



MINUTES
Montana Board of Regents
The University of Montana-Helena College of Technology
March 3-4, 2011

Thursday, March 3, 2011

Roll call indicated a quorum present. Regents present were Chairman Clayton Christian, Regents Stephen Barrett, Lynn Hamilton, Todd Buchanan, Angela McLean, Teresa Borrenpohl, and Major Robinson. Commissioner Sheila Stearns *ex officio* was present, Governor Brian Schweitzer was represented by Dan Villa and Superintendent Denise Juneau was represented by Joyce Silverthorne.

Chairman Clayton Christian moved approval of the February 11, 2011, conference call meeting minutes. Motion passed 7-0.

Chairman Christian referenced the record enrollment for the Montana University System (MUS), the critical need for full funding of the executive budget, and the board's commitment to access and affordability. He noted that some of the potential legislative reductions could be devastating to campuses.

Commissioner's Report

- Legislative Update

Commissioner Sheila Stearns presented an update on legislative action to date, legislation of importance to the university system, and funding levels in relation to stimulus funds of the 2009 legislative session.

Dan Villa, Governor's Education Policy Advisor, commented on subcommittee actions and legislative procedures related to higher education. He noted the difference of opinion relating to revenue projections.

Chairman Christian recommended the regents need to think about what position the board may take regarding tuition levels if the MSU budget is not fully funded.

Regent Buchanan stressed concern with waiting until May to make decisions regarding tuition levels because it gives short notice to campus financial aid offices with respect to proper planning.

Discussion of specific legislation followed including bills addressing employee pay plan, health care benefits programs including a self-insured health benefits plan for the MUS students, state employee plan, general obligation bonds for state government, long-range building appropriations, MUS budget, and retirement related bills among others. The general obligation bonding bill is contingent upon certain revenue thresholds and business equipment tax thresholds specified in HB 2 being met.

Board members addressed the importance of receiving full funding of the executive budget to avoid the need for substantial tuition increases.



- WWAMI Native American Service Learning

Brian Wilson and Samantha Dooley , 1st year medical students, presented information on their Native American Service Learning Program in Browning, MT, whose purpose is to facilitate an educational service experience in underserved Montana for first year medical students. They noted the value of experiencing the health disparities first-hand as compared to studying it in a classroom and said they gained a greater understanding of what is involved with practicing culturally relevant medicine in rural Montana.

Administrative, Budget and Audit Oversight Committee

ACTION

Authorization to Accept Donation of Property; MT Tech *ITEM 150-1502-R0311*

Chancellor Frank Gilmore requested the board accept the donation of three parcels of property. Chancellor Gilmore said the campus had investigated the locations and have not found any mining activity remains on the parcels and the only maintenance involved for MT Tech will be weed control.

INFORMATION

- a. Update: Energy Performance Contract; MSU-Bozeman

Craig Roloff, MSU-Bozeman Vice President for Administration and Finance, provided an update on the energy audit of its Auxiliary Facilities as well as the plan for proceeding with critical cost saving energy conservation projects in the near future.

Wade Cureton, Montana Department of Environmental Quality, explained Montana law in relation to the projects listed and noted that energy performance contracts are a viable means by which public entities can achieve energy and water conservation without an initial capital investment.

John Canfield, Trident Energy Services, explained his company works with institutions in higher education regarding energy conservation projects and energy performance contracting. He said this is a process by which energy improvements can be funded by the savings generated by the project through the energy performance process (EPP). Benefits consist of immediate improvement of the facility, immediate reduction in energy use and associated cost by the campus, and associated reduction in green house emissions. Long term benefits included long-term improvements and reduction of maintenance costs, resulting from the replacement of old equipment with new equipment.

Regent Steve Barrett said he has some concerns about performance contracting, but will vote in support of the project based on the merits of the project itself.



Deputy Commissioner Mick Robinson, OCHE, pointed out that portion 2b has the advantage of being able to group together several smaller projects under one umbrella. The 2nd issue is that this is Phase 1 of multiple phases and other projects can be blended in over time.

Vice President Roloff explained that the campus would approach this as they do other projects they bring to the BOR for approval and that the next step would be to come to the board for approval for any construction or spending authority, as the process would be with any other project. He noted that the final selection of the subcontractors is not something that is brought back to the board for approval.

Mr. Roloff said MSU will have an action item related to this project at the May BOR meeting. The objective today was to address any concerns the board may have before MSU proceeds.

b. Update: Biomass Proposal; UM-Missoula

UM President Royce Engstrom told the board that UM has a sense of responsibility and leadership for the campus to proceed with this project. He noted fundamental reasons for support of this project include cost savings, stewardship of resources, carbon imprint improvement as a result of using a recyclable form of carbon, using local waste product, and most importantly, this is an opportunity for education, in building a gasification project and a classroom associated with this. President Engstrom said there has been a very open process associated with this project including multiple public venues with the answers to questions posed at the previous meeting, and with the campus doing due diligence. UM intends to come to the board in May for authorization for spending and construction.

Provost Perry Brown, former Director of UM's Forestry and Conservation Extension Agency, explained a point of value is that young trees fix carbon much better than old trees and it would be beneficial to have a continuous process of replenishing the trees.

Vice President Bob Durringer said UM has responded to concerns of the community regarding air quality.

c. Review of Biennial Fee Approval Process

- Policy 940.31 – Policy Statement on Tuition
- Policy 940.12.1 – Tuition and Fee Approval
- Review of Sample May 2009 Campus Fee Information
- List of BOR Policies Related to Specific Fees
- Discussion of the Approval Process Related to Student Generated Fees – OCHE and Campus Presidents

Deputy Commissioner Robinson explained this is a review of fees, which is to serve as guidance to the campuses as they prepare for the May BOR meeting. At the May BOR meeting, he intends to focus on fee increases that fall above a 2% threshold level. Mr. Robinson has indicated to the campuses that if they submit any request for fees above



the 2% level, they need to provide documentation as to the rationale of why that fee or fee increase is needed. He noted that when possible, course fees need to be blended into tuition costs.

Regent Lynn Hamilton noted that the cost of education in Montana is not transparent and recommended being mindful in how the costs are portrayed.

CONSENT

- a. Certificate of Completion, 2005 Series J Bond; UM-Missoula *ITEM 146-1001-R0311*
- b. Student Computer Fee Employment Allocation; UM-Missoula *ITEM 150-1008-R0311*
- c. Student Computer Fee Equipment Allocation; UM-Missoula *ITEM 150-1009-R0311*
- d. Student Computer Fee Classroom Technology Equipment Initiative; UM-Missoula *ITEM 150-1010-R0311*

Student - Campus Reports

Tyler Wines, UM-Western student and President of the Montana Association of Students (MAS), spoke on the value of student lobbyists advocating on a system approach with the legislature and stated students' concern related to the budget and the ramifications on each of the campuses.. MAS has organized a student lobby day at the legislature to focus on programs at each of the campuses focused on workforce development, job creation, and impact on the economy of the state. Mr. Wines noted that MAS has forwarded three names to the governor for the next student regent.

Executive Session *Dean Bingham's Conference Room*

- Personnel Matters
- Building Naming Opportunities
- Litigation Strategy

Academic, Research, and Student Affairs Committee

ACTION

Associate of Science in Nursing; MSU-Great Falls COT
ITEM 150-2951-R0111 (pulled from Level II memorandum -January submission)

Dean Joe Schaffer said there is adequate need, demand and opportunity to absorb this program in the university system.

Public comment on ITEM 150-2951-R0111:

The following people urged approval of the item: Cary Olinger, Chief Nursing Officer for Benefis Health System; Julie Hicethier, Benefis; Pamela Muehler, Philip Reidemeyer, student; Casey Lambert, student; Carrie Keebler, and Lynn Lambert.



Regent Lynn Hamilton voiced concern of the item for reasons of program duplication, unfilled capacity in current programs in the state, transfer problems, and equity.

Chancellor Frank Trocki, MSU-Northern, expressed concern of the potential loss of students at MSU-Northern if this program is approved.

President Cruzado spoke in support of the item.

Dean Schaffer explained that the campus complied with BOR policies on new academic programs, in addition to the Board of Nursing requirement. He added that they also had a conversation with Northern and OCHE regarding this particular request.

CONSENT

- a. Revision of BOR Policy 940.5 – Transcript Fees; OCHE
ITEM 150-101 -R0311
- b. Revision of BOR Policy 301.5.4 – File Transfer; OCHE
ITEM 150-102 -R0311
- c. Revision of BOR Policy 320.1 – Accreditation; OCHE
ITEM 150-104 -R0311
- d. Revision of BOR Policy 301.4.1 – Enrollment Limitations
ITEM 150-105 -R0311
- e. Level II Consent Items (from January submission)

INFORMATION

Choices that Count Pathway; OCHE

Deputy Commissioner Moore explained all the campus academic officers have been involved in the Passport Initiative and Transfer Initiative.

Regent McLean requested having a high school teacher on the General Education Council.

Montana Environmental Student Association Update; Montana Associated Students

Zach Rogala, UM graduate student and member of the Coalition of Sustainability groups on the campuses, updated the board on the group's current projects.

Student Financial Services – MUS Scholarship; OCHE

Bruce Marks, Director of Student Financial Services, highlighted two scholarships - a new scholarship from Association of Certified Fraud Examiners of the Big Sky Chapter and the ongoing New West Health Care for Montanans Scholarship, which is also available to graduate students.

Auxiliary/Athletic Master Plan; MSU-Billings



Chancellor Rolf Groseth, MSU-Billings, explained that the Northwest Commission on Colleges and Universities (NWCCU) accreditation included recommendations regarding the conditions of some facilities on the MSU-Billings campus. Chancellor Groseth explained projects in the Master Plan and the process used: set forth agenda to determine the strategic asset value of the facilities, held focus groups, surveyed students, set benchmarks, site considerations, financials, prioritized projects, and next steps to be taken. He said projects will be brought back to the board for approval before proceeding. Chancellor Groseth noted that none of the projects in the MSU-Billings Master Plan are included in the legislative bonding bill because the buildings are auxiliary buildings therefore, do not qualify for the bonding bill.

MUS Long-range Planning for Graduate Education; OCHE

Deputy Commissioner Moore said this is a result of discussions with the EPSCoR committee. Provost Perry Brown noted that the planning committee is looking at the relevance of the programs to the entire state, the collaboration across the MUS, and what programs could be joint programs with other campuses. He indicated they are working on a long range plan to assist the board in getting a vision of what they are planning for the future. Provost Brown noted that students are also on the committee.

Strategic Resource Alignment; OCHE

Deputy Commissioner Moore explained this addresses efficiencies on the campuses and across the system and may involve prioritizing academic programs and services.

Discussion points: 1) campuses already conduct program reviews that often lead to program redesign, downsizing or merger, 2) resource alignment needs studied from both academic and administrative perspectives, 3) campuses can use accreditation processes for guidance, 4) strong faculty involvement is important, 5) strategic priorities will be based on the unique mission at each of the institutions, and 6) campuses are already working within a resource limited environment.

Level I Memorandum (approved at OCHE)

No discussion.

Level II Submission Items (for action in May)

Regent Hamilton requested that a process for the Level II items be implemented to allow a longer time-frame for the board to enquire about particular submissions. Deputy Commissioner Moore agreed to address the process concerns.

Commissioner Stearns recommended placing the consent agenda first on the agendas which would allow the board to pull any items from the consent agenda to the action agenda.

- Honorary Doctorates
- MSU-Bozeman



- MSU-Northern
- UM-Montana Tech

Commissioner Stearns noted that the recipients were approved in executive session at previous meetings and that MSU-Bozeman and MSU-Northern are still working with the recipients and have not made the names public yet.

MT Tech Chancellor Gilmore said Mr. Thomas Dyke was nominated by MT Tech to receive an honorary doctorate in science. Mr. Dyke has been a strong contributor to the MT Tech campus in a multitude of ways, through the foundation and campus alike.

Public Comment:

Grant Mitman, MT Tech, spoke in support of the regents advocacy of higher education, concern regarding legislative activity to date and the effect of that on students and faculty.

The board recessed at 4:20 PM.

Friday, March 4, 2011

The board reconvened at 8:45 AM.

Strategic Plan – System and Campus Dashboard Indicators: Retention

Associate Commissioner Tyler Trevor, OCHE, presented information on system retention, reporting on the percentage of first-time freshmen returning for a 2nd year. Over the past five years, aggregate system-wide rates in the MUS for both two-year and four-year sectors have increased slightly. At four-year colleges throughout the MUS, institutional retention rates are as high as 74% at MSU-Bozeman & UM-Missoula. At two-year colleges throughout the MUS, institutional retention rates are as high as 65% at MSU-Northern. Campuses that have experienced the most growth in retention over the past five years are UM-Western, UM-Helena COT, and MSU-Northern.

Dean Bingham explained the high retention rate at UM-Helena COT is partly due to facilities, but also because of changes in the perception regarding transfer, comprehensive programs, and remediation and outreach efforts.

Staff and Compensation Committee

INFORMATION

- a. MUS Employee Group Benefits Plan; OCHE *C Welsh*

Connie Welsh, Director of MUS Benefits, updated the regents on the national healthcare reform and the effects on the MUS and provided an update on the MUS benefits plan for 2012-2013. Director Welsh noted that cost containment was not addressed in the national reform bill, but that the MUS has been diligent in the management of the MUS Benefits Plan to keep premium increases to a 7% level. Steps



taken to address cost control include the UrX Program and changes in the benefits plan. She explained that nearly all MUS employees participate in the benefits plan, with 80% of the employees' cost paid by the MUS and 20% paid by the employee. The MUS also offers, vision, dental benefits, and long-term care benefits options.

Kevin McRae, Associate Commissioner for Communication and Human Resources, OCHE, explained the two retirement plan options and noted that Montana has the lowest employer contribution to the retirement plans in the country.

Commissioner Stearns noted the importance of the employer share contribution to the benefits packages in terms of competition in recruitment and retainment of employees.

Regent Angela McLean reminded the board that employees across the state accept the jobs because of the total package and that it is imperative to recognize the high caliber of employees we have.

- b. Compensation Procedure for MUS Staff Items; OCHE
S Stearns & K McRae

Commissioner Stearns spoke on the process, procedures and policies for setting or changing compensation levels in the MUS and requested guidance from the board regarding this issue.

Regent Hamilton added that the board should not delve into the details in job descriptions, as that should be left up to the campuses/managers. She stressed the need for improvement in competitive salaries.

President Engstrom encouraged discussion in broader philosophical terms, such as where the board wants to see the MUS rank nationally; where does the MUS want to be as a competitive state; and what is the right thing for Montana.

Commissioner Stearns offered for her office to develop a policy for board approval at an upcoming meeting.

- c. Post-Tenure Review; OCHE *S Stearns & K McRae*

CONSENT

Staff Items

- a. MT Tech *ITEM 150-1500-R0311*
- b. UM-Western *ITEM 150-1600-R0311*
- c. Professor Emeritus of Nursing: Cheek; MSU-Bozeman *ITEM 150-2001-R0311*
- d. Professor Emeritus of Nursing: Hovey ; MSU-Bozeman *ITEM 150-2002-R0311*
- e. Professor Emeritus of Civil Engineering: Zimmer; MSU-Bozeman *ITEM 150-2003-0311*



- f. Professor Emeritus of Diesel Technology: Stilger ; MSU-Northern
ITEM 150-2801-R0311
- g. Professor Emeritus of Business: Skornogoski; MSU-Northern *ITEM 150-2803-R0311*

Regent Barrett moved approval of consent items a-g. Motion passed 7-0.

Two-Year and Community College Committee

INFORMATION

- a. Twelve-month Goals for the Deputy Commissioner for Two-Year and Community College Education; OCHE

Deputy Commissioner John Cech reported on goals set for 2011, which includes working with two-year leaders to develop a shared mission and vision for two-year education in Montana, Carl D. Perkins planning work, continuing progress of the College!NOW initiative, steps to be taken to bring the comprehensive mission to all the COTs, expanding dual-credit opportunities for students, re-naming the Colleges of Technology, and conducting listening sessions across the state.

- b. Update on Carl D. Perkins Grant; OCHE
- c. Update on College!NOW; OCHE
 - Proposed statewide mission/vision for public two-year education in Montana
 - Revised Scope of Work for College!NOW
 - Summary from ISKME (Institute for the Study of Knowledge Management in Education) Retreat

Two-year campus CEO's spoke on the draft two-year education mission and vision to provide a comprehensive, accessible, responsive, student-centered learning environment that facilitates and supports the achievement of individuals' professional and personal goals, and enhances the development of Montana's citizens, communities and economy.

Dr. Cech presented a revision to the College!Now scope of work, noting that the original goal of bringing the comprehensive community college mission to all two-year colleges. The revision is to extend the comprehensive two-year college mission to each of the COTs, which will involve conducting gap analysis and identification of strategies for addressing the gaps and planning for each COT to have the comprehensive mission and a new name by 2013.

Suggestions from regents consisted of including a high school counselor on the two-year planning committee and to also include strengths when compiling the gap analysis report.



- d. Update on statewide effort to pursue US Department of Labor TAACCCT (Trade Adjustment Assistance Community College and Career Training) Competitive Grants; OCHE

President Jane Karas, FVCC, explained Congress passed this grant for trade-adjustment assistance eligible workers. The goal is to overcome barriers for those displaced workers to achieve workforce training and education and working with local businesses. Dr. Cech is working with FVCC to develop a statewide approach.

COMMITTEE REPORTS, DISCUSSION & ACTION

- a. **Administrative, Budget, and Audit Oversight Committee Report**

ACTION

Authorization to Accept Donation of Property; MT Tech *ITEM 150-1502-R0311*

Regent Buchanan moved approval of Item 150-1502-R0311. Motion passed 7-0.

CONSENT

- a. Certificate of Completion, 2005 Series J Bond; UM-Missoula *ITEM 146-1001-R0311*
- b. Student Computer Fee Employment Allocation; UM-Missoula *ITEM 150-1008-R0311*
- c. Student Computer Fee Equipment Allocation; UM-Missoula *ITEM 150-1009-R0311*
- d. Student Computer Fee Classroom Technology Equipment Initiative; UM-Missoula *ITEM 150-1010-R0311*

Regent Buchanan moved approval of consent items a-d. Motion passed 7-0.

Regent Barrett referenced the campus energy savings projects, and noted that the MUS has brilliant, talented people on the campuses that could have done some of the work and to be mindful of that in the future.

- b. **Academic, Research, and Student Affairs Committee Report**

ACTION

Associate of Science in Nursing; MSU-Great Falls COT *ITEM 150-2951-R0111*
(pulled from Level II memorandum -January submission)

Regent Hamilton spoke in opposition to ITEM 150-2951-R0111. She said there are numerous board policies and system governance papers that direct the system and the Board to “avoid the unnecessary duplication of programs.” She said the Great Falls program duplicates an existing program that has served the community for over 40 years, that has modified its curriculum to accommodate COT LPN transfer students,



and that stated it has the capacity to accommodate additional students. The existing program also offers new ASN graduates a seamless transition to a BSN completion program, meeting the Board of Nursing professional standard for practice. Regent Hamilton noted that Montana has approved 15 new nursing programs in a little more than a decade and every time the board approves a new program, it increases administrative costs to the System.

Regent Christian moved approval of Item 150-2951-R0111. Motion approved 5-2, with Regents Hamilton and Buchanan voting no.

CONSENT

- a. Revision of BOR Policy 940.5 – Transcript Fees; OCHE
ITEM 150-101 -R0311
- b. Revision of BOR Policy 301.5.4 – File Transfer; OCHE
ITEM 150-102 -R0311
- c. Revision of BOR Policy 320.1 – Accreditation; OCHE
ITEM 150-104 -R0311
- d. Revision of BOR Policy 301.4.1 – Enrollment Limitations
ITEM 150-105 -R0311
- e. Level II Consent Items (from January submission)

Regent Barrett moved approval of consent items a-e. Motion 7-0.

Public Comment: Dave Beck, UM-Missoula, spoke on the importance of the MUS benefits package and the employer share of contribution to the employees in the MUS, both in terms of health insurance benefits and the retirement fund package.

Commissioner Stearns noted that the planning session for July 19 will be re-scheduled.

The meeting adjourned at 11:38 AM.

Approved by the Board of Regents on

Date

Date

Sheila M. Stearns
Commissioner of Higher Education
and Secretary to the Board of Regents

Clayton Christian
Chair, Board of Regents