

December 5, 2003

STATE BOARD OF EDUCATION RECEIVES U OF I MANAGEMENT REVIEW

Report is anticipated to be released to the public next week

(Pocatello)- The summary of the management review of University Place-Boise project was presented to the State Board of Education today by Larry Prince, an attorney at Holland & Hart, today during an executive session of the regularly scheduled Board meeting. The management review was commissioned the by the Board in April following a report from the University of Idaho indicating problems with financial aspects of the project.

In March 2002, the legislature authorized \$136 million for the University Place - Boise project. In pursuing the \$136 million property development initiative in downtown Boise, the University of Idaho Foundation borrowed \$28 million for project development costs, including \$10 million borrowed from the University of Idaho. Although officials at the University authorized these loans to the foundation, the State Board of Education was not notified nor did the Board approve the transactions.

A motion was passed by the Board to authorize the release of the management review following an evaluation by the Attorney General's office. President Blake Hall indicated that copies of the report would be available to the public after 1 p.m. Tuesday, December 9, 2003.

During the presentation to the Board, Prince reported that the firm spent approximately 5000 hours on the investigation. The complex process included interviewing 55 individuals with some interviews lasting full days, reviewing hundreds of thousands of pages of documentation. The report is 600 pages in length, single-spaced.

"The Board is anxious for this report to made public. We felt it imperative that an outside party investigate this matter and give the public the answers it deserves," said Hall. "I've appointed a sub committee consisting of myself, Rod Lewis and Laird Stone to evaluate the report and set policies and procedures so that similar situations will not happen in the future.

Other matters addressed during the Board meeting include:

Hall shared a letter from Ron Tomalis, Acting Assistant Secretary of Education indicating that Idaho has met all requirements of the May 1, 2003 deadline associated with the "No Child Left Behind Act." Tomalis complimented the State for its "swift attention" to these requirements.

The Board heard a report from the Presidents' Council on a study examining access to higher education in Idaho. The Presidents are pursuing the Board's goal in making higher education accessible to all Idaho residents. A group of student body presidents from the state's universities addressed the Board on the topic of student fees. The Board acknowledged the importance of striking a balance between providing adequate funding for higher education and maintaining a level of fees that makes higher education accessible to students.

The Board also took action that established a competency score in content knowledge for new teachers entering into the profession. These teacher candidates are required to take the Praxis II as part of Idaho's plan to assure that "highly qualified teacher" is in every classroom. This "highly qualified teacher" requirement is an integral part of the "No Child Left Behind Act".

The Board took action to organize a LEP Subcommittee to work with leaders of minority communities to create a comprehensive plan to assure all Idaho students have the opportunity to succeed academically at all levels. Idaho faces real challenges in many of our minority populations and the committee will examine those issues and recommend actions that support the accountability goal of 100% proficiency in math, science and reading.

The State Board of Education is the constitutional entity charged with oversight of Idaho's Public and Higher education systems.