

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

MINUTES [as amended (page 8) at January 19-20, 1995 meeting]

DATE: NOVEMBER 17-18, 1994

LOCATION: UNIVERSITY CENTER BALLROOM
THE UNIVERSITY OF MONTANA—MISSOULA
MISSOULA, MONTANA

REGENTS PRESENT: JIM KAZE (CHAIRMAN), CORDELL JOHNSON (VICE
CHAIRMAN), PAUL BOYLAN, JIM BROWN, PAT DAVISON, AND
KERMIT SCHWANKE; COMMISSIONER OF HIGHER EDUCATION
JEFF BAKER; GOVERNOR MARC RACICOT

REGENTS ABSENT: COLLEEN CONROY (EXCUSED)

**PRESIDENTS & CHANCELLORS
PRESENT:** PRESIDENTS GEORGE DENNISON AND MICHAEL MALONE;
CHANCELLORS LINDSAY NORMAN, SHEILA STEARNS, AND
WILLIAM DAEHLING; ACTING CHANCELLOR RONALD SEXTON

THURSDAY, NOVEMBER 17

Chairman Jim Kaze called the regular meeting of the Board of Regents to order at 11:00 a.m. Roll call showed that a quorum was present.

- ▶ **Regent Pat Davison moved that the Board approve the minutes from the September 22-23, 1994 regular meeting and the October 7, 1994 conference call meeting as mailed to the Board members. The motion passed unanimously.**

CONSENT AGENDA

Staff Items

- a. **Item 85-1000-R1194—Staff; The University of Montana—Missoula**
- b. **Item 85-1500-R1194—Staff; Montana Tech of The University of Montana**
- c. **Item 85-2000-R1194—Staff; Montana State University—Bozeman**
- d. **Item 85-2001-R1194—Post-Retirement Employment Contract, Richard J. Mackie, Professor, Biology; Montana State University—Bozeman**
- e. **Item 85-2002-R1194—Emeritus Status, David G. Cameron, Professor, Biology; Montana State University—Bozeman**

- f. Item 85-2003-R1194—Emeritus Status, Richard J. Mackie, Professor, Biology; Montana State University—Bozeman
- g. Item 85-2300-R1194—Staff; Agricultural Experiment Station; Montana State University—Bozeman
- h. Item 85-2400-R1194—Staff; Cooperative Extension Service, Montana State University—Bozeman
- i. Item 85-2700-R1194—Staff; Montana State University—Billings
- j. Item 85-2800-R1194—Staff; Montana State University—Northern

Other

- a. Item 85-101-R1194—Rural Physician Incentive Program Advisory Committee Recommendations: Michael G. Murnick and Katie E. Evans (Deer Lodge); John T. Littell (Scobey); and Katherine E. Atchison (Chester); Office of the Commissioner of Higher Education
- ▶ Regent Jim Brown moved that the Board approve all items on the Consent Agenda. The motion passed unanimously.

COMMITTEE REPORTS

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

The Academic and Student Affairs Committee met at 9:00 a.m. in the Montana Rooms of the University Center. Committee members present included Regents Cordell Johnson (chair), Jim Brown, and Kermit Schwanke. Chairman Kaze asked Regent Johnson to present the committee's report to the full Board.

1. Submission Agenda

- a. Item 27-001-R0480—Higher Education Centers (REVISED 220); Montana University System [withdrawn from agenda]

Regent Johnson said this item had been withdrawn from the agenda and was not discussed during the committee meeting. To respond to concerns raised by the College of Great Falls and Carroll College, Regent Johnson said Dr. Richard Crofts, Deputy Commissioner for Academic Affairs, would set up a meeting with the two presidents of those colleges to address the concerns prior to the January 1995 meeting in Helena.

2. Action Agenda

- a. Item 84-003-R0994—Recognition of Formal Training for Dentistry; Montana University System

Regent Johnson said the legislature enacted a statute in 1984 that created licensing for denturists in Montana, giving the Board of Dentistry power over licensing. The statute requires that students applying for licensing must provide documentation of formal training completed at an accredited institution recognized by the Board of Regents. Regent Johnson said the Board denied approval several years ago to the program at the Oregon College of Dentistry because the school was not accredited by the appropriate regional accrediting association. He said the three-year program in denturism offered by the International Denturist Education Centre of George Brown College in Toronto, Ontario, met the statute requirements for formal training in denturism at an accredited institution.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 84-003-R0994. The motion passed unanimously.**

- b. **Item 84-004-R0994—Inventory of Academic Programs (NEW); Montana University System**

Regent Johnson said this new policy would authorize the Commissioner's Office to maintain an accurate and current inventory of all academic programs approved by the Board of Regents for all campuses and to distribute a revised copy of the inventory to the Regents following every meeting at which inventory changes are made. The campuses will be responsible for ensuring that all institutional publications list academic offerings in a manner consistent with the approved inventory maintained by the Commissioner's Office. The inventory also would be available in an electronic format. Regent Johnson commended Dr. Crofts and his staff for their work on the inventory.

- c. **Item 84-006-R0994—Repeal of Certain Board of Regents Policies from the Montana University System Policy and Procedures Manual (Policies 311, 311.1, 312, 312.1, 313, 313.1, 314, 315, 315.1, 316, 316.1, 317, 318, and 319)**

Regent Johnson said this item would repeal policies no longer necessary because of the inventory described in Item 84-004-R0994.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Items 84-004-R0994 and Item 84-006-R0994. The motion passed unanimously.**

- d. **Item 84-301-R0994—Approval of Proposal to Implement the Associate of Applied Science Degree in Criminal Justice; Flathead Valley Community College**

Regent Johnson said the committee was unable to come to an agreement on this proposal. He noted that Dawson Community College raised objections to the proposal because it would duplicate a program at the Dawson institution. Although discussions had been ongoing, the parties involved were unable to reach an agreement. Regent Johnson said the people involved had conducted themselves in an exemplary manner and had approached the discussion solely from an academic perspective. Regent Johnson said Dr. Crofts recommended that the proposal not be approved. The Academic and Student Affairs Committee voted 2 to 1 not to approve the proposal; Regent Schwanke cast the dissenting vote. Regent Johnson asked Dr. Crofts to explain his recommendation to the full Board.

Dr. Crofts referred to his November 15, 1994 memorandum to the committee (on file) and said his criteria for recommending that the Flathead Valley Community College request be denied focused on four areas: (1) unnecessary duplication versus access, (2) need/demand, (3) degree designation, and (4) basic skills training. Dr. Crofts summarized his recommendation based on those criteria. He said he agreed with Regent Johnson that representatives of the two colleges had participated in the discussions in an orderly, logical, and rational fashion.

The Board also heard presentations from Dr. Walt Nolte, Dean of Educational Services at Flathead Valley Community College, and Dr. Pete Degel, Dean of Instruction at Dawson Community College.

Lengthy discussion followed among the Regents, Dr. Crofts, and representatives from Flathead Valley and Dawson community colleges.

Regent Johnson moved that the Board concur with the committee's recommendation not to approve Item 84-301-R0994.

Chairman Kaze said he was interested in seeing the two campuses pursue a solution and asked Regent Johnson if he would add to his motion the stipulation that the Regents direct Dr. Crofts and the two colleges to work toward some type of collaborative solution. Regent Johnson agreed.

- ▶ **Regent Johnson's motion that the Board concur with the committee's recommendation not to approve Item 84-301-R0994 passed by a 5 to 1 vote; Regent Schwanke voted no.**

The Board recessed at 12:00 noon for lunch.

When the full Board reconvened at 1:30 p.m., Chairman Kaze asked Regent Johnson to continue with the Academic and Student Affairs Committee report.

- e. **Item 84-302-R0994—Approval of Proposal to Implement the Associate of Applied Science Degree in Substance Abuse Counseling; Flathead Valley Community College**
 - ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 84-302-R0994. The motion passed unanimously.**
- f. **Item 84-1603-R0994—Authorization to Offer a Teaching Minor in Early Childhood Education; Western Montana College of The University of Montana**
 - ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 84-1603-R0994. The motion passed unanimously.**
- g. **Item 84-2008-R0994—Authorization for Montana State University—Bozeman to Establish the Center for Bison Studies to be Located in Its Veterinary Molecular Biology Laboratory; Montana State University—Bozeman**
 - ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 84-2008-R0994. The motion passed unanimously.**
- h. **Item 84-2009-R0994—Authorization for the College of Agriculture to Offer a B.S. Degree in Biotechnology with Options In Animal Biotechnology, Plant Biotechnology, and Microbial Biotechnology; Montana State University—Bozeman**
 - ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 84-2009-R0994. The motion passed unanimously.**
- i. **Item 82-8501-R0394—Proposal to Implement a New Associate of Applied Science Degree, Physical Therapist Assistant; MSU College of Technology—Great Falls**

Regent Johnson said this proposal had been discussed at length during the past months, and the concerns and objections raised earlier had been resolved.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 82-8501-R0394. The motion passed unanimously.**
- j. Item 85-001-R1194—Authorization to Change the Official Name of the Montana Entrepreneurship Center

Regent Johnson said this was a request for authorization to change the name of the Montana Entrepreneurship Center to "Montana Business Connections: The Entrepreneurship Center." He said the center's headquarters were in Missoula, but it also had offices in Bozeman and Billings. The center supports business development and economic growth in Montana, and its Board of Governors believes the new name will better reflect the center's mission.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 85-001-R1194. The motion passed unanimously.**

ADMINISTRATIVE/BUDGET COMMITTEE

The Administrative/Budget Committee met at 9:00 a.m. in the Montana Rooms of the University Center. Committee members present included Regents Davison (chair), Paul Boylan, and Jim Kaze. Chairman Kaze asked Regent Davison to present the committee's report to the full Board.

1. Submission Agenda

- a. Item 31-004-R0681—Holiday Exchanges; Montana University System (REVISED 801.5)

Regent Davison said this submission item would come forward on the action agenda at the January 1995 meeting.

2. Action Agenda

- a. Item 43-002-R0484—Residency Policy; Montana University System (REVISED 940.1)

Chief Legal Counsel LeRoy Schramm explained the two amendments to this policy. Amendment #1 included the new language "accredited by the Board of Public Education" in the first sentence in Section (7)(a)(iii); Amendment #2 included the new language "who is a citizen of the United States or a resident alien" in the same location. Chief Counsel Schramm recommended that Amendment #2 not be approved because of a potential conflict between statute and Board policy. Discussions would be underway to determine whether a change in legislation was necessary.

- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Amendment #1 to Item 43-002-R0484. The motion passed unanimously.**
- ▶ **Regent Davison moved that the Board concur with the committee's recommendation not to approve Amendment #2 to Item 43-002-R0484. The motion passed unanimously.**

b. **Item 50-001-R0186—Eligibility for WICHE, WAMI, and Minnesota Dental Program; Montana University System (REVISED 504.3)**

- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 50-001-R0186. The motion passed unanimously.**

c. **Item 84-1003-R0994—Property Acquisition, Sheehan Majestic Building; The University of Montana—Missoula [withdrawn at 9/94 meeting]**

Regent Davison said Item 84-1003-R0994, which had been withdrawn at the September 1994 meeting, was being withdrawn again and would be brought back to the Board during an upcoming conference call meeting.

d. **Item 84-1601-R0994—Authorization to Establish a Student Athletic Fee; Western Montana College of The University of Montana**

Regent Davison noted that the student voter turnout on the athletic fee at Western Montana College was 40 percent; 70 percent of the students voted in favor of the fee.

- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 84-1601-R0994. The motion passed unanimously.**

e. **Item 84-2803-R0994—Authorization to Construct and Improve Parking Lot; Montana State University—Northern**

Regent Davison said several questions were raised about this item at the last meeting concerning the financing and other details. The questions had been answered, and the committee recommended approval of the item with the following addendum: "The planning and design, and plan of finance will be developed with the guidance and subject to the approval of the university president."

- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 84-2803-R0994 as amended with the language in the addendum. The motion passed unanimously.**

f. **Item 85-102-R1194—Budget Amendment-FY95; Office of the Commissioner of Higher Education**

Associate Commissioner for Fiscal Affairs Rod Sundsted said this item involved a \$97,558 grant awarded to the Commissioner's Office by the U.S. Department of Education under the State Postsecondary Review Program for Montana's State Postsecondary Review Entity (SPRE) Plan.

Commissioner Baker said the Board would receive more information on the SPRE standards at the January 1995 meeting.

- ▶ **After brief discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve Item 85-102-R1194. The motion passed unanimously.**

g. **Item 85-1001-R1194—Electronic Security Access System, Residence Halls; The University of Montana—Missoula**

- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 85-1001-R1194. The motion passed unanimously.**
- h. Item 85-1002-R1194—Renovate Basement, School of Law; The University of Montana—Missoula**
- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 85-1002-R1194. The motion passed unanimously.**
- i. Item 85-1003-R1194—Renovation to Create Student Center, Helena College of Technology; The University of Montana—Missoula**
- j. Item 85-1004-R1194—Renovation of Student Union, Western Montana College; The University of Montana—Missoula**

The University of Montana—Missoula President George Dennison explained that said these items were requests to extend the agreement to loan proceeds from the Series 1993 Bonds of The University of Montana. The projects included construction of the student union facility at the Helena College of Technology and renovation of the Student Union at Western Montana College.

- ▶ **After brief discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve Items 85-1003-R1194 and 85-1004-R1194. The motion passed unanimously.**
- k. Item 85-1005-R1194—Preliminary Bond Resolution, Facilities Improvement Revenue Bonds, Series, 1994 (REVISED); The University of Montana**

President Dennison said the Board adopted a Preliminary Bond Resolution, Facilities Improvement Revenue Bonds, Series 1994, on May 20, 1994 and authorized The University of Montana to proceed with projects at The University of Montana—Missoula, Montana Tech of The UM, Western Montana College of The UM, and the Helena College of Technology of The UM. In addition to those projects, the Board was being asked to grant authority to include three additional projects at The University of Montana—Missoula: renovation of the Lodge, expansion of Washington Grizzly Stadium, and construction of a resident facility at Lubrecht Experimental Forest. These projects would expand the issue by about \$4 million.

Chairman Kaze noted that no state dollars were involved.

- ▶ **After brief discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve Item 85-1005-R1194. The motion passed unanimously.**
- l. Item 85-1501-R1194 Grant of Easement to U.S. West for Telephone Equipment Cabinet; Montana Tech of The University of Montana**
- ▶ **After brief discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve Item 85-1501-R1194. The motion passed unanimously.**
- m. Item 85-1502-R1194 Authorization to Sell Real Property to the Montana Tech Foundation; Montana Tech of The University of Montana**

Regent Davison noted that the land in question was located within the boundaries of the Montana Tech campus. Montana Tech Chancellor Lindsay Norman distributed a handout to the Board (on file) that included a map of the property in question, a description and photographs of the site, and an explanation of the ultimate use of the property. He said the college was seeking to sell the property (seven lots) to the Montana Tech Foundation so the Foundation could construct an Office and Conference Complex. If the current Montana Tech Foundation ceased operation or in any way discontinued its current purposes in the opinion of Montana Tech, the building and property would revert wholly and without cost to the college. Chancellor Norman said the \$600 per lot to be paid by the Foundation met and exceeded the requirement for sale at fair market value.

Because the reversion stipulation and sale at fair market value were part of the proposal, Regent Davison said the committee recommended approval.

- ▶ **After brief discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve Item 85-1502-R1194. The motion passed unanimously.**

- n. **Item 85-2004-R1194—Authorization to Expend an Additional \$25,000 for Roof Repair and Replacement on the Koch and Story Towers; Montana State University—Bozeman**

 - ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 85-2004-R1194. The motion passed unanimously.**

- o. **Item 85-2005-R1194—Authorization to Construct and Improve Parking Lots; Montana State University—Bozeman**

 - ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 85-2005-R1194. The motion passed unanimously.**

- p. **Item 85-100-R1194—Staff; Office of the Commissioner of Higher Education**

Regent Davison said he asked to have this item placed on the Administrative/Budget Committee agenda for discussion. He said he realized that salaries were a sensitive issue and that Montana's average salaries were low. However, he said that they needed quality people to run the system and pointed out they were competing in a national market for faculty and staff. He noted that Commissioner Baker was hired at an interim salary of \$87,500 in June 1993 when former Commissioner John Hutchinson left the position. Although the Regents voted soon after that to remove the word "interim" from the Commissioner's title, they did not set a new salary at that time. Instead, they decided to revisit the issue at the July 1994 meeting. Since the salaries the two university presidents had been set, Regent Davison said the Regents felt they should now set Commissioner Baker's salary. He emphasized that the Commissioner's position was the chief executive officer of the university system and that the salary should reflect the responsibilities. Regent Davison said the Board was recommending an annual salary of \$98,500. **[AMENDMENT from January 19-20, 1995 meeting: "This represents a move from a probationary salary to a permanent salary, which is less than seven tenths of a percent increase over two years."]** In view of the excellent job the Commissioner was doing and because of the responsibilities required of the CEO position, Regent Davison said the amount of the raise was appropriate.

Chairman Kaze said the Board had evaluated Commissioner Baker's performance and had given him high ratings. Chairman Kaze also pointed out that Commissioner Baker was hired with the

thought that the Board would conduct a national search for a permanent commissioner. He said the \$98,500 salary would be low in a national market.

Regent Johnson stressed the importance of a strong central office and Commissioner of Higher Education. He also said the Commissioner's salary should be higher than that of the two presidents, who report directly to the Commissioner.

Regent Boylan pointed out that Commissioner Baker did a particularly good job of communicating with the students, who were the system's customers.

In response to a question, Governor Racicot said if he were a voting member he would have to be convinced that they were obtaining a market parity.

Regent Davison noted that in comparison with similar salaries in surrounding states, the \$98,500 figure was within the parameters, although at the low end.

- ▶ **After further discussion, Regent Davison moved that Commissioner Baker's annual salary be set at \$98,500 retroactive to August 1, 1994, with the contract period to extend through June 30, 1995. The motion passed unanimously.**

At 3:00 p.m., the Board recessed for a tour of The University of Montana—Missoula campus.

FRIDAY, NOVEMBER 18, 1994

The Board reconvened at 8:40 a.m.

NEW BUSINESS

a. Appeals

Chief Legal Counsel LeRoy Schramm said two voluntary termination incentive appeals had been submitted in time to be on the agenda but had not been included in the mailing. Therefore, the Board would be asked to act on seven voluntary termination incentive appeals at the January 1995 meeting.

Chief Counsel Schramm said the appeal under consideration had been denied for timeliness reasons. He said the Board could either deny the appeal or vote to hear it at the January 1995 meeting.

- ▶ **Regent Johnson said he had reviewed the material and moved that the Board deny the appeal. The motion passed unanimously.**

b. Campus Funding Priorities for Legislative Session

Associate Commissioner for Fiscal Affairs Rod Sundsted provided the Board with an overview of the Governor's Executive Budget and the system's funding priorities for the upcoming session.

President George Dennison summarized The University of Montana campuses' 1997 Biennial Budget Request (on file). He noted that the request focused attention on the need to enhance undergraduate programs, improve library resources and staffing, address access to information technologies, augment graduate education and research, meet mandates imposed by federal and state

government, supplement student services support, and resolve an office coverage problem in Facilities Services. He said nearly half the total biennial request focused on the need to enhance undergraduate education.

Montana State University—Bozeman President Mike Malone summarized the Montana State University campuses' 1997 Biennium Budget Request (on file). He focused on five strategic initiatives for the Bozeman campus: (1) undergraduate education enhancement, (2) the land grant economic program, (3) classroom modernization, (4) hazardous materials management, and (5) preventive systems maintenance. The MSU College of Technology—Great Falls' priorities included its student record system, enhancement of 100-200 level education, and library enhancements. President Malone also reviewed the needs of the Agricultural Experiment Station, the Extension Service, and the Fire Service Training School.

Bill Daehling, Chancellor of Montana State University—Northern, presented Northern's request, which included regional and program accreditation, library standards, distance learning, faculty development, and institutional transition. Ron Sexton, Acting Chancellor of Montana State University—Billings, summarized the Billings campus' priorities, including quality undergraduate classes, an enhanced advising program, enriched academic life, increased library support, "Classroom for the Twenty-First Century", instructional technology improvements, and ADA accommodations and assisted services.

The discussion that followed focused on a commitment to permanent faculty, student/faculty interaction, the proportion of faculty geared toward freshman/sophomore-level classes, library staffing in light of improved technology, and linking libraries throughout the entire system.

The Board took a ten-minute break and reconvened at 10:20 a.m.

Commissioner Baker discussed a document he prepared titled "Defining the Future," which focused on three central themes: revitalize undergraduate education, heighten public understanding of the special role the universities play in the quality of the state; and improve student preparation for the changing workforce.

Commissioner Baker also discussed six legislative initiatives for the upcoming session: (1) the new funding model, (2) maintenance of physical assets—plant and facilities, (3) development and support of human assets, (4) full integration of the community colleges into the university system, (5) financial aid based on community service, and (6) campus initiatives.

(c) Land Board Request—re: Fort Missoula

Chief Legal Counsel LeRoy Schramm referred to an October 26, 1994 letter sent to Jim Kaze on behalf of the Land Board from Arthur R. Clinch, Commissioner, Department of State Lands. The letter asked the Regents to (1) communicate with the developers (the Greens at Fort Missoula) to determine whether there was an inclination on the part of the contracting parties to rescind the Fort Missoula sale agreement, and (2) to negotiate an agreement with the Land Board to define a process for future sales of university property.

Chief Counsel Schramm provided the Board with a chronology of events that led to the current controversy surrounding the Fort Missoula sale. He also reviewed the history of the Board's statutory authority to sell campus land and summarized the current legal issues involved. He distributed a letter to the Board (on file) addressed to Arthur Clinch from Jim Kaze that would serve as the Board's acceptance of the two requests set out in Mr. Clinch's October 26, 1994 letter on behalf of the Land Board. Chief Counsel Schramm said the Land Board was scheduled to meet November 21, and he would present the letter from the Regents at that time.

- ▶ **After brief discussion, Regent Johnson moved that the Board approve the letter addressed to Arthur R. Clinch, Commissioner, Department of State Lands, from Jim Kaze, Chairman, Board of Regents, thereby agreeing to the Land Board's October 26, 1994 request. The motion passed unanimously.**

COMMISSIONER'S REPORT

Commissioner Baker reported briefly on negotiations underway to fully merge Flathead Valley, Dawson, and Miles community colleges into the university system. The Board also heard brief remarks from President David Beyer of Flathead Valley Community College, President Don Kettner of Dawson Community College, and President Jud Flower of Miles Community College concerning their local boards of trustees' responses to the current negotiations. Primary concerns included potential mission drift, maintenance of facilities, in-district tuition increases, and transfer of college properties.

Commissioner Baker said the meetings to discuss the merger were continuing, and he would have more information for the Board at the January 1995 meeting.

CAMPUS REPORTS

President Malone distributed several documents to the Regents, including a brochure describing the Montana State University campuses, and a copy of an article on John R. Horner, a paleontologist at the Museum of the Rockies, from the November 16, 1994 *Chronicle of Higher Education*.

With no other business to come before the Board, the meeting adjourned at 11:40 a.m.