

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

DATE: November 3-4, 1988

LOCATION: Montana Rooms  
University Center  
University of Montana  
Missoula, Montana

REGENTS Lind, Hurwitz, McCarthy, Kaze, Redlin  
PRESENT: Mathers, Riley  
Commissioner of Higher Education Carrol Krause

REGENTS None  
ABSENT:

PRESIDENTS Koch, Carpenter, Merwin, Norman,  
PRESENT: Tietz; Provost Easton

PRESIDENTS None  
ABSENT:

Minutes of Technical Vocational Subcommittee; 10:00  
a.m.; Thursday, November 4, 1988

The Technical-Vocational Committee met from 8:00 a.m. to 10:00 a.m. to discuss the report on the transition of postsecondary technical-vocational education on the agenda of the full Board. Deputy Commissioner for Technical-Vocational Education Brady Vardemann explained the report to be presented to the full Board outlines major transition activities, but does not make specific recommendations. Staff believed it was important the subcommittee meet at this time to

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review what are perceived to be the four overarching issues in the transition, and prepare recommendations to the full Board on the issues. These are: 1) funding; 2) systematic organization of postsecondary institutions which offer technical-vocational education programs and courses; 3) cooperation and affiliation agreements; and 4) internal management of the total educational enterprise at the Centers.

Ms. Vardemann reviewed the report, explaining it pulls together in one document the various activities, assignments, and tasks of the transition and the groups participating in the process, and provides the Regents with an overview of the responsibilities performed in their behalf.

Staff options on funding, systematic organization, and internal transition activities were reviewed.

After lengthy discussion, the following recommendations were formulated for discussion with the full Board during the afternoon portion of today's meeting:

The preferred funding mechanism is to request the legislature enact a statewide two-mill levy to replace the current voted levies. Monies from this levy would also be distributed to the community colleges for support of their technical-vocational programs. The fallback position would be to request the legislature provide additional general fund monies.

Options were suggested for discussion with the full Board with regard to governance or structure. These included reorganization of the Centers into one institution called the Montana Technical Institute. Each Center would become a branch campus, and formal contractual agreements would be developed for exploration of resource sharing and consolidation of effort between each institution.

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A second method of administrative management to be discussed by the full Board would be that which would lead to institutional consolidation, and the contractual agreements necessary to accommodate that direction.

The Technical-Vocational Committee meeting adjourned at 10:00 a.m.

Minutes of the Board of Regents Meeting; Thursday, November 4, 1988

Chairman Lind called the regular meeting of the Board of Regents to order at 1:30 p.m. Roll call was taken and it was determined a quorum was present.

Report on the Transition of Postsecondary Technical-Vocational Education

Deputy Commissioner Vardemann began her presentation of the transition report by noting several vo-tech center student body presidents were present and would make presentations. Following those, an overview of the transition activities covered in the report would be presented, questions entertained, major issues identified, and the Board's direction received on the several matters requiring action at the December meeting.

Mr. Barry Maxwell, President of the United Federation of Students of the Vocational-Technical Centers and President of the Billings Vocational-Technical student organization spoke on behalf of the students of the Centers, explaining why students chose technical-vocational education, their goals, and their hopes and concerns with the changes that will occur at the Centers through their placement under the aegis of the Board of Regents.

Jack Nichols, President, Missoula Vocational-Technical Center Associated Students presented written testimony (on file), stressing the

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need for cooperation, upgrading of the Centers' curricula, and addressing the issue of transferability of credits.

Patrice Evans, President of the Associated Students of the Butte Center also spoke on issues of concern to the students of the Centers, and the important contribution the training provided by the Centers plays in upgrading their quality of life.

Deputy Commissioner Vardemann then reviewed the transition report sent with the agenda materials (on file), calling the Regents' attention to an omission on page 9. In the listing of the task forces between the Centers and the System units, the task force between the Helena Vo-Tech and Montana State University was inadvertently omitted. She explained the purpose of the report was to document the progress and planning to date with regard to postsecondary technical-vocational education and the mandates assigned to the Regents with the passage of HB 39 by the 50th Legislature. In broad terms, those numerous responsibilities of the Regents span two distinct areas:

(1) performance of the duties required as the sole state agency in Montana for the Carl D. Perkins Vocational Education Act of 1984, and

(2) implementation of a planned sequence of events designed to elevate the vocational-technical centers to an appropriate level within the sphere of higher education in Montana.

The report sets out the actions taken to date to address those broad areas.

Ms. Vardemann reported staff now needs direction from the Board on two broad issues. The first

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is how funding for the Centers should be proposed to the Legislature. Three options presented in the report are (1) carry on with the current funding mechanisms; (2) regionalize Montana into vocational-technical districts including the community colleges and broaden the taxing authority base of those districts; and (3) request the Legislature enact a two-mill statewide levy to fund occupational education at the Centers and the public community colleges. Staff recommends option three. The mandatory levy currently in place would remain; the voted levy which will sunset on July 1, 1989 would be replaced by the mandatory two-mill statewide levy.

The second issue is that of management and organization of the technical-vocational enterprise at the postsecondary level. This vital component of education can be delivered in several different ways. The present system, however, is not coordinated, resulting in institutions that are separate and apart, leading to a general belief that too many institutions exist. Many the transition activities have been focused on developing cooperative dialogue among the Centers and the community colleges. Ms. Vardemann explained in speaking of technical-vocational education in this context she was speaking of the two year level or less. Northern Montana College plays a vital role, particularly in allowing junior and senior and graduate level mobility to both technical-vocational students and faculty.

Three options for management of the Centers and their various permutations were presented by Ms. Vardemann.

These were: (1) establish a single

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Montana Technical Institute with five branch campuses;  
(2) align through formal contractual agreements System units and the Centers geographically near one another; and (3) seek statutory changes to allow institutional consolidation where appropriate.

Chairman Lind asked if the Center Directors or the presidents of the units had comments on the funding option.

President Merwin spoke in support of the staff recommendation to seek a two-mill statewide levy. Speaking to the governance issue, he favored NMC's role as the lead institution to provide that aspect, and failing that, the consolidation model.

Clarification was sought and received on the effect the two-mill levy would have on funding for the community colleges.

Center Director Capdeville favored the affiliation model at this time, noting the major issue now is funding for the Centers.

President Tietz responded to comments made by the Center student leaders regarding control, standardization, and duplication. Students urged those programs be available in each community because vo-tech students are placebound, and he agreed with that. His personal philosophy is that technical-vocational education serves quite a different group of people in its base application. The idea of imposing the kinds of attitudes that exist with regard to the units of the University System -- only one school of engineering, one school of law, one special education program -- is not what vo-tech education needs. Technical-vocational education needs to have the flexibility to interact with

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industry so appropriate kinds of middle management or skilled workers are available for a new turn in the industrial sector, or to respond to retraining activities if an industry goes under. President Tietz stated he hoped technical-vocational education would be viewed as a more individualized kind of environment than is envisioned in the role and scope statements of the units of the System. How that affects governance and funding of the Centers is unclear.

Ms. Vardemann agreed with President Tietz' summation, stressing the difference between duplication and unnecessary duplication must always be kept before the decision makers, and will probably call for some difficult, unpopular decisions given Montana's economic climate.

Center Director Lerum concurred with the statements made by President Tietz. He also stated his strong opposition to "status quo" funding for the Centers, and his support for the two-mill levy funding option. He urged the manner in which funds for the Centers are allocated be addressed. Speaking to structure, at least in Missoula, he asked that relationships between institutions be exploratory, asking "where can we" rather than operating under predetermined mandates that may not be functional to either institution.

President Carpenter stated he supported the statewide levy to address the funding issue. As to governance, many models would work, but he hoped a transition plan moving towards something more permanent would be selected. While he now favors an affiliation type of model, that does not mean five years down the road there might not be need for a different approach at least in the Billings area. A short term agreement as

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to governance is needed now, but flexibility to make changes later should not be eliminated.

Commissioner Krause responded to Regents' questions on the percentage of the voted levy adoption of a statewide two-mill levy would replace, the need to seek change in the Legislature's current practice of appropriating nearly \$3 million federal dollars into the budgets of the Centers, and the fallback position to seek additional general fund dollars in the event the statewide levy fails.

Center Director Erie Johnson, Billings, and community college presidents present spoke generally in favor of the statewide levy approach for funding. Again, it was noted the community colleges would receive a portion of those funds only for the technical-vocational courses they offer.

Regent Redlin cautioned against too much scrutiny at this point on consolidation models because of the impact this might have in the minds of the public as to the need for an additional two-mill levy. Planning must go on, but funding should be firmly in place before a move is made from the cooperative model of governance adopted previously and in place until July 1, 1989.

Chairman Lind summarized the discussion, stating he heard general unanimity for the statewide mill levy to provide funding for the Centers. He heard lack of consensus regarding the organizational structure. He requested Regent Kaze report on the meeting of the Technical-Vocational Subcommittee of the Board held earlier in the day.

Regent Kaze reported the Committee

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endorsed the statewide two-mill levy for needed funding, and discussed the management or structure options at length. The Committee generally agreed that funding was the number one priority, and that some mechanism should be presented to the Legislature by which the Regents could select and implement an appropriate structure for postsecondary technical-vocational education. That structure may include one or more or parts or all of any one of the options discussed today.

Chairman Lind commented the technical-vocational governance and funding issues are on the agenda for further discussion at the Regents' fall workshop scheduled to be held on November 10-11, 1988. He recommended the Board take formal action on both the funding issue and the governance issue at the December 1988 meeting to allow incorporation of the additional information to be provided at the workshop in the decision particularly on the governance model.

Regent Mathers commented on the pattern established in funding decisions to always go to two sources, income tax or property tax. He asked if any consideration was given to recommending another source of taxation, stating some group, some day, has to take a forward step and make such a recommendation. He suggested it might be refreshing if the Regents stated publicly they would support a new revenue source to fund an educational program.

Commissioner Krause responded that was not considered, noting the only power the Board has is to make recommendations to the Legislature on funding in the structure that exists. Clearly tuition will have to be looked at as part of the solution. He also hoped the

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Legislature would look at other alternatives, but the Board does not have that authority. Chairman Lind concurred, but noted nothing was precluded from discussion at the workshop.

Concluding this portion of the discussion, Chairman Lind commented on the complexity of the federal regulations staff has had to deal with in the transition period. An inordinate amount of time has had to be spent in simply assuring the Board's compliance and its ability to withstand federal audits. Not much recognition has been given to staff for its successful completion of the time-consuming, complicated task of making certain the System is on solid ground and can go forward to address the other major issues in assuming governance responsibilities for the vocational-technical centers. Chairman Lind expressed the Board's sincere appreciation to all who participated in the hours of effort involved.

Report from the Montana Council on Vocational Education

Mr. Jim Fitzpatrick, Executive Director of the Council, reported on the role of the Council in total effort of providing quality technical-vocational education to the citizens of Montana. He distributed and reviewed handouts (on file) on "Important Facts About Vocational Education," "Montana Goals for Vocational-Technical Education 1989-1990," and the results of a survey conducted by the Montana Council on "Issues in Vocational and Technical Education." The Council concurs the number one priority for both secondary and postsecondary technical-vocational education in the coming legislative session is that of funding.

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Mr. Fitzpatrick also reported on the conference sponsored by the Montana Council held on September 27, 1988 in Great Falls. He spoke of the important role vo-tech education can play in creating a climate for economic development with an overview of tomorrow's work force.

Mr. Fitzpatrick also spoke briefly on the purpose and responsibilities of the State Council on Vocational Education, noting its principal role is one of oversight, and to provide position papers, directions and recommendations to the decision makers. He pledged the Council's continued cooperation in working with the Board of Regents in this vital transition period, and on into the future. He noted the Council will be formulating an annual report between now and December 20, 1988. That report will include a position paper on the funding issue. It will probably be recommended to the decision makers that whatever funding method is recommended is taken out to the public to obtain grass roots support, to be certain it is clearly understood, and to garner support. The Council asks that a committee of the Board of Regents meet with them to discuss the report and establish dialogue on how the two entities can work together for the betterment of technical-vocational education. Chairman Lind asked the Board's vo-tech subcommittee to fill that role, to coordinate its activities with the Council through the Commissioner's office, and report back to the Board at its December 1988 meeting.

The meeting recessed at 3:50 p.m. The Board reconvened immediately in executive session.

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Minutes of Friday, November 4, 1988

Chairman Lind called the meeting to order at 9:05 a.m. in the same location. 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 September 15-16, 1988 meeting were ordered approved as mailed.

Resolution on Project Excellence (an addition to the agenda)

Commissioner Krause read the following motion into the record, responding to a request from the Board of Public Education that the Regents take action with regard to the work undertaken on Project Excellence:

WHEREAS, the Board of Regents supports efforts for improving the quality of education at all levels;

WHEREAS, the academic preparation of Montana high school graduates has a major impact upon the entry level curriculum of institutions of higher education;

WHEREAS, an effective K-12 educational program will reduce the need for remedial education for entering students;

WHEREAS, well prepared students will significantly improve higher education's student retention and graduation rates;

THEREFORE BE IT RESOLVED that the Board of Regents supports the purpose, concepts and general design of

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Project Excellence of the Board of Public Education. The Board of Regents and the institutions of the University System will cooperate with the implementation of those portions of the project finally adopted which extend to programs in higher education.

On motion of Regent Mathers, the resolution was unanimously adopted.

By-Laws and Policy Committee

Action Agenda

Commissioner Krause briefly reviewed the changes proposed in Item 11-006-R0376, Application Fee; Montana University System (REVISED). The item was previously titled "Admission Fee" and was misleading. The changes primarily clarify language, and were requested by the Admissions Officers. The item has been reviewed and endorsed by the Council of Presidents. On motion of Regent Kaze, the item was approved.

Chief Counsel Schramm explained the changes proposed in Item 18-005-R1077, Fee Waivers; Montana University System (REVISED). The changes were proposed by the System's registrars and financial aid officers, and are not viewed as particularly substantive. Dr. Schramm noted at some future date it may be necessary that the Board do a total review of its fee waiver policy in light of what is in statute, but these changes do not address that issue.

If approved, the revised item would make undergraduate students subject to the same satisfactory progress policy to be eligible for a fee waiver that they would be subject to if they were receiving virtually any other kind of financial aid. Those criteria were reviewed by Dr. Schramm. Other than minor

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wording changes for clarity and consistency, the only substantive change is substituting "satisfactory progress" for the previous 2.00 GPA requirement. On motion of Regent McCarthy, the Item was approved.

President Carpenter, Eastern Montana College, reviewed both Item 61-702-R1188, Transfer of Sheridan College translator and license to Eastern Montana College. President Merwin reviewed Item 61-703-R1188, Authorization to establish KEMC Translator Site at Sweet Grass Hills and to Work with Northern Montana College to Develop a Translator Site in Havre; Eastern Montana College. In transfer of the translator and license, no building costs would accrue, but responsibility for the quality of the signal would fall to EMC. Full explanation of the proposals is set out on the individual items.

President Koch, University of Montana, noted for the record that the University does not object to the proposed development of a translator site in the Havre area, but has undertaken some preliminary engineering studies to take the signal from either KUFM or KGPR in Great Falls to the hi-line area. That is still being studied. Because of the difference in programming it should not create a problem, but the Board should be aware of UM's interest in serving that general area.

On motion of Regent McCarthy, Item 61-702-R1188 was approved.

On motion of Regent Redlin, Item 61-703-R1188 was approved.

Dr. Albrecht, Deputy Commissioner for Academic Affairs, presented Item 60-004-R0788, Telecommunications Instruction Policy; Montana

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University System. The most recent revisions was proposed by the Board's Telecommunications Subcommittee. The original policy was drafted by representatives of all the campuses. It is believed most of the issues raised by the various constituencies have been addressed in the policy before the Board.

In discussion the following amendments were proposed:

Section (c) under "Scope and Purpose" be amended to clarify the responsibilities of the Telecommunications Coordinator. The first sentence would read: "The Commissioner of Higher Education shall appoint a member of his staff to be the Telecommunications Coordinator." The intent of the Telecommunications Subcommittee is that the position will be located in the Commissioner's office, and that person will have authority to approve emergency requests. Page 3, Section (1) be amended so the second sentence would read "The Telecommunications Coordinator shall with the help of the Advisory Committee provide guidelines for the format and content of this report."

Page 4, (7) be amended at the end of line two to read, " . . .or seeks to plan and enter into consortial relationships. . ." The last paragraph of (7) be amended to read "Institutions requiring emergency approval shall seek that approval from the Telecommunications Coordinator who will report the action to the Advisory Committee. The words "to meet grant or contract conditions" would be deleted.

After discussion, Regent Kaze moved the above amendments be incorporated into the item, and Item 60-004-R0788 be approved as amended. The motion

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carried. Staff was instructed to insert appropriate language in the amended sections. The campuses were cautioned by the Board to coordinate all telecommunications offerings through the Commissioner's office and to work in a cooperative manner to avoid conflicts among institutions.

Chairman Lind, on behalf of the Board, thanked Dr. Albrecht, the campus constituencies working with him, and the Telecommunications Subcommittee of the Board for the many hours of work required to allow this much needed policy to be put in place.

Chairman Lind also stated for the record that the ad hoc Telecommunications Subcommittee of the Board would remain an active subcommittee at least through the end of the 50th Legislative Session.

Capital Construction Committee

Item 61-701-R1188, Purchase of Real Property, Lot 2, Block 2, Heffner Subdivision; Eastern Montana College, was presented by President Carpenter, EMC. The property is located at 343 North Rim Road, is within EMC's authorized purchase zone, and is offered at a purchase price of \$60,000. Appropriate independent appraisals were submitted with the item. On motion of Regent Hurwitz, the item was approved.

Item 61-9001-R1188, Transfer of Property; Helena Vocational-Technical Center was reviewed by Center Director Alex Capdeville and Chief Counsel Schramm. The item authorizes the transfer of building and lands (Poplar Street Building and Donaldson Building sites) of the Helena Vocational-Technical Center from School District No. 1 to the Board of Regents. Dr. Schramm reviewed the reversion clause in the Quit Claim

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Deed which provides certain of the property will revert to the School District in the event it is not used as an vocational educational facility at any time prior to June 30, 1992. After that period, the local school district would have the right of first refusal to purchase the property at fair market value if it ceased to be used for its current purpose. After discussion, on motion of Regent Redlin, the item was approved.

William Lannan, Director of Special Projects, presented documentation from Eastern Montana College requesting an addition be made to the Long Range Building Program Capital Project Request on behalf of Eastern Montana College. An infrared roof scan of the Library Classroom Building at EMC revealed the building's twenty year old roof must be replaced because the insulation is full of water and is completely deteriorated. On motion of Regent Redlin, the addition to the agenda adding the roof repair to the LRBP request was approved.

Curriculum Committee

Submission Agenda

The following items were received for consideration at future meetings:

1. Item 61-101-R1188, Authorization to Establish the University of Montana Center at Dillon; University of Montana
2. Item 61-801-R1188, Authorization to Establish the Montana Environmental Training Center; Northern Montana College. (President Merwin noted that after review of the tenents of the grant it may not be necessary to designate a center. He requested authorization to withdraw the item if such designation is not required.)

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3. Item 61-8001-R1188, Approval of Proposal to Establish a Dental Hygiene Program; Butte Vocational-Technical Center/Montana College of Mineral Science and Technology (This item will be placed on the Action Agenda at the December 1988 meeting to be considered with similar proposals from other institutions.)

4. Item 61-9501-R1188, Approval of Proposal to Establish a Legal Assisting Program; Missoula Vocational-Technical Center  
Action Agenda:

Item 61-702-R0988, Proposal for an Urban Institute; Eastern Montana College, was reviewed by President Carpenter. He explained the item allows the campus to house a variety of activities which are now scattered across campus in one location and provide services to the community in a much more coordinated fashion. The primary function of the Urban Institute is not delivery of academic programs, but might entail that at some future time. The Institute is being established within the present budget of the College, and no negative comments from other institutions in the System have been received. The Commissioner's office recommends approval. On motion of Regent Redlin, the item was approved.

Item 60-207-R0788, Authorization to offer distant-site master's degree programs in computer science, industrial and management engineering, and educational administration in Great Falls, Montana; Montana State University was reviewed by Dr. Albrecht. He explained authorization to offer three degrees is requested in the item. The programs would be offered

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from MSU to Great Falls using sophisticated telecommunications delivery systems that will tie classrooms in Bozeman to those in Great Falls for "live" class sessions. Dr. Albrecht's recommendations on the programs and his rationale for those recommendations are set out in his memorandum to the Commissioner dated October 25, 1988, (on file) sent with the agenda materials. He stated it is essential the three parts of the proposal must be separated, and his recommendations were:

Masters Degree in Computer Science;

Approval

Masters Degree in Industrial and Management Engineering; Approval

Educational Administration; Disapproval

Dr. Albrecht summarized the recommendations contained in his memorandum, noting the degrees in computer science and industrial and management engineering allow delivery to Great Falls of programs sought by military and non-military personnel, with little competition for these programs from other institutions. The degree in educational administration is offered in Great Falls by the University of Montana in its master of administrative science program, and the College of Great Falls has an emphasis in school administration within its master of human services program. However differentiated, the degrees serve the same people and it is unlikely both MSU's and UM's program could survive as potential students would have to choose between them. At some time in the future it may be judicious for the two universities to offer such work jointly, but the need and the revenue must be sufficient to support such a degree.

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President Tietz introduced those persons present who had worked on the proposal and who would be making presentations in support of approval of all three degree proposals. These included Acting Vice President Mike Malone, assisted by the technical backup of Marilyn Wessell and Dr. Gerald Wheeler; representatives of each of the areas of concern - Dr. Jack Hyyppa representing the television area; Dave Gibson, engineering and computer science; Dr. Donald Robson, the education areas, and Dr. David Gibson, Dean of the College of Engineering. Also present were members of the Great Falls community who wished to speak at the close of the formal presentation.

Dr. Malone distributed an outline (on file) containing a general explanation of the program request and its development. He stated he would respond to Dr. Albrecht's concerns on duplication, but stressed MSU views the proposal as a package with all three degrees needed to gain the minimum number of students (30) needed to deliver the program. The education administration program, though it does compete with that offered by UM, is fundamentally a different degree. Dr. Malone explained how courses would be beamed "live" from the MSU campus to Great Falls with return video so students at the distant site can actually participate and be seen back at the campus. He reviewed the dialogue over the past few years among representatives of the Great Falls community and the University System regarding delivery of educational/economic development programs to the Great Falls area. This package is the result of those conversations and the needs assessment which grew out of those conversations. They are all

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graduate degrees, and can be completed within two to three years. Faculty have been enthusiastic in the development of this proposal. How library needs to support the programs would be met was explained, as were the mechanics of the live transmission and its one-time investment for equipment purchases of approximately \$60,000 to come on to the microwave system. A large part of that will be supplied by private sources through MSU's Foundation.

Dr. Malone elaborated on Phase I and Phase II of the delivery system. Phase I only is contemplated at this time, but Phase II was cited as having exciting possibilities for the future. It was noted approval of the proposal before the Board today does not authorize approval of the equipment needs for Phase II.

Dr. Malone explained the crucial element that all course offerings count as resident credit for budgetary purposes and permission must be obtained to charge students a supplemental transmission fee.

Dr. Malone concluded by explaining why this proposal was not developed under the Regents' policy for establishing higher education centers, and how interest had been assessed among potential Great Falls students, leading to the programmatic proposal before the Board. It would be extremely difficult to offer only two of the degree programs through this delivery system and expect to obtain the necessary students to ensure financial support.

In response to a question from Regent Hurwitz, President Tietz briefly reviewed conversations held with the Great Falls community in 1985 proposing establishment of a higher education district through

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which a set of curricula could be offered in the Great Falls area. That concept was proposed as the basis for the University System interacting with all the communities in the state. Needs assessments would be submitted to the Commissioner's office, which would be brokered to the campus(es) most suited to meet the determined need. Unfortunately, that has not materialized, and does raise the same question posed by Regent Hurwitz that there should be some coordinated, cooperative venture in any of the major metropolitan areas in Montana.

Commissioner Krause commented briefly on how the request for proposals to provide educational services to Malmstrom Air Force Base recently disseminated impacts this discussion. That subject is on the agenda of the Regents' workshop for further discussion.

Other proponents speaking in support of the Montana State University proposal included Mickey Sogard representing a group formed to expand educational opportunities to the Great Falls community, particularly in the graduate area, and Chuck Weir, Director of Personnel at Malmstrom Air Force Base. President Shields, College of Great Falls, explained CGF supports the proposal with two qualifiers: (1) the support is for graduate offerings only; and (2) CGF supports only the two offerings recommended for approval by Dr. Albrecht. Will Weaver, Director, Great Falls Vocational-Technical Center, expressed the Center's willingness to cooperate with MSU in these offerings, particularly in the area of equipment purchases to ensure compatibility and classroom space and library facilities.

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At the conclusion of the proponents testimony, Regent Hurwitz cautioned against losing sight of the cost of such innovative offerings. While the business of the Board is education, the legislature has to provide the money and the Board must exercise some caution in its requests in these economic times.

Chairman Lind asked if anyone wished to speak in opposition to all or any part of the proposal.

President Koch, UM, noted the University's general support of the computer science and industrial engineering proposals. He stated he believed MSU's presence in Great Falls was entirely appropriate, and welcome. UM's concerns relate to the educational administration degree. The clientele will be split if both programs are offered, and both might well fail because they could not be cost effective. The educational administration offering in Great Falls in UM's master of administrative science degree program has proven attractive, more than sufficient students are enrolled to assure its success, and it is gathering momentum. It is not clear what would occur were there to be a competing program offered in the same location. He spoke also to the possibly negative perception of the legislature if two such programs were offered in the same location which the majority of persons would regard as being duplicative. He agreed the programs are not the same. However, the University of Montana believes its offering is not only good, it is the better of the two. He cited national surveys of needs of educational administrators in support of his statement.

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President Koch summarized by stating UM would welcome Montana State University as a partner in Great Falls; it supports a systemwide approach; supports a cooperative venture in educational administration, but for both units to be present with programs not easily identifiable as different is probably inviting failure of both.

John Pulliam, Dean of the School of Education, UM, supported President Koch's position. The master of administrative sciences degree offered by UM in the Great Falls area is an excellent one and expects to be fully accredited in January 1989. Because of the prerequisites, there are only a limited number of students qualified for enrollment in a masters program in school administration in Great Falls. Six are currently enrolled in UM's program, and thirteen more are in the application process.

Hearing no further opponents or proponents, Chairman Lind recognized President Tietz for closing remarks.

President Tietz noted the several comments heard today expressing multiple interest in providing higher education programs in the Great Falls area. He strongly encouraged the Commissioner's office and the Board of Regents to authorize a central clearing house for the people in the city of Great Falls where all higher education opportunities could be explored and registration accomplished in one location. Speaking to MSU's proposal, he stated it is an experiment for the future in bringing certified, and in two cases accredited, full degree programs directly from the campus, live, to a distant site in Montana. In time,

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that will prove to be an exceedingly effective model for the System. It will enhance the citizens belief in the System's ability to deliver higher education across the state, and will build a constituency. He agreed with President Koch that if there is a way to work out a cooperative venture, MSU would be most interested in that interaction. If the proposal is approved today with the caveat that the education administration degree be developed in cooperation with UM, the good faith exists between the two institutions to accomplish that in a satisfactory manner.

Discussion was held by the Board on the MSU degree proposals and the information presented in the testimony. The discussion centered on the need for the System to work cooperatively in formulating educational offerings in areas not served by an existing unit; competition among the units in this arena is not acceptable. Regents' questions on whether MSU's proposal would be economically feasible without the education administration degree were responded to by MSU representatives, as were questions on scheduling of the offerings, equipment purchases, accreditation, and the "critical mass" of students needed to support offerings.

Commissioner Krause encouraged the Board to act on the proposal at this time. He urged the Board to accept Dr. Albrecht's recommendation to approve the computer and engineering degree proposals. The Commissioner's office could then work with MSU and UM to determine the feasibility of the two offerings of the educational administration degree standing alone, or whether a cooperative effort should be developed.

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Dr. Albrecht also encouraged approval of the two degree proposals. The System is working towards implementation of a statewide telecommunications delivery system. The hardware aspect of the project is moving forward, but there are many questions that can not be answered on costs of delivery, developing programs, and methods of delivery. The institutions need experience in delivering programs. The MSU proposal would be a significant step, providing the System experience in delivering programs over long distances.

Chairman Lind stated there are two interrelated issues which need to be identified. The first is the telecommunications delivery issue. A telecommunications policy was adopted at this meeting, and will allow the System to begin addressing delivery of higher education offerings, and work towards solutions of the problems. The second issue is delivery of offerings to geographically isolated large population sites such as Great Falls. That issue will be discussed in the fall workshop. He asked the Board's pleasure on Item 60-207-R0788.

Regent Redlin moved approval of Dr. Albrecht's recommendation: That the Masters Degree in Computer Science, and the Masters Degree in Industrial and Management Engineering be approved; that the Masters Degree in Educational Administration be disapproved. The motion carried.

Regent Kaze then moved the Board direct that Commissioner's staff, the University of Montana, and Montana State University review and report on the feasibility of developing a cooperative offering of the

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Masters Degree in Educational Administration in the Great Falls area. That report will be submitted to the Board in February 1989 for inclusion with the agenda materials for the March 16-17, 1989 meeting. The motion carried.

Budget Committee

Update on Status of University System Funding Study

Jack Noble, Deputy Commissioner for Management and Fiscal Affairs reported the funding study is in the final weeks. He distributed a handout (on file) of a capsule study showing how Montana institutions are funded relative to peer institutions. The data revealed many units of the Montana System are operating with about two-thirds of the dollars as their counterparts in other states. The percentages vary widely among the Montana institutions. In the instruction program, for instance, the range is from a low of 67.7% of the peer institutions at Montana Tech, to a high of 90.9% at Northern Montana College. Similar ranges exist in the student support area among the campuses. Mr. Noble explained the 1980 formula study tied the formula to peer averages. Taking the data produced by the new study, nearly \$100 million would be required to bring Montana institutions up to the average of their peer institutions. In Montana's economic climate, the Legislative Funding Study Committee believes that is unrealistic and has changed the direction of the funding study. While Mr. Noble noted the data has been disputed, the System believes it is accurate at the aggregate level.

Mr. Noble then explained the efforts made among members of the funding study committee and System

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representatives to define specifically the budgetary process and the type of presentations that will be made to the Appropriations Committee, and to reach agreement on the funding formula elements. Through better definition of the process, the goal is simplification of the budgetary process and improved communication of the System's budgetary process to the Legislature and the public.

Mr. Noble also briefly addressed the issue of tax capacity of the state, which has recently surfaced as an area of interest of the legislative members of the funding study committee.

The next meeting of the Funding Study Committee will be held on November 16, 1988, and Mr. Noble will inform the Board of developments after that meeting.

Mr. Noble reported on the status of the Regents' budget request as it was submitted to the Governor's office. The budget request had to be made consistent with instructions formulated by the executive branch. Because of those guidelines, the request resulted in only a 1.8% increase for the biennium. The program modification requests acted on by the Board in July 1988 are not included in this submission. Mr. Noble noted that when the funding study is completed, the Board will undoubtedly have to resubmit its request using the funding elements decided on by that body.

#### Report of College Tuition Bond Program

Mr. Noble reported on meetings with underwriters he had attended, and the consensus is a college tuition bond program would be well received in Montana. Details are being worked on; the principal

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focus at this point is a zero coupon issue. This concept has been very successful in other states. One detail causing some delay is the desire to include an incentive to encourage purchase of the bonds by Montanans to pay for future college costs at Montana higher education institutions.

Department of Health Request for Mandatory Immunization

Commissioner Krause reported on recent meetings among System representatives and representatives from the Department of Health. He referred to the change approximately two years ago in the Regents' admission policy which required all foreign students to be immunized against several communicable diseases as a condition of admission to units of the System. The Department of Health strongly recommends that requirement be broadened to include all students, and is contemplating requesting legislation be adopted to impose that condition. There is mixed support for the requirement in the Council of Presidents.

Commissioner Krause will submit a proposed revision to the admissions policy to the Board at the December 1988 meeting.

Calendar of Future Meeting Dates

The following 1989 calendar of meeting dates for the Board of Regents was adopted, with the understanding changes may need to be made to accommodate the needs of the legislative session:

January 26-27	Helena
March 16-17	Helena
May 4-5	Billings
June 22-23	Helena
August 3-4	Helena
September 14-15	Helena
October 12-13	Fall Workshop (Tentative)
November 2-3	Bozeman
December 14-15	Helena

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Commissioner's Report

Commissioner Krause reported a purchase of real property within the approved property acquisition zone at the University of Montana. The property is located at 659 South 6th East, Missoula, and was purchased for \$54,000 in accordance with the guidelines established in Item 58-101-R1287.

Dr. Krause also reported the HJR 58 Telecommunications Task Force has been successful in its efforts to obtain funding to hire a consulting firm to provide the figures necessary to take a request to the legislature to establish a telecommunications network. While the progress of the task force has been slow, it will have a report to the 1989 Legislative Session which will document the need for the planning funds which the legislature will be asked to provide.

Council of Presidents

President Carpenter reported on the status of the MBA program being offered jointly by Eastern Montana College and the University of Montana in Billings. Student comments have been extremely positive. Two classes are currently being taught, with approximately 24 students in each class.

President Carpenter also extended his appreciation to Regent Redlin for the talk she gave recently to the Rotary Club of Billings. Her presence was much appreciated by the members.

The Board of Public Education, Superintendent of Public Instruction, Faculty Association, and Montana Associated Students had no report.

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Chairman Lind thanked President Koch for the excellent arrangements for the meeting of the Board on the University's campus, and for the warm hospitality extended by President Koch and his staff to all the participants in the meeting.

Regular Agenda

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

- Item 61-100-R1188, Staff; University of Montana
- Item 61-200-R1188, Staff; Montana State University
- Item 61-201-R1188, Retirement of Lloyd Berg; Montana State University
- Item 61-202-R1188, Retirement of Fred Videon; Montana State University
- Item 61-203-R1188, Retirement of Willard Keightley; Montana State University
- Item 61-204-R1188, Post-Retirement Contract; Nicholas K. Shrauger; Montana State University
- Item 61-205-R1188, Post-Retirement Contract; John E. Taylor; Montana State University
- Item 61-300-R1188, Staff; Agricultural Experiment Station
- Item 61-400-R1188, Staff; Cooperative Extension Service
- Item 61-500-R1188, Staff; Montana College of Mineral Science and Technology
- Item 61-500A-R1188, Staff; Montana Bureau of Mines and Geology
- Item 61-600-R1188, Staff; Western Montana College of the University of Montana
- Item 61-700-R1188, Staff; Eastern Montana College  
(With Addendum)

The meeting adjourned at 12:10 p.m. The Regents participated in a tour of selected campus facilities at 1:15 p.m. At 3:00 p.m., Regents held an open forum for faculty, students, and interested persons.

The next regularly scheduled meeting of the Board of Regents will be held on December 15-16, 1988, in Helena, Montana.