



**MINUTES**  
**Montana Board of Regents**  
Conference Call  
January 12, 2017

**Thursday, January 12, 2017**

The meeting convened at 9:30 AM

Roll call indicated a quorum present.

Regents Present: Paul Tuss, Chair; Fran Albrecht, Vice Chair; Bill Johnstone; Martha Sheehy; Casey Lozar; Bob Nystuen, and Levi Birky were present. Ex officio members included: Commissioner of Higher Education Clayton Christian; Ex officio Governor Bullock was represented by Ms. Siri Smillie and Ex officio Superintendent Arnzten was present.

Approval of Minutes

- November 17-18, 2016 Meeting Minutes

A motion for approval of the November 17-18, 2016 minutes was made by Regent Johnstone. Motion passed 7-0.

- December 6, 2016 Executive Conference Call Minutes

A motion for approval of the December 6, 2016 minutes was made by Regent Nystuen. Motion passed 7-0.

Commissioner's Report

- Legislative Update

Commissioner Christian provided a legislative update. He noted recent actions taken on House Bill 2, the bill that contains education unit funding for campus programs, MUS agency funding, graduate medical education exchange program funding, non-beneficiary student funding for tribal colleges, and more. He noted that the Legislature's starting point for developing budgets for the next two years is almost 5% lower than current level. In our subcommittee on Tuesday, a series of motions were passed to remove about \$23M in state general funds from the MUS in the next biennium (Fiscal Years 2018 & 19 combined). Higher education was not singled out in this action, as all sections of state government are subject to essentially the same budget motions. He briefly discussed House Bill 5 and some pending HB 5 amendments which contain a number of authority-only projects for the MUS. This bill would provide statutory authority to the MUS to construct or make improvements in facilities using non-state funds. Examples of non-state funds include federal special revenue, donations, grants, auxiliary funds, or proprietary funds. The bill as introduced includes \$6M in general authority for UM to improve existing campus facilities.



He discussed House Bill 14, which is a major construction bill with proposed statewide projects that includes Romney Hall, the top LRBP priority of the BOR. This bonding bill includes Romney Hall and designates \$25M in funds and \$3M in authority for this long overdue project. The MUS team is creating a better awareness among legislators of the student needs that will be served by Romney Hall than we have been able to do in the past. This is largely because of the hard work MSU has put into planning and design. Commissioner Christian also discussed Senate Bill 85 – 6-Mill Levy, this bill means about \$20M per year to the educational units of the MUS and is a Montana tradition that illustrates Montanans support of higher education. OCHE is providing information to Senator Mary Sheehy Moe, to members of the Montanans for Higher Education organization, and others about the impact and purpose of the 6-mill levy funds. Discussion followed.

- MHE SAC Update

Mr. Ron Muffick provided an update on Montana Higher Education Student Assistance Corporation (MHE SAC). He reminded the board of the relationship between the Board of Regents, the history of involvement and future involvement with the Board and the Commissioner's Office. He noted that MHE SAC was originally authorized by the Board of Regents and founded in 1980 as a private non-profit corporation that would provide a secondary market for student loans in Montana using tax exempt financing. Regent involvement with MHE SAC was quite significant from the founding in 1980 until about 2007 with Board of Regent members serving on the MHE SAC Board. In 2007-08 due to political climate and the financial crisis some separation was implemented. In 2010 with the federal government takeover of student loans, by the direct loan program, resulted in further decrease in board involvement. MHE SAC and SAF have gone through some organizational changes in order to address sustainability issues which they have now completed and resulted in a new spin off public benefit group called Reach Higher Montana. In 2011-12 a Memorandum of Understanding was executed between MHE SAC and OCHE which clarified the relationships of the two. An updated MOU has been recently drafted and executed it this week which clarifies the roles and working relationship between SAF, MHE SAC, RHM and includes OCHE and the BOR taking a more active role with MHE SAC and its public benefit programs through reach higher Montana. The next order of business for the Board as it relates to MHE SAC would be determining the Board or Regent member to serve on the MHE SAC board and the Commissioner will work with the Regents Chair to determine the representative. Discussion followed.

Superintendent of the Office of Public Instruction Elsie Arnzten, spoke to the importance of existing partnerships across education and spoke to her excitement about continuing these excellent efforts.

- Campus Reports
- Other

Commissioner Christian provided an update related to the UM Presidential Search. He noted that OCHE/MUS has contracted with AGB Search – Association of Governing



Boards to conduct that national search. To date, the Commissioner has been working closely with the two assigned national search consultants; listening sessions were recently conducted with a variety of groups on the UM campus to help gain insight and help shape the position advertisement. He discussed the tentative timeline schedule, noting the goal to select and convene a formal search committee, host a meeting and finish the job profile by the end of January. Commissioner Christian noted the make up that is intended for the search committee including students, faculty and staff, members from the local community, etc. Discussion followed.

### CONSENT

- a. Request for Authorization to Replace the City College Roof; MSU-Billings *ITEM 174-2703-R0117 | Attachment #1 | Attachment #2*
- b. Request for Authorization to Execute a Utility Easement with City of Sidney, MT; Montana Agricultural Experiment Station *ITEM 174-2301-R0017 | Attachment #1*

### Staff Items

- a. OCHE; *ITEM 174-100-R0117*
- b. UM-Missoula; *ITEM 174-1000-R0117*
- c. MT-Tech; *ITEM 174-1500-R0117*
- d. UM-Western; *ITEM 174-1600-R0117*
- e. MSU-Bozeman; *ITEM 174-2000-R0117*
- f. MSU-Billings; *ITEM 174-2700-R0117*
- g. MSU-Northern; *ITEM 174-2800-R0117*
- h. Great Falls College-MSU; *ITEM 174-2900-R0117*

### Emeriti Faculty

- i. Ross; MSU-Bozeman; *ITEM 174-2001-R0117*
- j. Khaleel; MSU-Billings; *ITEM 174-2701-R0117*
- k. Robinson; MSU-Billings; *ITEM 174-2702-R0117*
- l. Gable; MSU-Billings; *ITEM 174-2704-R0117*

Commissioner Christian recommended that staff items a. – h. be removed from the consent agenda to allow for time and clarity before these administrative adjustments are made; he suggested that action not be taken on these items today. Discussion followed. Regent Sheehy made a motion to approve consent items a. and b. items: 174-2703-R0117 and 174-2301-R0017, as well as the emeriti items listed, consent items i. – l. items: 174-2001-R0117, 174-2701-R0117, 174-2702-R0117 and 174-2704-R0117; but requested that staff items a.-h. items: 174-100-R0117, 174-1000-R0117, 174-1500-R0117, 174-1600-R0117, 174-2000-R0117, 174-1700-R0117, 174-2800-R0117 and 174-2900-R0117 be moved from the consent agenda to action. Motion passed 7-0.

### ACTION

- a. Amendment of Previously Approved Authorization of \$5 Million for



## MONTANA UNIVERSITY SYSTEM

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the Washington-Grizzly Champions Center; UM-Missoula *ITEM 174-1002-R0117 | Attachment #1*

Deputy Commissioner Chuck Jensen presented this request before the Board for authorization to adopt amendments to Item 165-1001-R1114, approved November 21, 2014, to comply with Montana Board of Investments' (MBOI) requirements for agency authorization for an INTERCAP Loan, as indicated below. Discussion followed.

A motion for approval of action item a. item 174-1002-R0117 was made by Regent Albrecht; motion passed 7-0.

- b. Policy Revision for Transfers in Interest in Real Property BOR  
Policy 1003.6; OCHE *ITEM 174-102-R0117 | Attachment #1 | Attachment #2*

Chief Legal Counsel Viv Hammill presented this request for the Board of Regents to authorize the adoption of suggested revisions to BOR Policy 1003.6 –Transfers of interests in real property. Discussion followed.

A motion for approval of action item b. item 174-102-R0117 was made by Regent Nystuen; motion passed 7-0.

- c. Level II Executive Summary | Supporting Documents

Deputy Commissioner Cech presented this item for request to authorize the offering of a Master's of Science degree program in Data Science for the University of Montana. Discussion followed.

A motion for approval of the Level II item, M.S. in Data Science from UM-Missoula was made by Regent Albrecht; motion passed 7-0.

- d. Revised Staff Items – Item 174-101- R0117

Chair Tuss noted that the staff items a. – h., previously listed on the consent agenda, are now listed as action item d. item 174-101-R0117. Commissioner Christian presented this request before the board. Noting that this includes: the position of interim head coach of women's soccer at MSUB; interim chancellor position at MSUB; head coach for men's baseball at MSUB; president position at UM; and a professor position in plant science and plant pathology at MSU. Discussion followed.

A motion for approval of action item d. item 174-101-R0117 was made by Regent Johnstone; motion passed 7-0.

### **INFORMATION**

- a. Policy Revision 970.1 Financial Affairs - Biennial Allocation of State Funds to Montana University System Campuses | *Draft Policy*

Deputy Commissioner Chuck Jensen presented this information item noting the plan to bring it forward at the March Board meeting for action. He explained that this request



asks for the Board's approve to revise Policy 970.1, Biennial Allocation of State Funding to Montana University Campuses, to amend procedures for allocating state funding to the campuses of the Montana University System. Discussion followed.

b. Enterprise Risk

Deputy Commissioner Chuck Jensen updated the board related to efforts underway to better manage risk across the system. He reviewed the history and efforts to date related to this topic. Plans going forward include working with campuses to identify the top ten areas that need additional guidance or policy strengthening. Sharing of best practices, amongst campuses will also be very helpful. Discussion followed.

c. BOR Naming Policy 1004.1 *Draft Policy | Redlined Version*

Regent Albrecht discussed the draft policy noting that they are seeking input from foundation leaders from across campuses and wish to ensure that these changes have no unintended consequences for gifts made. Regent Sheehy discussed the process behind this draft policy. She noted that they are anxious to hear back from campuses on how this proposed draft policy will impact and affect individual campuses. The timeline was discussed. Regent Sheehy asked that the draft policy be shared with campus foundation staff to give them an opportunity to share their comments over the next month so that a revised document can be prepared for the March Board meeting. Discussion followed.

Student Appeal

Regent Tuss explained the process related to the student appeal. No motion was made; therefore, the Commissioner's decision is upheld.

Public Comment

Dean Susan Wolff of Great Falls College-MSU spoke to the importance of remembering the two-year colleges in relation to the allocation of resources and the required services they must provide to call students.

Meeting Adjourned at 12:45pm

Executive Session

- Honorary Doctorate Nomination – MSU Bozeman
- Honorary Doctorate Nomination – UM Missoula



# MONTANA UNIVERSITY SYSTEM

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Approved by the Board of Regents on

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Date

\_\_\_\_\_  
Date

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

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Paul Tuss  
Chair, Board of Regents