

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

Conference Call Meeting

DATE: May 16, 1988

TIME: 8:00 a.m.

LOCATION: Office of Commissioner of
Higher Education
33 South Last Chance Gulch
Helena, Montana

REGENTS PARTICIPATING BY TELEPHONE:
CONFERENCE CALL: Regents Lind, Hurwitz, Redlin,
Kaze, Mathers
Commissioner Krause

PRESENT IN COMMISSIONER'S OFFICE: Deputy Commissioner for
Management and Fiscal
Affairs Jack Noble

REGENTS EXCUSED: McCarthy, Kehoe

Chairman Lind called the telephone conference call meeting to order at 8:15 a.m. Roll call was taken and it was determined a quorum was present.

Deputy Commissioner Noble explained the purpose of the special meeting was to request approval of Item 59-003-R05/16/88, Final Bond Resolution for \$4,110,000 State of Montana Board of Regents of Higher Education Special Purpose Refunding Revenue Bonds (Various Institutions Pooled Equipment Financing) Series A, 1988; Montana University System, and the Private Placement Agreement relating to the issue.

Mr. Noble reviewed the past approval of the preliminary bond resolution

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authorizing the pooled equipment financing issue. The issue is a private placement one between the Board of Regents for the State of Montana and the Student Loan Marketing Association ("Sallie Mae"). Today's special meeting is necessary to meet Sallie Mae's deadline of May 17, 1988 for receipt of the approved Private Placement Agreement.

Mr. Noble outlined the terms of the final bond resolution. Bonds maturing December 15, 1991 bear an interest rate of 5.95%; the interest rate on those maturing on December 15, 1992 is 6.15%. The issue will result in an approximate net savings of \$70,380.00.

On motion of Regent Kaze, Item 59-003-R05/16/88 was approved.

Mr. Noble briefly outlined the probable need to transfer funds from central office administration to the Regents' budget to prevent the Regents' budget from being overspent in this fiscal year. In response to Regents questions concerning eliminating Regental per diem, Mr. Noble explained that action was taken in a previous year. The action was criticized by the Legislative Auditor because of the statutory requirement that Regents be paid per diem. Mr. Noble will prepare an estimate of the amount needed to be transferred. Action will be requested at the June 1988 meeting.

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The meeting adjourned at 8:23 a.m. The next regularly scheduled meeting of the Board of Regents will be held on May 15-16, 1988, in Helena, Montana.

APPROVED:

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

ATTEST:

Secretary