



MINUTES
Montana Board of Regents
University of Montana - Missoula
November 15-16, 2012

Thursday, November 15, 2012

Roll call indicated a quorum present. Regents present: Chairman Angela McLean, Regents Todd Buchanan, Joseph Thiel, Paul Tuss, Pat Williams. Commissioner of Higher Education Clayton Christian, *ex officio*, was present. Ex officio members Governor Brian Schweitzer and Superintendent of Public Instruction Denise Juneau, were absent; Steve York served as OPI's representative. Regents Major Robinson, Vice Chair, and Jeff Krauss were excused.

The Board meeting convened at 8:15 AM.

Regent Paul Tuss moved approval of the minutes from the September 19-20, 2012 meeting. Motion approved 5-0, with Regents Major Robinson and Jeff Krauss being excused from the meeting.

System Issues, Reports, and Action

- Commissioners Report

Commissioner Christian made Board members aware that a resolution was received from the associated student organizations at University of Montana and Montana State University requesting possible policy changes at the board level to add gender identity to the protected, non-discrimination policy. Commissioner Christian stated that the document will be reviewed and discussed as students requests are not taken lightly, nor is changing Board policy. This topic will need to be well vetted and viewed from a system perspective, as per the process for all potential policy changes.

Commissioner Christian gave an update on a recent WICHE conference that covered topics including national legislative issues and the return on investment concept. WICHE will compile a report titled "Beyond Need and Merit" by David Longanecker to address how the majority of financial aid is awarded. WICHE will present the results to the WICHE commissioners for review and will offer assistance related to policy review.

- Fall Enrollment

Associate Commissioner Tyler Trevor discussed the overall history of system-wide student FTE, the explosive growth in 2011 and the recent slight enrollment decline. He compared student FTE per institution type, which depicted a downward trend due to the great deal of diversity on campuses. Mr. Trevor compared two-year colleges' enrollment which declined 8.5% collectively across the board with Dawson CC declining 22.2% and Miles CC declining 9.4%.

He further discussed the impact that dual enrollment will continue to make given the new tracking system that is in place and the cuts made to tuition and fees for dual



enrollment. Mr. Trevor noted that a natural decline in high school graduates is currently occurring which is not likely to change until 2017.

Commissioner Christian discussed the gap that exists between graduating high school students and college enrollment and expressed a desire to focus on this area and see how it may be addressed as it would help make up for the demographic loss.

- Strategic Plan - Dashboard Indicator | Retention

Associate Commissioner Tyler Trevor gave a presentation focused on increasing and tracking retention rates which is a useful tool for campuses to evaluate student success for first-time, full-time freshmen and what percentage come back for a second year. This comparison over time allows for easy tracking of students throughout the entire university system. He discussed the comparison of institutional and system-wide rates which provides a more complete picture of cohort retention. He noted that the focus is on those transferring from two-year to four-year institutions. He explained that the figures shouldn't be thought of as a total, but rather as a denominator showing all entering full-time freshmen students and the numerator being representative of those students that returned to the specific institution they originally entered. The system numerator represents those students that returned to the same institution or any other MUS institution. This provides institutional and system views of retention.

- Construction of the Missoula College Facility Campus

Given increased public interest and awareness regarding this item, Commissioner Christian reminded attendees that this is not an action item; action has already taken place at several past meetings. He touched on the overall process to date which included: master plan developed and approval in 2007. He clarified that President Royce Engstrom would provide an update on the current standing of the process and that there is no decision before the Board today, simply an update for public interest.

President Engstrom provided basic contextual information regarding the item; he explained that the South Campus area is the proposed site for constructing Missoula College, the highest new project on the LRBP list for this legislative session. He reminded attendees that this has been a work in progress for many years. A map was displayed depicting the land currently owned by UM-Missoula, including the UM Golf Course, located on the South Campus. President Engstrom discussed each area and gave a description of the current campus buildings located on the map. He gave a chronological overview of the three proposed master plans.

The Mountain Campus plan was approved in 2002 and identified several potential sites for construction, many of which have been built on since that time leaving little room left on the campus for further expansion. In 2004, President Dennison asked that a master plan be developed for the Fort Missoula area. These three pieces of land are currently owned by the institution; however, construction is not possible without further acquisitions of unencumbered land being acquired. Archeological and cultural associations further limit construction in this area.



The South Campus plan, proposed and approved in 2007, is a comprehensive master plan that also addresses future academic and student housing needs. This plan was specifically designed to address the needs of the college for the next 50 years of growth. The approval of this plan formed the basis for the appropriation of \$500,000 by the Montana Legislature for the site. Missoula College would be the first academic building located on the South Campus which is the only piece of land that would allow for considerable growth and continued building over the next several decades.

President Engstrom noted the expansion discussion doesn't just pertain to the construction of Missoula College, but views expansion as a whole and addresses the long-term growth for UM. He reiterated that UM does own the South Campus land and has been actively developing it over the past few years including extensive residence halls and athletic centers. The connectivity between the Mountain Campus and South Campus is conducive to student and staff movement and infrastructure between buildings, making this a cost effective approach. Concerns consist of destroying green space but the campus plan includes plans to preserve as much green space as possible. Traffic concerns need to be addressed. Infrastructure related to cost effectiveness are addressed and satisfied by the South Campus master plan. President Engstrom explained that at the present time there are no other additional buildings being proposed for the current location.

Commissioner Christian reiterated to all attendees that there no further action required for this item as it has received Board approval in 2007 and will move forward accordingly. He encouraged attendees and members of the public to share their considerations during the public comment portion of the meeting.

- Legislative Session Prep: Long Range Program (LRBP) Video

Associate Commissioner Tyler Trevor shared a ten minute video providing an overview of LRBP that highlights the top three projects on the list and was designed to be used in a variety of settings including Legislative settings and for individual constituents.

- Campus Reports

Staff and Compensation Committee

CONSENT

- a. Employee Equity Interest Under Policy 407; MT Tech *ITEM 157-1501-R1112*

Staff Items

- a. MSU-Bozeman *ITEM 157-2000-R1112*
- b. MSU-Northern *ITEM 157-2800-R1112*
- c. Dean Emeritus of Library: Miller; MSU-Bozeman *ITEM 157-2002-R1112*

Regent Joseph Thiel moved to approve the consent agenda. Motion approved 5-0.



Regent Angela McLean noted the board has ranked faculty and staff compensation as a top priority for the legislative session. A focus group has been formed and will examine the issues of compression and inversion and consider ways in which the board can address these issues.

DISCUSSION

Recruitment & Retention Work Plan and Strategies - *Regent Conversation with Faculty and Staff Representatives*

Associate Commissioner Kevin McRae and invited guests discussed the 2012-2013 Staff and Compensation Work Plan drafted by the committee to serve as a guide to improve the ability of Montana's college and universities in recruiting and retaining capable personnel to serve the state's students and citizenry. The work plan consists of four direct goals:

Goal One: Secure strong state funding of the Montana University System to ensure that students and the public are served by capable faculty, staff, and professionals in facilities that are conducive to teaching, learning, research, and service.

Goal Two: Maintain Montana University System dialogue between faculty, staff, professionals, administrators, and regents to explore value enhancements that contribute positively to the total employment package or work environment.

Goal Three: Maintain effective labor relations with unions representing nearly 4,000 faculty and staff on matters of collective bargaining, including wages, hours, salaries, and other terms and conditions of employment.

Goal Four: Regularly review and examine aspects of compensation that are particularly pressing or problematic in the view of the Montana University System faculty, staff, professionals, and administration.

At this time he introduced faculty guests: Professor Sandy Osborne, Chair of the Montana Coalition of Union Faculty (CUF) of MSU-Bozeman; Professor David Shively, UM-Missoula; Marco Ferro, MEA-MFT; and support staff representatives: Christine Vance, Chapter President for Montana Public Employees Association; and Jeff Howe, Field Rep Staffer for MPEA and asked that they share their perspectives, feedback, and ideas for the legislative priorities and agenda.

Panel members presented information including: appreciation for making this a top priority and willingness to work together to solve the issues; feedback regarding the work plan; the need to develop a strategy for retention and recruitment for quality faculty; findings from campus recruitment efforts; the inability to provide appropriate salaries and often the inability to get applicants to agree to an interview on campus; support for the Pay Plan; appreciation for the dependent tuition waiver; and the request for the board to devote funding to address unemployment compensation issues.



Chair McLean reminded the board that the faculty and staff initiative is a board initiative. She encouraged the members to develop a plan to effectively address the issues of inversion and compression as a system.

Regent Thiel explained that the reason this remains to be such a top priority for Regents is because they have a direct effect on the quality of education. He stressed the imperative need to be able to recruit and keep the best and brightest faculty in order to fulfill the educational mission.

Regent Thiel noted that the focus group needs to determine what benchmarks should be used.

President Waded Cruzado noted that it would be helpful to the campuses to be allowed more flexibility in the hiring process regarding compensation decisions.

Associate Commissioner Kevin McRae noted that a guideline exists for contract professionals and administrators which state that a retention adjustment can be implemented for market purposes if it is necessary to keep the person from accepting another position or if there is other evidence of the employee's market ability.

President Engstrom agreed with Mr. McRae and considered it to be a campus by campus approach for market adjustments. He noted that the current process allows for addressing those who are imminently recruitable. He said that the more serious issue in need of attention is the issue of inversion or compression. President Engstrom requested that these issues be addressed in a systemic fashion.

Discussion followed on the need for specific data to show the direct correlation between failed searches and the impact on graduation rates; support of continued efforts toward improving compensation for faculty and staff and the recruitment issues raised; retirement system concerns and; and appreciation for the joint efforts to address the issues discussed.

Public Comment

Laura Alvarez, UM-Missoula faculty member, spoke in support of faculty and staff compensation.

Shana Wold, Vice Chair for Staff Senate at MSU-Bozeman, spoke in support of faculty and staff compensation as well as continued discussions on the issue.

Darlene Samson, Staff Senate President for UM-Missoula, shared results of a recent survey indicating the financial challenges facing some employees due to compensation levels.

K-12 Partnerships

- Dr. Ken Miller, MSU-Billings



Regent Angela McLean described the OPI competitive grant and its conjunction with the K-12 community. Dr. Georgia Cobbs, UM-Missoula, explained that within the grant also exists a partnership between UM and MSU. She informed attendees that she received the math portion of the grant and Dr. Ken Miller; MSU-Billings received the science portion.

Dr. Ken Miller, MSU-Billings explained that the two recent grants stemmed from a previous grant within the state that was merged and reconstructed over time. He stated that one of their goals, in line with OPI and the University System, is to increase the number of STEM (Science, Technology, Engineering, and Mathematics) teachers within the state and create more STEM jobs. These two grants have partnered together in order to create the Montana Partnership with Regents for Excellence in STEM (MPRES). He described the premise of MPRES as an effort to help teachers within the state to look at the current activity and development of science within the state. Dr. Miller noted the goal is to develop a similar Common Core system approach with a focus on science which will include training for teachers and trainers, who will be working across the state in regional educational service areas (RESA), designated by OPI. He mentioned the existence of the Higher Education Consortium which gathers faculty from across the state to discuss issues and determine what significant action can be taken collectively. Dr. Miller added that within the new science standards lie cross-cutting concepts that deal with all the different disciplines and how they relate to science.

- Dr. Georgia Cobbs – UM-Missoula

Dr. Georgia Cobbs, UM-Missoula, discussed the Standard Space Teaching Reaching Educators Across Montana (STREAM) project, a partnership existing between MSU-Bozeman, UM-Missoula, and Billings' Public Schools. She informed the board of their inclusion of schools of varying sizes to ensure that a variety of institutions are being accurately represented. She reviewed the structure that has been established and mentioned the development of online modules that can be accessed and used by classroom teachers to help change current mathematical practices. Dr. Cobbs noted that discussions are taking place regarding where to physically house the modules so that the entire state can have access.

Mr. Steve York, OPI Representative, noted that the state consortium on educator effectiveness involves the deans of many institutions.

Two Year and Community College Education Committee

INFORMATION

Regent Joseph Thiel reminded the board that the latest committee work plan was presented and passed.

- a. Comprehensive Mission Expansion Update & Next Steps – J. Cech, R. Groseth



Deputy Commissioner John Cech reminded attendees that with the help of the Lumina Foundation they were able to hire the College Brain Trust firm to focus on the next steps of the strategic plan development. This involves finalizing the plan's framework and configuring it into four chapters. The first chapter provides the introduction; the second chapter provides an overview of the data associated with college trends and will focus on the initiatives that each college has undertaken. To help show which initiatives the five former colleges of technology are undertaking help the institution become a more comprehensive two-year institution, the committee has asked that each initiative be clearly presented with guidelines indicating the responsible party, identify necessary resources, and provide completion dates.

Chancellor Rolf Groseth, MSU-Billings, noted the Regents' goal to increase participation in postsecondary education in addition to improving the conversion process associated with the high school completion rate and his confidence that the two-year campus programs offer the opportunity to do so. He told the board that all of the two-year campuses are signaling to the communities the expansion in campus missions via name change events. He stated that College Brain Trust has done an excellent job of setting the standard for creating the necessary documents the Board can use to compare campuses progress and goals. He stated that each school works with a rebranding task force that is charged with coming up with an identity that could be used to implement the Board's direction to the campuses to ensure that the new names reflect the location, mission, and affiliation. City College has 15 initiatives, one of which is to develop additional pathways towards credentials for either new certificates or developing a certificate where there is currently only an associate degree. City College is looking at a model based on industry integration in combination with work that is done in the classroom. He informed attendees that both City College and Great Falls College are working with industries within their communities, specifically in welding and fitting areas. He discussed the increase participation rate initiative and explained that the main objective is to get more people into postsecondary education to help move Montana towards the mainstream regarding the adult and student participation rates.

b. Improving Outreach to Adult Learners – B. Hietala; S. Jones

Sue Jones, Director of Two-Year Mission Integration, OCHE, and Dean Robert Hietala, Gallatin College-MSU, described efforts underway through the Adult Learners workgroup, which is part of College Now, to help the university system reach out and provide flexible postsecondary options for a large segment of the population.

Dean Robert Hietala, Gallatin College-MSU, reminded the board that the comprehensive two-year mission, approved by the Board, states that being adult-focused and providing accessible learning was identified as a key attribute. A committee researched how adult learners are served across a two-year system. The first evaluation was to look at what percentage of enrollment is made of non-traditional students, which findings indicate show that 45% of Montana's two-year enrollment is non-traditional students. He explained that Montana is behind peers in comparison of the number of adults served per 1,000 adults in the state and that half of the adults engaged in the Montana two-year education system eventually earn a two-year degree or certificate.



Sue Jones updated the board the committee's activities, including the perceptions of adult learners, how to help them succeed, and the opportunity for individual campuses to view the perceptions of their own adult attendees as well as the individual campuses' strengths and weaknesses. Next steps include: having campuses identify specific steps to improve their adult-friendly practices, leverage the strengths of individual campuses to share information and tips with one another, and in juxtaposition with College Now and Lumina apply for up to \$10,000 in funding for improvements. She reported that Montana two-year campuses are all doing some form of prior learning assessment, which essentially offers some form of credit for prior learning component of adult-learning which is an evaluation of learning gained from life experience. The committee will seek proposals for improving prior learning assessments on campuses, scale up efforts to inform adults of opportunities, and ensure that each campus has implemented adult-friendly initiatives and strategies. In addition, they will compile the results from pilot programs into a profile for sharing practices.

Commissioner Clayton Christian noted that efforts focused on military veterans is an area that the university system could reach adults and encourage them while granting them credit for the experience they have attained. He stated that he would like to see them included and have some efforts be focused in their direction.

Sue Jones, Director of Two-Year Mission Integration shared an option regarding military training evaluation; including offering online courses to those veterans that have not yet returned home. This has proven to be a great way to get veterans engaged and actively pursuing their education. Regent Todd Buchanan asked if we were currently offering this option.

- a. Statewide Two-Year Rebranding Status – J. Cech, T. Warner, A. Connole

Tim Warner, Senior Vice President of Strategies 360, noted the progress Montana has made due to listening to communities, extensive research and focus on the perspective student, and what efforts are being implemented on a statewide level. Schools have been consistent with the naming framework that was discussed and approved while maintaining dynamic individual missions and affiliations. Other two-year colleges that are in the rebranding process either have or are very near to having their final logos.

Annie Connole of Strategies 360 explained that a regular bi-weekly meeting is facilitated in order to receive updates on the status and progress of each school. She briefly recapped each institutions current position: Helena College-UM has initiated a marketing campaign and continue to raise their profile through fostering community relationships. Highlands College of Montana Tech presented its name to the community and is highlighting it through community outreach. Missoula College held is renaming event and had great participation by students, staff, and members of the community. Great Falls College is in the final stages of developing and getting approval for their logo; they have been working diligently with the community and students throughout this process. Their rollout event will be held on January 31st to celebrate and highlight higher education. Gallatin College-MSU is in the final stages of finishing their logo and will get



it approved within the next few weeks. Bitterroot College has engaged their local brand task force to develop brand positioning and messaging in addition to identifying key partnerships for outreach strategies within the Bitterroot Valley.

Tim Warner reiterated that the overall goal is to ensure these brands are lifted up to help create a statewide brand for the two-year, tribal colleges, and community colleges. There has been some conversation regarding building a statewide portal so show financing and information about each campus. Mr. Warner noted that K-12 has been integrated to some degree.

Regent Paul Tuss asked Dean Susan Wolffe, Great Falls College-MSU about the initial support regarding the name change and the recent concerns now associated with the new name and what actions could be taken to make the transition smoother.

Dean Susan Wolffe, Great Falls College-MSU, explained that part of the strategy for the rollout event includes the City of Great Falls proclaiming "Higher Education Month" in order to include all of the higher education partners and which would highlight that a variety of higher education is available in many different ways.

b. Developmental Education Reform Taskforce – J. Cech, N. Moisey

Associate Commissioner Cech gave a brief update stating that he and Deputy Commissioner Neil Moisey were appointed to serve as co-chair on the taskforce, which was approved in September and which begin meeting in mid-December.

c. Statewide Workforce Development Taskforce Report – W. Cruzado, J. Cech

Associate Commissioner Cech highlighted the recent convening of this taskforce in conjunction with President Waded Cruzado. They are working on a plan for the next steps in moving forward. Commissioner Christian recently visited Miles Community College, Dawson Community College in Glendive, and the Williston area with Regent Jeff Krauss, and himself. Commissioner Christian noted that it is important to maintain strong partnerships with these campuses as they are an important part of education in Montana in challenging areas. He referenced that there is a lot to learn from North Dakota such as the non-credit program at Williston State that is geared towards workforce development business partnerships.

Associate Commissioner Cech noted he recently held a meeting in Helena and discussed identifying a single institution in eastern Montana to serve as a focal point for intersection and help connect other trainings within the two-year system.

President Stefani Hicswa, Miles Community College (MCC) stated that Montana is well positioned to move forward with non-credit offerings that meet the work force demand and economic changes. She stated that there is a lot of opportunity for growth in this area specifically for two-year education to expand non-credit offerings throughout the state.



Associate Commissioner Cech noted a study from the American Association of Community Colleges on non-credit enrollment. Challenges that Montana is facing is rapid financial resource development; colleges need to be able to respond quickly in order to meet those needs and; this resource piece is an important component and will need to be addressed.

Associate Commissioner Dr. John Cech stated that the Governor's office conducted a series of interviews across the state about workforce training needs. The issue of community development surfaced as a result. They are experiencing population fluctuation which impacts to civic infrastructure including roads and water. It is imperative to ensure that folks have the appropriate training and expertise to move into those communities.

Regent Williams noted that the colleges have become skilled in preparing for job needs. They can change curriculum and courses based on demands and in response to the workforce need. Communities and the environment; however, cannot turn on a dime once infrastructure is overrun; it takes time to deal with urban needs. President Waded Cruzado appreciated these comments; but reminded everyone of extension, which exists in 55 counties to ensure that the needs of communities are being met.

Administrative, Budget, and Audit Oversight Committee

INFORMATION

- a. Opportunities in Employer Health Care Delivery; OCHE *Director Connie Welsh*

Connie Welsh, Director of Employee Group Benefits Program at OCHE provided historical background and context information about the healthcare delivery. The MUS benefit plan was created in early 1980's; the system chose to create a single plan by pooling a large number of employees in order to increase purchasing and administrative efficiencies, and the standardization of benefits that are offered to employees and their families. Then the MUS absorbed the financial risk by taking additional steps towards self-insurance. Currently the MUS plan covers 18,000 Montanans including retirees and dependents. She briefly discussed various components of the plan including the cafeteria plan and tax advantages that permit employees to have premiums taken out before taxes; we generally know these programs as the flex accounts and dependent care accounts we use and paying for our premiums pre-tax.

She discussed the Patient Protection and Accountable Care Act which has been a big cultural and political issue to review as there is abundant information and misinformation circulating about the potential impacts. The PPACA law is bringing about a number of changes in Montana. She stated that the MUS in past years (1986-2002) was in the position of working with the only domestic health insurance company domiciled in Montana. In 2002 the creation of an additional insurer provided the opportunity for competition. Additional players have subsequently entered the market. Early on, the MUS worked with New West and Allegiance to serve as 'anchor tenants' and provide the opportunity for those options to become viable in Montana. This was done by



creating an employer driven health insurance exchange and an single benefit plan design or managed care option to be administered by all carriers. Both public and private employers in Montana used this exchange. Conditions were set up to offer competition to ensure that employees would have an identical benefit plan and could shop around for what suited them best. At this time, the market place in Montana is undergoing substantial changes. By the end of 2013, we anticipate that Montana will not have a health insurer that is solely domiciled in Montana. That will be the first time since 1946 that the state does not have a Montana-based health insurer.

Regarding the impact to individuals, she stated that PPACA includes further expansion of those covered, increases in coverage, and changes to how benefits are administered which are moving the insurance system toward standardization of the basic services offered. She explained that once PPACA is fully implemented, costs can then be evaluated on a more comparable basis. The MUS plan is well positioned to go through the changes from PPACA. It is in sound fiscal shape and the individuals who provide guidance and advice regarding the plan are very engaged and knowledgeable about what needs to be done.

Director Welsh noted the MUS has seen tremendous change in how it provides benefits in the last three decades. We will see much more change in the next few years, but the MUS has had a history of adapting to these very well and continuing to provide excellent quality, critical benefits to our employees, retirees, and their families.

b. 2015 Biennium Executive Budget Review

Commissioner Christian noted ongoing conversation with the executive branch which is releasing the budget at this time and that it appears that the present law adjustment as requested by the commissioner's office will be included in the executive budget. He stressed that the present law adjustment is necessary to maintain services at their current level. This funding in the proposed tuition cap conversation in conjunction with an adequate pay plan funded at Montana residents student percentages and WUE a accurate pay plan. He discussed a line item for the Vet Med Initiative and increased WWAMI slots at the requested funding level. It appears the Governor's budget will include funding for a Long Range Building Plan which includes MUS building priorities. He stressed that this is an ongoing process. He noted that the needs required to maintain high quality service are included and we need to do our part to maintain affordable higher education in Montana at a sustainable level.

c. Linfield Hall Fire Sprinkler; MSU-Bozeman

Deputy Commissioner Mick Robinson explained that the campuses sometimes requests general spending authority that the campuses can utilize for small projects that do not require state funding. The board does not need to approve spending authority because we are utilizing legislatively approved spending authority. Terry Leist, MSU Vice President of Administration and Finance informed attendees that a project is already going on related to access issues as it's primarily a code issues creating the genesis of this project.



d. Dawson CC Business Plan *President Jim Cargill*

President Jim Cargill, Dawson Community College referenced his recent retirement announcement, effective December 31, 2012. He described the challenges of being located on the edge of the Bakken area, which include: diminishing classes; the majority of high school graduates going directly to the oilfields; having the smallest graduating class in recent history; a significant drop in retention rates and; recent staff resignations. President Cargill reference attempted strategies for increasing enrollment including community assistance, partnerships, and support.

e. Audit Reports

1. The University of Montana Foundation-June 30, 2012-Unqualified

Deputy Commissioner Mick Robinson explained that these reports are received by OCHE and any issues are then communicated to the board. These five reports were received from various foundations that are connected with the campuses, all of which contain unqualified audit opinions but no issues. He stated that the audits are available within OCHE if anyone is interested in obtaining a copy.

1. Montana State University-Billings Foundation-June 30, 2012-Unqualified
2. Montana Tech Foundation-June 30, 2012-Unqualified
3. Montana State University-Northern Foundation-June 30, 2012-Unqualified
4. University of Montana-Western Foundation-December 31, 2011-Unqualified

CONSENT

- a. Paint Existing Auxiliaries Facilities; MSU-Bozeman *ITEM 157-2004-R1112*
- b. Replace Dishwasher and Soiled Dish Return; MSU-Billings *ITEM 157-2704-R1112*
- c. Approval of Computer Fee; Great Falls College *MSU ITEM 157-2902-R1112*
- d. Equipment Fee; Great Falls College MSU *ITEM 157-2904-R1112*
- e. Approval to Lease Spectrum Lab; MSU-Bozeman *ITEM 157-2006-R1112*
- f. Long-Term Maintenance Plan; MSU-Billings *ITEM 157-2702-R1112*
- g. Lease Agreement With MSU Alumni Foundation; Great Falls College MSU *ITEM 157-2903-R1112*
- h. Remodel Donaldson Hall; Helena College UM *ITEM 157-1903-R1112*
- i. Revision of Operating Budgets; MSU-Bozeman *ITEM 157-2003-R1112*
- j. Revision of Operating Budgets; Dawson Community College *ITEM 157-201-R1112*

Regent Paul Tuss made a motion to approve items a-j on the consent agenda. Motion approved 5-0.



ACTION

- a. Construct, Maintain, Repair and Replace New and Existing Parking, Street and Access Facilities; MSU-Bozeman *ITEM 157-2005-R1112*

Terry Leist, MSU Vice President of Administration and Finance, noted this item seeks authorization of parking and street maintenance in auxiliary areas, using non-state funds in the amount of \$2.5 million. Vice President Leist explained that these changes will occur over the next few years and that all streets being addressed by this item are on campus. The intent is to combine the projects to create better efficiencies through the use of engineering firms.

Regent Tuss moved to approve ITEM 157-2005-R1112. Motion passed 5-0.

- b. Energy Performance Contract; MSU-Bozeman *ITEM 157-2009-R1112*

Terry Leist, MSU Vice President of Administration and Finance, explained that this is now in Phase II of the process and the item requests \$6.2 million as well as a request for the authority to initiate negotiations for financing for up to \$4.5 million. He added that they anticipate up to \$390,000 in energy savings in addition to the component of deferred maintenance. He stated that this project would be completed by the end of 2013. Mr. Leist clarified that both Phase I and Phase II requests if approved would be McKinstry contracts.

Regent Paul Tuss moved to approve ITEM 157-2009-R1112. Motion passed 5-0.

- c. Repair and Replace Heating Plant – PE Building; MSU-Billings *ITEM 157-2701-R1112*

Chancellor Rolf Groseth, MSU-Billings, explained that this item requests authority to replace a current outdated boiler with a steam boiler by using some student building fees.

Regent Tuss moved to approve ITEM 157-2701-R01112. Motion passed 5-0.

- d. Purchase Real Property; MSU-Billings *ITEM 157-2703-R1112*

Chancellor Rolf Groseth, MSU-Billings explained that this request would authorize MSU-Billings to purchase real property in the expanded acquisition zone for \$219, 000. He noted that this area is west of the campus and that the purchase would include the purchase of three houses. He stated that these acquisitions were included in long-term planning of auxiliary and athletic facilities that was brought before the board in March of 2011 for approval.

Commissioner Christian reminded the board that a significant investment is made once a campus identifies and begins to make purchases within an acquisition zone. He stated that this was well vetted at the time these zones were created and it remains prudent for the board to acquire these areas for expansion.



Chancellor Groseth clarified that the intent is to acquire the property and to continue to manage the property until it is needed.

Regent Buchanan discussed general growth plans that are associated with campus master plans and how it often prompts continued growth. He asked if master plans are ever reviewed or reconsidered and that at some point a discussion should take place with a focus on rethinking the direction. Commissioner Christian agreed and stated that an inventory of campus acquisitions can be compiled to ensure that they are still pertinent.

Regent Buchanan moved to approve ITEM 157-2703-R1112. Motion passed 5-0.

- f. Acquisition to Acquire Real Property Easement for Research Purposes; UM-Missoula *ITEM 157-1001-R1112*

UM-Missoula President Engstrom informed the board of the recent work with the Governor's Office regarding this item. The Milk River Ranch is located in Hill County and contains the rights to archeological and paleontological riches. The Department of Natural Resources and Fish Wildlife and Parks Department wish to acquire this property for the state of Montana. He explained that part of the purchase agreement includes assigning the archeological and paleontological resources to an organization; the University of Montana in conjunction with the State wishes to acquire those rights for research purposes. President Engstrom explained that in order for this to take place the University needs to purchase those rights from landowners. The purchase price is \$2 million and would secure and preserve those rights for the University.

Regent Buchanan asked if the \$2 million was included in the proposed budget. President Engstrom clarified that these are ongoing discussions but that funding would have to be included in the FY 2013 budget in order to proceed.

Regent Tuss stated that this would be a great asset that would serve students well. Regent Williams agreed and supported the opportunity to attain the land. President Engstrom explained that Norte Dame has been doing some research in the area and would be allowed to continue; however, both institutions would need to enter into some sort of agreement. Cathy Swift, Chief Legal Counsel of the Office of the Commissioner of Higher Education, stated that they have not yet seen the final agreement between the current owners, DNRC, and Fish Wildlife and Parks which sets forth the reservation to the University granting them rights; however, UM would have all rights of access to archeological and paleontological rights. Regent Pat Williams asked if we could then bar certain parties from having access to the land. Cathy Swift, Chief Legal Counsel of the Office of the Commissioner of Higher Education, stated that further research would need to be done but explained that the rights of access to the property would be held by The University.

Regent Buchanan stated that it was the Board's job the view this as a system acquirement of paleontological assets which historically have been held by MSU-Bozeman. President Engstrom agreed that MSU does have a famous paleontological



program and mentioned the similar program associated with the University of Montana. He clarified that each program focuses on different areas but both maintain a strong paleontological effort. Regent Buchanan stated that he views this as system property and hopes it can be managed in collaboration with other institutions. President Engstrom agreed that they would make every attempt to ensure access is available to other institutions. President Waded Cruzado stated that she was unaware of this item and encouraged the Board to include some language that echo Regent Buchanan's comments about Montana State University also having access, without fees, and identify how copy rights will be managed to prevent problems in the future and to encourage researchers.

Commissioner Christian noted that given the sensitive rights associated with the property, given the Native American and archeological history, that it is hard to determine a price for this land. He stated that the appraisal came in at \$12 million; but that we would work with campuses to assure the value is reasonable. Regent Pat Williams expressed the delicacy of the access issues and stated that communication with the Tribes, specifically Blackfeet and Salish, would be key as they are convinced that they have rights to access and research this land. Commissioner Christian noted that there is a lot of interest between various entities and that the Native American rights have protection and preservation under federal law. This purchase puts the land into public ownership and leaves assets intact.

Regent Tuss moved approval of ITEM 157-1001-R1112. Motion passed 5-0.

Public Comment:

Professor David Beck, Native American Studies-UM, expressed appreciation for considerations extended to the Tribes.

President Engstrom clarified that the item authorizes Commissioner Christian and President Engstrom to continue with the proposed agreement after all conditions are met.

Public Comment

Sally Peterson, Missoula resident, urged the board to reconsider the proposed location for the Missoula College. She discussed the 27-acre block located above a flood plain as the proposed location that has been researched. She noted that there are different approaches and definitions at play given this item. She stated that the golf course terrain, off South Avenue, has the potential to be developed and reap an enormous amount of money. She noted a petition signed by community members that support reconsideration of the location for the Missoula College. The following people also expressed their support against constructing the Missoula College on the golf course: Ian Lang, Jack Lyon, Anne Woodridge, Peggy Cain, David Werner, Mr. Holm, Paul Bolhan, and Rene' Mitchell, Louie Schneller, Joann Gray, Dennis Shae, Lee Clemenson, and Jan Holm, Harold Holm, James Gronkey. Fifty-four additional members of the public signed the attached form of support signifying their position on this item



and opted not to speak on its behalf.

Chair McLean asked that those who are in support of Sally Peterson's statements related to the UM Golf Course issue sign their name to be included in the official record in order to accommodate other members of the public and their views.

The following members of the public spoke on behalf of supporting the construction of the Missoula College on the proposed South Campus: Zach Brown, Acea Holand, and Lindsay Murdock. Fourteen members of the public signed the attached form of support signifying their position on this item and opted not to speak.

The meeting recessed at 5:15 PM.

Friday, November 16

The board reconvened at 9:00 AM.

Commissioner Christian acknowledged the absence of Ms. Lynette Brown due to the loss of her father and extended the sympathies, prayers, and well wishes from the Board. He thanked Ms. Amy DeMato and Ms. Winnie Strainer for assisting in the meeting during Lynette's absence.

Academic, Research, and Student Affairs Committee

CONSENT

Regent Thiel was excused from the November 16 board meeting.

- a. Honorary Doctorate; MSU-Bozeman

Dr. Neil Moisey, Interim Deputy Commissioner, explained that individual nominated for this award is not aware of the nomination; therefore all discussion relating to this item have taken place in executive session. Regent Williams stated that the nominee has truly earned and deserves this commendation.

Regent Tuss moved approval of the consent item. Motion passed 4-0.

ACTION

- a. MSU-Bozeman Core Themes; MSU-Bozeman *ITEM 157-2001+R1112*

Provost Martha Potvin, MSU-Bozeman, described the requirements associated with core themes and explained that these specific themes were submitted to creditors and MSU had received approval through that process. Next fall the creditors will conduct an audit to ensure that the resources exist in order to accomplish these goals. MSU-Bozeman's core themes relate directly to their mission of learning, educating students, creating knowledge that relates to discovery, and serving communities. She clarified that the request is for formal approval of these themes.



Regent Tuss moved approval of ITEM 157-2001-R1112. Motion passed 4-0.

b. Regents' Professor Nomination T. Douglas; MSU-Bozeman *ITEM 157-2011-R1112*

Regent Buchanan explained the context of these items is a way to recognize and thank outstanding professors.

President Cruzado shared the successes and accomplishments of Professor Douglas including his innovative and creative approach to his research in proteins. She mentioned the many patents, grants, and publication that Professor Douglas has secured and shared an email she received from a student expressing their excitement upon hearing about his nomination for this award. She stated that Professor Douglas has assisted and directly contributed to the overall good standing of MSU and science outreach. His innovative community involvement makes him an invaluable asset to MSU.

Regent Buchanan moved to approve ITEM 157-2011-R1112. Motion passed 4-0.

c. Regents' Professor Nomination M. Sexson; MSU-Bozeman *ITEM 157-2012-R1112*

President Cruzado expounded on Professor Sexson's life and service to the university; she described him as a highly valued member of the department. He is well known as a captivating and stimulating professor that motivates students to learn. Students state their experiences are not only thought provoking but life changing. She shared several of Professor Sexson's awards, published works, and outreach work over his years of service. Chancellor Groseth stated that in addition to multiple generations of faculty and students, administrators also view his work as inspirational.

Regent Buchanan moved approval of ITEM 157-2012-R1112. Motion passed 4-0.

INFORMATION

a. Level I Memorandum

Interim Deputy Commissioner Neil Moisey reminded attendees that the Level I Memorandum items are approved at the Commissioner's office. He briefly summarized the items including those programs moving into moratorium and termination.

b. MSU-Northern Video

Chancellor Limbaugh shared a video that compares the recent activities, renovations, and upgrades that have taken place at MSU-Northern. The video showcased the three projects: upgrades to resident halls, food court, and gymnasium upgrades. He stated that the resident hall upgrades were done as a volunteer effort through significant partnership with MSU and the community.



Degree Works

President Cruzado reminded the board of the continued efforts towards different ways to excel degree completion at MSU. She stated that Degree Works is an example of this work and the continued commitment.

Mr. Tony Campeau, Associate Registrar of Montana Tech, explained that Degree Works is the result of the CAO Advising Taskforce results. He explained that Degree Works is a tool in the ongoing dialogue between collegiate students and advisors. This tool focuses the communication that defines students' specific graduation requirements. This project clearly shows students how many credits are completed and their overall progress towards graduation. It shows, in detail, the core requirements and how students are meeting these in addition to their transfer work. Mr. Campeau noted that this is being used across the system but has not yet been rolled out to students, only advisors and counselors.

Mr. Steve York, OPI Representative briefly mentioned information about a grant from OPI to develop electronic transcripts for high school students in order to make this transfer easier.

c. MSU Strategic Plan

President Waded introduced the MSU strategic plan as it was a monumental effort that the institution has undergone for last 18 months.

Dr. Chris Fastnow, Interim Director of Planning and Analysis, explained that the core themes overlap very well with this plan. She described the highly collaborative and participatory process that involved many people. These efforts resulted in a high goal-setting document with strategies to meet the goals. It is being used as a budget and resource allocation tool which fits with one of the objectives that addresses alignment. The plan will aid in priority setting for areas of growth and potential change. The mission statement, which guides this plan, has already been approved. The vision statement is good depiction of MSU as an institution. The strategic planning committee also developed four core values to guide principles and further describe what we do: respect, integrity, student success, and excellence.

d. American Indian Minority Achievement

Associate Commissioner Tyler Trevor explained that the data reflects American Indian enrollment by campus and noted that the definition and method in which collecting race and ethnicity information changed and impacted the system data. Mr. Trevor presented the retention data specific to the American Indians on campuses within the Montana University System; this provides an idea about the flexibility of data that can be produced for specific student demographics and profiles. He remarked on the incremental progress that has been made to date, which directly related to an increase in the number of Native American students enrolled in the system. Associate



Commissioner Trevor noted that the data is available to show the overall trends occurring in Montana.

Regent McLean discussed growing dual enrollment opportunities including the American Indian Reservations; she asked that campuses make a considerable effort to ensure that these opportunities are extended to the student population on reservations.

e. Financial Literacy Efforts Update

Regent Buchanan reminded attendees that the financial literacy efforts are one of the Board's initiatives. He asked that time continue to be allotted for this item as it is a national concern and average debt loads continue to increase.

Ron Muffick, Director of Student Financial Services (SFS) recapped the Affordability Taskforce's three recommendations to the Board: to increase need-based aid, provide centralized default prevention services, and develop a coordinated and collaborative financial literacy program. The financial literacy component aims to strengthen the programs within the state in an effort to reduce student debt, while forming a coordinated, collaborative approach that targets at-risk students and addresses best practices. He noted that campuses will meet in one year to discuss best practices and to ultimately develop a coordinated, collaborative approach for the system with a consistent theme and message. Next steps include determining implementation details for each process and reviewing what has worked well and what can be done in future years.

Mr. Muffick discussed the need-based aid program and noted that this year a targeted, more precise method has been adopted. Efforts are underway to help alleviate student debt load while incentivizing students towards degree completion. He noted that some best practices include: a designated person at each campus for financial literacy; a campus-wide advisory board incorporating various offices across campuses to help; use of MUS material and information and; specific topics to be covered within the program such as budgeting, debt management, and loan forgiveness programs.

Discussion followed on: suggestion to consider absolving some debt load of student upon graduation; national efforts toward progressive accountability; graduation rate for PELL recipients is 29-30% resulting in a 70% of loss; and PELL grant legislation.

f. Veterans Workgroup Recommendations

Ron Muffick, Director of Student Financial Services, noted progress of the Veterans Workgroup toward ensuring that the MUS remains an active veteran-friendly system. The workgroup came up with three recommendations: to develop a coordinated system approach to all veteran policies and issues in conjunction with the Department of Labor and the Veterans Affairs office; a consistent campus level approach to best practices related to veteran services; develop a need-based aid program that supplements federal funding. Mr. Muffick referenced national best practices including providing a micro site specific for veterans to provide them with the necessary resources.



Commissioner Christian encouraged continued efforts, including support for a legislative initiative and commended the efforts that Senator Tester has provided related to veteran support.

g. Academic Program Reviews

- MSU-Bozeman
- MSU-Billings
- MSU-Northern
- Great Falls-MSU
- UM-Missoula
- UM-Western
- Helena College
- Montana Tech of The University of Montana

Regent Buchanan noted the board's intention to align programs to match strategic missions of the campuses. He reminded the Board that this process requires campuses to submit program reviews every seven years.

President Engstrom clarified that the program review process is different than the program alignment and prioritization. The seven year review is focused on the internal improvement and adjustment of these programs. He stated that UM-Missoula brings in outside experts to assist with the review and as a result have made significant changes. He stated that this process serves a valuable role in the ongoing quality assurance of what programs are doing and how they might improve. President Engstrom noted that this process serves as a valuable self-improvement tool to keep programs in touch with what is happening nationally and ensuring that the right curriculum is being offered.

President Cruzado noted that the campus intent of this process is to empower campuses to craft the expertise related to the programs. She recommended developing some common measures to furnish information to enable the Board to compare programs.

Regent McLean stated that a decision needs to be reached in conclusion to what the ultimate goal is, program review or prioritization. Until this decision is reached the campuses lack clear objectives and guidelines.

Regent Buchanan asked that Deputy Commissioner Moisey review the policy and its intent.

President Engstrom requested the Dr. Moisey work with the campuses and clearly communicate the expectations.

i. Update on Material Science PhD.

Provost Doug Abbott noted that the three campuses that are involved have been meeting to discuss and review the issue.



Board discussion followed on the following: what level of corporate commitment exists; what level of resources would be required from each of the collaborating campuses; and to what level of involvement of fundraising would be needed.

j. Update on Vet Med Taskforce

Regent Buchanan noted the possible inclusion of a claw-back or pay forward provision for students who receive these funds. The intent is to provide options for Legislative consideration.

Public Comment

Dr. Debra Yarbrow, President of the Montana Veterinarian Medical Association, Dr. Beth Blevins, veterinarian, Terry Todd, Montana Stockgrowers Association member, all spoke in support of the MSU vet med program.

k. Update on Accelerated Degrees/4-Year Degree Completion

Regent Buchanan noted that many students are already completing degrees in three years, due in part to dual credit opportunities.

Smart Buildings Initiative Action Plan *Zach Brown and Blake Bjornson*

Zach Brown, UM student, and Blake Bjornson, MSU student, noted the intent for this student led effort to capitalize on energy efficiency opportunities across the university system and ultimately find incentives and processes to use state dollars more efficiently. They shared several objectives associated with the plan including: controlling utility costs, addressing deferred maintenance issues, and reducing energy consumption. Steps associated with this initiative included: installation of smart metering equipment, develop metrics and set goals, implement conservation projects, and reinvesting savings. They noted the implementation process associated with these projects and that 5-10% cost savings can be achieved by changing behavior patterns. They plan to keep the Board informed as this project continues.

The board and Presidents Cruzado and Engstrom commended the students for their valuable efforts and recommendations.

Public Comment

Micah Neilson read an email from student Jay Moore expressing the Mr. Moore's support for the construction of Missoula College on the South Campus.

Rochelle Jeffrey, Jim Hamilton and Darrell Frideres spoke against construction the Missoula College at the proposed location.

Kiah Abbey, Jody Waites, Anita Green, Adrian Edwards, and Topher Williams spoke in support of adding sexual orientation and gender identity to the system nondiscrimination policy.



MONTANA UNIVERSITY SYSTEM

Liz Putnum voiced her support of the construction of the Missoula College at the proposed location site.

The meeting adjourned at 1:50 PM.

Approved by the Board of Regents on

Date

Date

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

Angela McLean
Chair, Board of Regents