Members Present: Betsey Pitts, Nancy Blake, Stacey Scott, Patty Inskeep, Nancy Filbin, John Usher for Julie Tatarka, Jeff Davis for Jeff Butler

Members Absent: Carolyn Plumb, Matt Rognlie,

Others Present: President Geoff Gamble, Mary Byron, Sara France

President Gamble

• Budget
  ▪ A pay bill approved by the governor increases, about $50/month, the employer contribution for health insurance. The state is contributing to hold costs down.
  ▪ There will be a one-time $450 bonus to all state employees who are at or below a yearly salary of $45,000. It is not known if this will also apply to those employees in higher education, however. The BOR must approve. This bonus discussion will also form part of union negotiations.
  ▪ The general appropriations bill (money that comes to the university system) has been through the house and sits before the senate finance committee. Each year, the university calculates the inflationary costs for the university, and it is anticipated that all campuses would need $31M to cover inflationary costs for years 2010 and 2011. Subsequent discussions moved the amount down to $27M. Revenue projections for the state have progressively gone down and as those revenue projections dropped, the revised budget provided no new funding for inflationary costs and would equal what it is now. More clarification of the budget will take place this week and into the next.
    ▪ Of the $18M proposed, the governor would not like a tuition increase for the next two years. Students, however, gave compelling arguments to the BOR why tuition should not be capped. Incremental increases are manageable; back filling with a large increase will put an unnecessary burden on new, incoming students. Additionally, capping tuition and not providing full funding to backfill for loss of tuition will impact services for students such as fewer faculty, fewer students per class, etc.
    ▪ We may not see a salary increase for the next two years. Vacancy savings moved from 4% to 7%; foregoing salaries at the 7% rate, thus reducing our budget $2.8M. Montana is still in the black, however.
    ▪ Other states are experiencing larger budget cuts and eliminating entire programs.
    ▪ UPBAC reallocated $50,000 of annual base funds to enhance some programs; reallocation, however, means they took it from somewhere else.
  ▪ Stimulus
    ▪ $40M in stimulus money was allocated to Montana for higher education; however, it was then removed from our appropriations and the net gain was 0. President Gamble stated that this is a frequent phenomenon during budgeting and he was not surprised.
    ▪ We don’t know what the state funding is. The state gives a lump sum of money to the BOR and they give it to the universities. There is a very strong shift to two-year education, so we may be seeing less; it is not certain.
  ▪ Research
    ▪ The governor has an interest in our research. He would like more oversight and would like to do some things differently. There is a new study called the Delta Project. It listed 100 research universities and in terms of those universities providing education to students, MSU has the lowest cost in the nation – 63% of the national average which means it takes other universities more money to educate students; MSU does it more efficiently. MSU faculty teach 16% more student credit hours than the average of other research universities.
• Enrollment & Retention
  ▪ We don’t know where we are with respect to enrollment and retention. Each student not retained is a $4000 loss to the university. Retention is something everyone helps to control on this campus. Our freshmen classes in 2006 and 2007 returned a higher rate of sophomores than in any preceding year; in 2008, in spring, we had a higher rate than any preceding year.
  ▪ Challenges in retention come from the bottom 20% of those attending college and, for whatever reason, are not destined to go to college. However, President Gamble stated that we should not cease trying to help them.

• President Gamble is Retiring
  ▪ President Gamble and his wife, Patricia, had decided several years ago that he would end his 25-year career as an administrator in 2009. He came to MSU in December 2000. Their decision was reinforced by Patricia Gamble's diagnosis with breast cancer in 2008, the declining health of his 87-year-old mother and the birth of a new grandchild in January, said Gamble, who will be 67 in June. Patricia Gamble has received treatment and is in good health. The couple plans to spend more time with family and traveling around the state. Gamble, who holds a doctorate in linguistics, also plans to teach one or two courses annually in MSU's Department of Sociology and Anthropology. "In retirement, you'll still see me around campus," Gamble said in his letter. Montana Commissioner of Higher Education Sheila Stearns will conduct a search for Gamble's successor on behalf of the Montana Board of Regents. Gamble will stay in office until new leadership is found, even if that carries him into 2010, he said. Shared governance is important to President Gamble. He recognizes the important relationship between broad participative governance and the education of students that graduate with the knowledge and skills to be informed, productive, and contributing citizens of Montana and the Nation. Shared governance at MSU is a dynamic set of processes, which provide a critical foundation that actively supports the University's two primary functions: the creation and dissemination of knowledge. Input from all campus constituencies, the faculty (Faculty Senate), professional employees (Professional Council), classified staff (Staff Senate), and students (ASMSU), provides advice, direction, and perspective to the institution's administrative leadership about issues, policies, and procedures that impact the direction and quality of the University's instruction, research/creative activity, and service programs. President Gamble believes many of the goals he has reached on campus is because of shared governance.
  ▪ If shared governance is a concept that professionals value, they should speak up about maintaining that philosophy on this campus. He stated that professionals should think about what attributes they are looking for in a new president and that they should articulate those at the right time; “We need to have our voice out there clearly and loudly.”
  ▪ The university is in good financial shape. It needs to continue to be aggressive in its capital campaign, and there is a good team in place at the Foundation which President Gamble helped to restructure. For January, they have raised, in cash gifts and cash pledges, $675,000. Additionally, they received a $1M gift. When President Gamble first came to MSU, the endowment was about $43M; it is now $120M. It is still short and should be, minimally, $300M. Campuses that are successful in campaigns ride the crest of rising economies, and President Gamble believes his retirement timing will allow the new president to participate and take advantage of this rising economy to add to the university’s funds. At that time, MSU should be able to raise $130-150M; half of which will go as a cash infusion to the university to get it where we should have been 5-10 years ago.
  ▪ President Gamble believes the search for his replacement will take place after the legislative session. Because President Gamble’s search committee was comprised of all constituent groups, he believes someone from professionals will be selected and serve on the committee, as well. He will step away from the process completely, however.

Signature
Sheryl Dettmann, Chair
Signature
Gale Gough, Secretary