of Montana

Home Economics

Business Education

Ph.D., Mathematics

By-Laws and Policy Committee (continued)

Item 55-101-R0487, Proposed Administrative Reorganizations; University of Montana, was reviewed by President Koch. The proposed reorganization is fully explained on the item (on file). No additional administrative positions will be created by these changes. After discussion, Regent Hurwitz moved the item be approved. The motion carried

Commissioner Krause explained Item 55-107-R0487, Authorization to Establish a Tourism and Recreation Institute; University of Montana, was placed on the Action Agenda in error. He requested it be moved to the Submission Agenda for consideration at a future meeting. Commissioner Krause noted the proposal is presented because of the allocation of a percentage of the hotel/motel tax approved by the legislature to the University System to perform research on tourism and

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recreation. The intent of the sponsors of the bill was for the proposal to be developed at the University of Montana. The item was moved to the submission agenda to allow other campuses to have an opportunity to comment.

Curriculum Committee

Item 54-203-R0387, Authorization to Establish the Burton K. Wheeler Center for the Study of Public Issues; Montana State University, was reviewed by President Tietz. He explained the item was discussed at the last meeting; funding derives from the Greater Montana Foundation and the Wheeler family. The initial commitment is approximately \$200,000 over a five-year period to provide administrative and other costs. Dr. Michael Malone will Chair the Wheeler Center.

Dr. Malone spoke briefly on the conferencing goal of the Center, and responded to Regents' questions.

On motion of Regent Kaze, the item was approved.

Commissioner Krause explained Item 54-204-R0387, Request Approval for Formal Withdrawal of the M.S. Degree in Environmental Health Engineering; Montana State University, is a phase-out of the degree by the institution, and is presented for withdrawal in the same sense an item is proposed for approval. On motion of Regent Hurwitz, the item was approved and the degree withdrawn.

Item 54-206-R0387, Authorization to Change the Name of the MSU Center for Data Systems and Analysis to the Montana State University Survey Research Center, was explained by the Commissioner to be simply a name change of an existing approved center, with no change in focus. On motion of Regent Kaze, the item was approved.

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Item 55-001-R0487, Participation in WICHE Undergraduate Student Exchange Program; Montana State University, was reviewed by the Commissioner. Information on the proposal was supplied with the agenda material at the March 1987 meeting when the item was on the submission agenda. Whether there could be merit in providing tuition reductions to students crossing the borders of various states within the WICHE Compact has been discussed for some time. As an example, the proposal would allow a Montana undergraduate student to attend a unit in Idaho at one and one-half times the tuition rate an Idaho resident pays. Dr. Krause explained controls of the programs involved remains with the individual participating states, and explained the intent of WICHE in making the proposal. The matter will be voted on by the WICHE Commissioners at the June 1987 meeting, and Commissioner Krause stated he would appreciate the Board's endorsement of interest before he attends that meeting. Before WICHE tuition rates were adopted by any unit of the System, they would be brought to the Board for approval. The matter has been discussed in the Council of Presidents. On motion of Regent Kaze, the item was approved.

A proposed change in the academic calendar (an addition to the agenda) was presented by Western Montana College. It was explained faculty, students, and the administration of WMC have concurred on a desired change to replace the present May Interim Session with a January Interim Session beginning January 1989. The College would remain on the semester system with a Fall Term ending in mid-December; the new January Interim; followed by a Spring Semester concluding the end of May. Regent Morrison asked if this would be appropriate in line with the Board's previously passed

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motion mandating the units adopt the semester calendar systemwide, and including the mandate for adoption of a common calendar. He was assured approval of this request would not be inappropriate at this time, and would create no obstacle when the System changes to the semester system. On motion of Regent Morrison, the academic calendar change at Western Montana College was approved.

Capital Construction Committee

Item 55-701-R0487, Purchase of Real Property; Eastern Montana College, was reviewed by Administrative Vice President Ken Heikes, Eastern Montana College. The appropriate appraisals and tentative buy-sell agreement were presented to the Board (on file). The property is located at 14 Valley Drive; the purchase price the Board is asked to approve is \$53,000. Funding will be provided from the Series B 1985 Revenue Bonds. The long term use of the property is intended for expansion of the campus. On motion of Regent Hurwitz, the item was approved.

Item 55-802-R0487, Naming of the Math-Science Building; Northern Montana College, the HAGENER SCIENCE CENTER was explained by President Merwin. The campus wishes to honor Professor Emeritus Louis W. Hagener for his service to NMC as administrator, faculty member, advisor, and dedicated scholar of scientific research and education. On motion of Regent Hurwitz, the item was approved.

Item 55-108-R0487, Authorization to Bid on Real Property; University of Montana, an addition to the agenda, was reviewed. The item requests authorization for the University of Montana to submit a sealed bid to the General Services Administration of the United States Government for the purchase of 6.82 acres, improved with

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three buildings at Ft. Missoula. The parcel adjoins Ft. Missoula property owned by the University, and will enhance the configuration of those holdings. On motion of Regent Kaze, the item was approved.

Commissioner's Report

Commissioner Krause reported that because William Lannan now serves as Director of the Guaranteed Student Loan Program, he has submitted his resignation from the GSL Advisory Council, and a replacement should be appointed from the Commissioner's office. He recommended Steve Bennyhoff be appointed. Chairman Lind so moved. The motion carried.

Council of Presidents

President Merwin introduced the new officers of the Associated Students, Northern Montana College.

The Board of Public Instruction and the Faculty Association had no report.

Superintendent of Public Instruction

Dr. Bill Anderson, Deputy Superintendent, spoke of his respect for the hard choices the Regents have had to make concerning education in the past months, and expressed his hope that better times will return to the state soon, and allow all people involved in education to return to the practice of making those decisions based on educational needs, rather than fiscal constraints. He complimented the caliber of the students who come before the Board to testify, citing they are articulate, well prepared, and willing to assume their share of the responsibility to preserve quality education in these difficult times.

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Montana Associated Students

Greg Anderson introduced the president-elect of the ASEMC, Mr. Kendell McRae. Mr. Anderson expressed his thanks to the Board, the presidents, the Commissioner, and the University System staff for their openness and willingness to work with the students over the period of his administration. He acknowledged the times have been very difficult, and expressed his hope the cooperation he has enjoyed will continue.

Mr. Anderson noted this is his last meeting as Chairman of the Montana Associated Students. He introduced Steve Howery, President of ASWMC, who will serve also as president of the Montana Associated Students in the coming year. Scott Dolezal, president, ASMT, was introduced as the new vice president of the MAS.

Chairman Lind wished Greg Anderson well in all future endeavors, and expressed the Board's pleasure in working with him, and all the student officers, over the past year.

Regular Agenda

On motion of Regent Birkenbuel, the following items were approved:

- | | |
|--------------------|---|
| Item 55-100-R0487, | <u>Staff; University of Montana</u>
(Includes 1 post-retirement contract-Addition to Agenda) |
| Item 55-200-R0487, | <u>Staff; Montana State University</u> |
| Item 55-300-R0487, | <u>Staff; Agricultural Experiment Station</u> |
| Item 55-600-R0487, | <u>Staff; Western Montana College</u> |
| Item 55-610-R0487, | <u>Degrees; 1987; Western Montana College</u> |
| Item 55-700-R0487 | <u>Staff; Eastern Montana College</u> |
| Item 55-800-R0487 | <u>Staff; Northern Montana College</u> |
| Item 55-801-R0487, | <u>Resolution on the Retirement of Professor Hans J. Peterson; Northern Montana College</u> |

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Item 55-001-R0487, Resolution; President Douglas
Treadway; Western Montana
College

The meeting adjourned at 3:20 p.m. The Regents reconvened immediately in informal session to receive the institutional report of Western Montana College, presented in President Treadway's absence by Dr. Henry Worrest.

The next meeting of the Board of Regents will be a Public Hearing on May 14, and a special call meeting and workshop on May 15, 1987, in Helena, Montana.

The next regularly scheduled meeting of the Board of Regents will be held June 4, 1987, in Helena, Montana.

APPROVED:

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

ATTEST:

Carol Hrouse
Secretary

0920w