

**THE BOARD OF REGENTS
OF HIGHER EDUCATION
Montana University System**

**CONFERENCE CALL MEETING
MINUTES**

DATE & TIME OF CALL: MARCH 3, 1993—1:00 P.M.

LOCATION: MONTANA HIGHER EDUCATION BUILDING
COMMISSIONER'S OFFICE
2500 BROADWAY
HELENA, MONTANA

REGENTS PARTICIPATING: BILL MATHERS (CHAIRMAN), TRAVIS BELCHER,
PAUL BOYLAN, CORDELL JOHNSON, KERMIT
SCHWANKE, AND TOM TOPEL; COMMISSIONER OF
HIGHER EDUCATION JOHN HUTCHINSON

REGENTS NOT PARTICIPATING: JIM KAZE

PRESIDENTS PARTICIPATING: BRUCE CARPENTER (EMC), BILL DAEHLING
(NMC), GEORGE DENNISON (UM), MIKE
MALONE (MSU), AND LINDSAY NORMAN
(TECH); PROVOST MIKE EASTON (WMCUM)

PRESIDENTS NOT PARTICIPATING: NONE

**OTHERS PRESENT IN
COMMISSIONER'S OFFICE:** COMMISSIONER'S STAFF—DAVID TOPPEN, ROD
SUNDSTED, LEROY SCHRAMM, LAURIE NEILS,
ROSE BOND; LEGISLATIVE LIAISONS—SHEILA
STEARNS, MARILYN WESSEL; MEDIA
REPRESENTATIVES—DANIEL SHORT, BOB ANEZ,
DAVE FENNER

Chairman Mathers called the special conference call meeting to order at 1:00 p.m. Roll call was taken, and Regent Kaze was the only Board member unable to participate in the conference call. Chairman Mathers referred to Commissioner John Hutchinson's March 2, 1993 memo and attached schedule regarding the campus distribution of an anticipated \$22.7 million higher education cut by the Montana Legislature. He asked Commissioner Hutchinson to explain what action the Board needed to take during its conference call meeting.

Commissioner Hutchinson said they were asked by Representative Royal Johnson, Education Subcommittee Chairman, and several other committee members to try to decide how a \$22.7 million General Fund reduction might be divided among the six campuses. Hutchinson said that he and the presidents had met during the past week and a half and finally settled on the proposal that had been sent to the Board members. Commissioner Hutchinson said he initially envisioned presenting that proposal—unless any objections were raised—to the Education Subcommittee after the conference call meeting. After talking with Subcommittee Chairman Johnson, however, presenting the proposal to the full Appropriations Committee might be more appropriate since the Education Subcommittee's formal work was finished. Hutchinson said that Representative Johnson would let him know within the next day or so what Speaker of the House John Mercer's feelings were on the subject. If they were to proceed to the full Appropriations Committee, Hutchinson said they would likely do so during the following week.

Commissioner Hutchinson explained how they arrived at the proposed General Fund reduction figures for each campus indicated on the schedule. He said they began with LFA current level and then looked at the mix of students for Fiscal Year 1993—what those enrollment levels would be. They also considered the potential tuition impact of those additional students and came up with the distribution noted on the schedule. Commissioner Hutchinson said he met with the presidents Monday, March 1, and they all agreed that the final proposal represented an adequate solution to take forward. Hutchinson pointed out that although the proposal was not universally "adored" by all the presidents, everyone agreed to it.

Regent Tom Topel asked that the presidents be polled to confirm their endorsement of the proposal.

Presidents Carpenter, Daehling, Dennison, Malone, and Norman, and Provost Easton said they supported and/or endorsed the proposal. Montana Tech President Lindsay Norman said he wanted to point out that a considerable amount in 1993 tuition—about \$6 million—was built into their assumptions. He said that if for some reason they couldn't amend their budget for additional tuition next year—and he pointed out that a bill by Representative Ray Peck was underway at that time to prevent them from doing that—they would have a difficult time going forward. He cautioned them that they would have to watch the bill very carefully.

Regent Topel moved that the Board approve and endorse the proposed allocation of the \$22.7 million reduction by campus that was set out in the schedule the Board received with Commissioner Hutchinson's March 2 memorandum.

Regent Boylan expressed concerns about the figures not being firm and what restrictions the boilerplates would place on the Regents and the units to transfer funds. He pointed out that the press would say the Regents—not the legislature—were responsible for the cuts. Regent Boylan said he would vote against

the proposal for those reasons. He said it was too early, and they should wait to see what flexibility they would have as far as tuition was concerned.

Regent Topel said he realized that the numbers would likely change—and probably for the worse. Based on the allocation of the cuts approved by the Education Subcommittee, however, Regent Topel said he didn't think that either UM or the System could live with them as they now stood. He said the Regents were asked to respond to a request by the Education Subcommittee chairman of how they could better allocate a \$22.7 million cut among the six units, and that's what they were doing with the proposal they were considering. Topel said they had an obligation to tell the subcommittee that the Regents had a "better mousetrap." He emphasized that they weren't endorsing the \$22.7 million cut but were merely indicating how they would propose to allocate it.

Chairman Mathers agreed. He said the subcommittee and its chairman expected a response from the Board, and the Board should comply.

Regent Kermit Schwanke said although he agreed with Regent Boylan as far as waiting to see what would happen, he also felt they needed to go forward to the Education Subcommittee with some plan of their own. Although he didn't agree with everything set out in the proposal, he said he would go along with it.

Regent Cordell Johnson said he understood Regent Boylan's concerns but agreed with Regent Topel that they needed to respond to the subcommittee's request. He added that he was concerned about the Board always being raked over the coals in the press for not cooperating with the legislature. Regent Johnson pointed out that the Board did cooperate with the legislature and that he was tired of the legislature turning around and "kicking them in the teeth." He said he would vote for the proposal for the reasons given by Regent Topel.

Regent Topel said he wanted the record to show that he appreciated the fact that the presidents were able to reach a consensus on the proposal. He said he realized it was not an easy task, and he was sure it was not what each president would have come up with individually, but he appreciated their efforts.

Chairman Mathers agreed and thanked them for their hard work. He requested that when Commissioner Hutchinson presented the proposal to the subcommittee or the full Appropriations Committee, each president be there to voice his support of the position.

After no further discussion, Chairman Mathers called for a vote on Regent Topel's motion that the Board approve and endorse the proposed allocation of a \$22.7 million reduction by campus set out in the schedule attached to Commissioner Hutchinson's March 2 memorandum. The motion passed—Regent Boylan voted no.

Chairman Mathers adjourned the meeting at 1:15 p.m.

