

**PLANNING, POLICY AND GOVERNMENTAL AFFAIRS AGENDA
NOVEMBER 14-15, 2001**

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SUBJECT

Progress Report: University of Idaho

President Hoover will give the report

**A Progress Report From the
University of Idaho**

**November
2001**

PLANNING, POLICY AND GOVERNMENTAL AFFAIRS AGENDA
NOVEMBER 14-15, 2001

Introduction

I am pleased to provide you with a progress report on the performance of the University of Idaho. As we suggested to you when we discussed the development of this reporting format, we intend to provide you with three distinct reports over the course of the year that when taken together will give you with a comprehensive summary of our performance. This report addresses the following areas:

- Financial Performance
- Capital Planning and Capital Outlay
- University Advancement
- Brand Management
- Information Technology
- Planning and Budgeting

Future reports will cover other operational areas.

To supplement this report, we have prepared a CD-ROM that contains a wide array of supporting materials and documents, such as audited financial statements and long-range campus development plans. We will distribute the CD-ROM at the November meeting. If you need more detail on any issue, or would simply like to review the quality and depth of our work, then you can access that information using a web browser with an Adobe Acrobat plug-in. We will update this CD-ROM with each progress report so that you have convenient access to a comprehensive library of information about the University of Idaho.

Respectfully submitted,

Robert Hoover
President

Financial Performance

Consistent with our Strategic Plan, we have developed a financial plan that establishes financial goals and tracks financial performance. Previously, we have briefed the Board on this plan, and a copy of it will be included in the supporting materials that we will distribute at the November meeting. The plan was developed to provide the UI administration and the Regents with the following comparative indicators that are readily and accurately calculated for peer institutions from audited financial statements: financial health, diversity and adequacy of revenues, alignment of expenditures, debt capacity/leverage and various market demand ratios including student enrollment.

Financial Health

Analysis can serve as a yardstick to measure the use of financial resources to achieve the institution's strategic plan and mission.

UI uses the Title IV Financial Responsibility Standards developed for the U.S. Department of Education by KPMG Peat Marwick to monitor our overall financial health and benchmark our performance against the performance of our peers. (Because audited financial statements from our peers for fiscal 2001 are not yet available, we have not yet benchmarked our performance in fiscal 2001 against our peers.)

The financial responsibility standards utilize the following three ratios for determining the overall health of an organization. These ratios are more completely and fully described in our financial plan.

The **viability ratio** measures our ability to liquidate debt from our expendable resources.

Viability Ratio = Expendable Fund Balances / Plant Debt

UI FY01 viability ratio = 0.53

Good Threshold is 1.0 to 1.99

Peer average for FY99 = 1.51

The **primary reserve ratio** measures our ability to support current operations from expendable resources.

Primary Reserve Ratio = Expendable Fund Balances /
Total Expenditures & Mandatory Transfers

UI FY01 viability ratio = 0.16

Good Threshold is 0.20 to 0.44

Peer average for FY99 = 0.24

The **net income ratio** measures our ability to live within our financial means in a given fiscal year.

Net Income Ratio = Net Total Revenues / Total Revenues

UI FY01 viability ratio = 0.007

Good Threshold is 0.010 to 0.029

Peer average for FY99 = 0.023

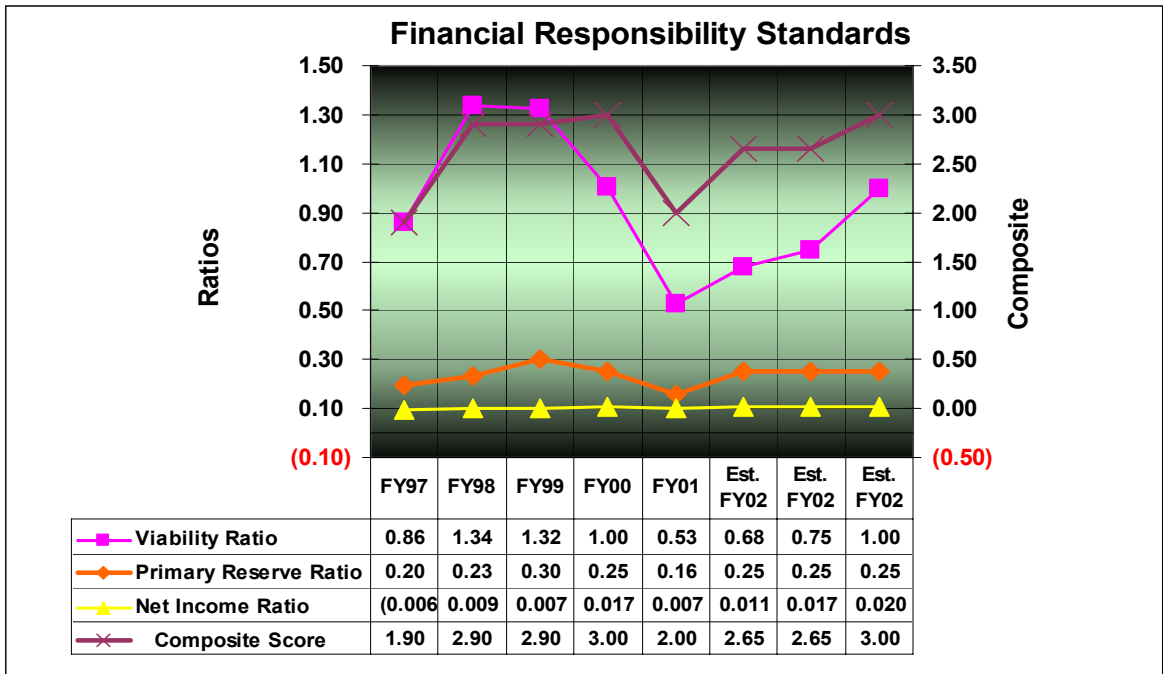
Under state financial policies, the highest possible rating category for a public university in Idaho is 2, Financially Sound.

A composite score is derived from these primary ratios and interpreted according to the following scale:

<u>Category</u>	<u>Composite Score</u>
1 – Excellent Financial Health	4.00 to 5.00
2 – Financially Sound	2.50 to 3.99
3 – Financially Challenged	1.75 to 2.49
4 – Financially Stressed	1.00 to 1.74
5 – Financial Problem	>1.00

Under state financial policies, the highest possible rating category for a public university in Idaho is 2, Financially Sound.

The following chart summarizes our financial performance in fiscal 2001 and places our performance in context.



For fiscal 2001, our composite score was 2.00, or financially challenged. This composite score reflects a difference in performance from prior years. Net income for FY01 did not increase over FY00. Expendable fund balances continued to decrease while long-term debt grew. This indicates that we spent prior year fund balances to support current year operations. As a result, expendable fund balances did not grow. Expendable fund balance growth is a key factor affecting two ratios that account for 80% of the composite score. Thus the decline in our expendable fund balances has largely driven the decline in our composite score.

To improve our performance, we will need to rebuild adequate reserves in all funds, limit increases in additional debt, and monitor the net revenues of all self-supporting activities to assure they are living within their means and planning for adequate reserve balances.

The peer average for FY99 was 3.00, financially sound, and our goal is to equal the performance of our peers. To attain this goal, we will need to carefully monitor our revenue and expenditure growth relative to future debt growth and rebuild adequate reserves. We will also monitor the net revenues of all self-supporting activities to assure they are living within their means and planning for adequate reserve balances.

To achieve our projected financial results, we will need to make changes in our organizational structure, our program array and our operating practices while simultaneously growing revenues.

Our projections for the next three years reflect a stable financial position with modest growth resulting in a slightly better financial performance than that of fiscal 2001. However, these projections were developed before the recent announcement of budget reductions in fiscal 2003. In order to achieve these projected financial results we will need to make changes in our organizational structure, our program array, and our operating practices while simultaneously growing revenues.

Capital Improvement Plan

A key infrastructure goal for us is to “plan, develop, manage, and maintain buildings, grounds, and physical infrastructure of the university.” Through comprehensive planning, strategic leveraging of both financial resources and partnerships, and disciplined implementation, we are accomplishing this goal.

We have established and implemented our capital improvement plans to ensure that all role and mission areas have the necessary infrastructure to be successful.

We have established and implemented our capital improvement plans to ensure that all role and mission areas have the necessary infrastructure to be successful. Capital plans are attentive to priority program, market, and user needs. Projects are planned and designed with flexibility in mind so that these important facility resources continue to be responsive to changing needs over time.

CAPITAL PLANNING PROCESS

To ensure that capital investments respond to the institution’s role, mission and goals, our capital plans are developed within the context of our Strategic Plan and Financial Plan. We also utilize the following portfolio of complementary planning processes and documents to develop and implement our long-range and annual capital improvement plans.

- Long-Range Master Development Plans:
Provide the physical framework for developing multi-building properties owned and/or operated by UI.
- 10-Year Capital Improvement Plan:

Provides a long-range comprehensive plan for capital responses to our statewide strategic plans.

- Annual Capital Improvement Plan: Aligns financial resources with specific capital initiatives to be funded over a fiscal year period.
- Project Planning Guides: Refine the scope, schedule, and budget parameters for specific facility initiatives.

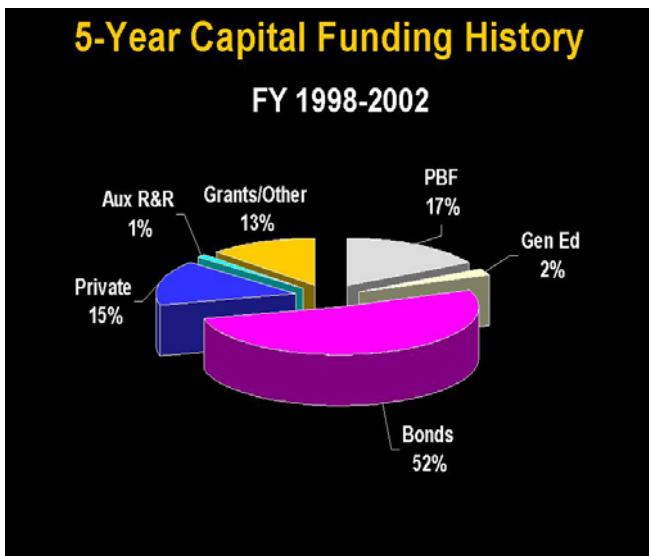
Copies of these plans and procedures are included in the supporting materials that we will distribute at the Regents meeting in November.

Our capital plans are updated annually to consider and prioritize emerging needs and trends. Any new capital project requests are aligned and prioritized within our 10-Year Capital Improvement Plan.

FINANCING CAPITAL PROJECTS

Consistent with recommendations of the 1990 Blue Ribbon Report on Capital Financing for Idaho Higher Education, we utilize industry benchmarks to gauge funding adequacy for various types of capital investments (e.g., maintenance, renewal, growth, etc.).

The report also recommended that institutions seek financial assistance from private and other public sources in addition to the Permanent Building Fund. We have been very successful in this regard, and this is illustrated in the accompanying chart which demonstrates significant investments by students, extramural grants and contracts, and private donors in addition to state resources.



We have facilitated and actively participated in statewide collaborative ventures...

We have facilitated and actively participated in statewide collaborative ventures that enhance effective use of resources by providing collocation and sharing of space. As we identify and invest in collaborative and market-responsive program opportunities around the state, we are also greatly enhancing partnership opportunities for capital investments.

IMPLEMENTATION AND ACCOMPLISHMENTS

Residential Campus of Choice

In 1996, we adopted a “University Center Concept” and related facility initiatives whose aim is to “realize the attributes of our preferred living and learning environment at the University of Idaho.” Since that time, we have successfully implemented the following facility initiatives in support of our residential campus initiative.

Initiative	Budget	Funding	Completion
Idaho Commons	\$19.6M	Student Fees, Private Funds	Complete
Enrollment Services Center	\$ 5.5M	Bonds	Complete
POLYA Math Learning Center	\$ 0.8M	Bonds	Fall 2001
Student Recreation Center	\$21.0M	Student Fees, Private Funds	Winter 2002
J. A. Albertson College of Business & Economics	\$14.8M	Private Funds	Spring 2002
Teaching & Learning Ctr	\$12.6M	PBF	Fall 2003
Student Housing	\$34.2 M	Revenue Bonds	Fall 2003/2004
Vandal Athletic Center	\$ 5.7 M (Ph. 1/design)	Private Funds, Bonds	Fall 2001 (Ph. 1) Future (Ph. 2&3)
Performance & Education Facility	\$44.2M	PBF, Federal, Private Funds	Future (in planning)
A&A Center for Design Technology	\$ 7.5M	PBF, Private Funds, Other	Future (in planning)
Parking and Entrance Improvements	\$ 3.8M	Bonds	Fall 2000 Fall 2001

Globally Competitive Center for Research

The plan will address deficiencies in current research facilities and prepare for future growth in extramurally funded research.

We recently established a task force to develop a plan of action for the university’s goal to be a globally competitive center for graduate education and research. One of the initiatives in that plan is to build “multidisciplinary science and technology facilities on the Moscow campus and throughout the state.” We are conducting a comprehensive analysis of research space and facility needs and are developing an implementation plan to address those needs. The plan will address deficiencies in current research facilities and prepare for future growth in extramurally funded research. Research facilities included in the Capital Improvement Plan and currently in planning, design, or construction include:

Initiative	Budget	Funding	Completion
Hagerman Aquaculture Lab	\$ 1.95 M	PBF, Grants, Private Funds	Future (in Design)
Food Innovation Center	\$ 1.36M	Grants, Private	Future (in Design)
Center for Science and Technology (Idaho Falls)	\$12.0M	Grants, Other	Future (in Planning)
Multi-Disciplinary Research and Education Facility	\$35.0M	PBF, Other	Future (in Planning)
Campus-Wide Lab Improvements	\$15.0M	PBF, Other	Future (in Planning)
Renfrew Hall Renovation, Phase 6	\$ 0.8M	PBF	Future (in Planning)

Outreach

A key to expanding our capacity and delivery of outreach programs is providing the physical infrastructure needed to support these activities.

A key to expanding our capacity and delivery of outreach programs is providing the physical infrastructure needed to support these activities. These facilities support collaborative programs that provide increased access to education to a diverse student base and that enhance regional and statewide economic development. In planning outreach facilities, we have and are collaborated with educational, governmental, and business partners to provide full-service facilities in a cost-effective manner. Outreach facilities included in the Capital Improvement Plan and currently in planning design, or construction include:

Initiative	Budget	Funding	Completion
Post Falls UIRP Multi-Tenant Facility, Phase 2	\$ 3.95M	Federal Grants, Debt Financing	May 2002
Center for Science and Technology (Idaho Falls)	\$ 12.0M	Grants, Other	Future (in Planning)
Idaho Place *	<i>UI Foundation</i>	<i>UI Foundation</i>	Fall 2003
Idaho Water Center (Boise) *	<i>UI Foundation</i>	<i>UI Foundation</i>	Spring 2003
Harbor Center (Coeur d'Alene)			Acquisition in progress

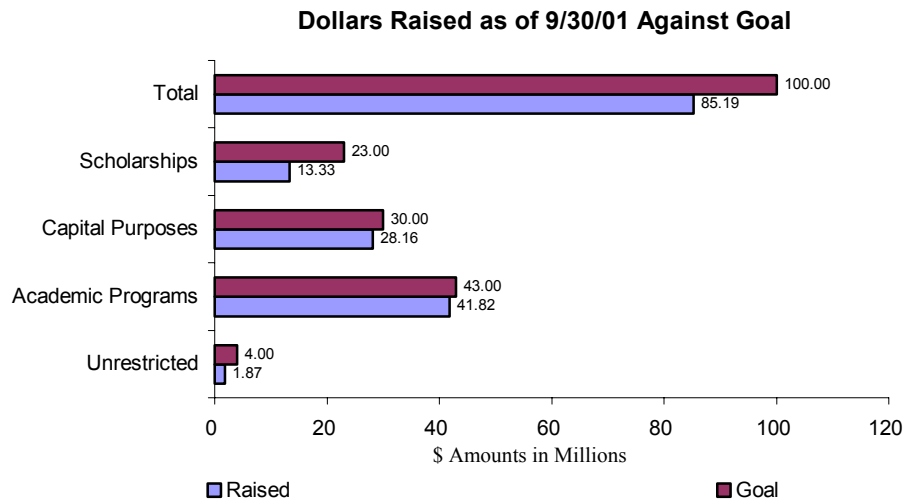
University Advancement

The University of Idaho Foundation raises private gifts, manages these funds, and uses them to benefit our programs and activities. We manage and leverage private funds to maximize the benefits to our programs. For example, we have been able to leverage our history of fundraising success to acquire a bank loan that has allowed us to move ahead with construction of the J.A. Albertson building, at the same time that we are receiving payments on pledged gifts.

The UI Foundation is bringing a \$140 million educational, retail, office and residential development into the heart of Boise.

We have moved the UI Foundation into a class of national foundations that have been able to use their private status in extraordinary ways for the benefit of the public institutions they support. The UI Foundation is bringing a \$140 million educational, retail, office and residential development into the heart of Boise. The facilities will be shared by several institutions of higher education, at no additional cost to the Idaho taxpayer.

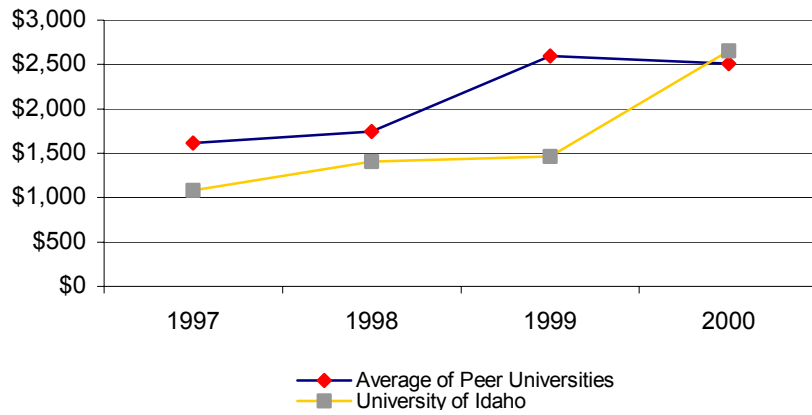
In its primary role of fundraising, the Foundation has increased private support from \$8.5 and \$10 million annually in the 1990's to annual contributions of \$28 million a year at present. We have raised \$85 million against the initial Campaign for Idaho goal of \$100 million, with the campaign scheduled to continue through June 30, 2004.



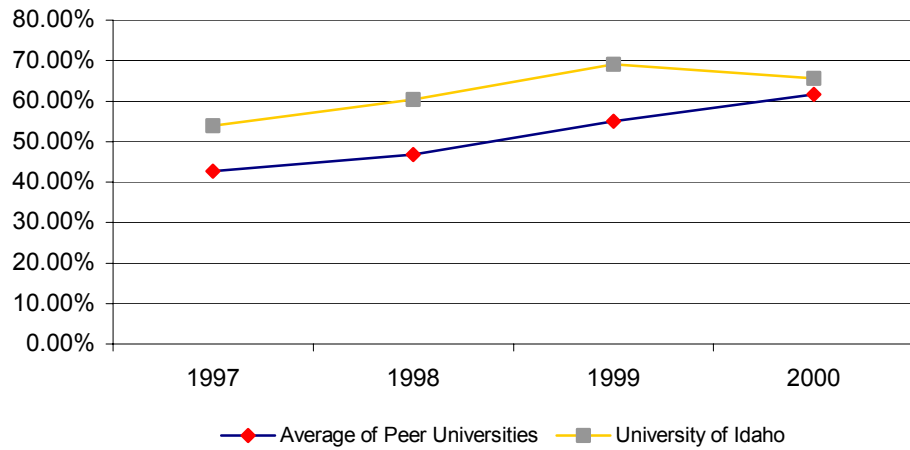
While all this is good news, you can best measure our real progress over time by comparing us with our peers. For four years we have been part of the Voluntary Support of Education survey, a national survey run by the Council for the Advancement and Support of Education (CASE). The survey standardizes data definitions so that gift reports are comparable among institutions. We set our performance goals as follows:

- Increase fundraising results so that we are raising \$3,000 for every FTE student we have.
- Increase endowment to equal 100% of E&G budget. This is a recognized standard for a healthy endowment for a public institution
- Increase the annual gift receipts to equal 20% of E&G budget. This would mean raising \$35 million per year, at today's budget level.

Gifts Per FTE Student

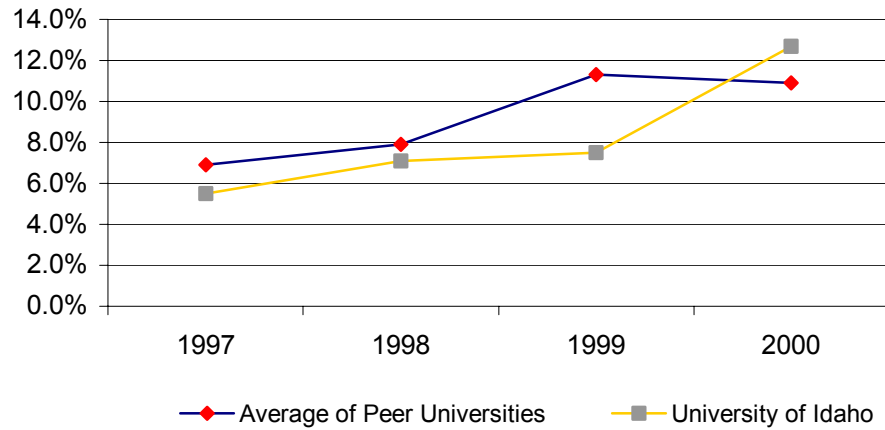


Endowment Dollars as Percentage of Total E&G Budget



... you can best measure our real progress over time by comparing us with our peers.

Gifts As A Percentage of Total E&G Budget



More detailed peer comparisons are provided in the supporting materials that will be distributed at the November meeting along with the UI Foundations' audited financial statements for the past several years.

Brand Management

The good reputation that the university enjoys among constituency groups around the state is the product of extraordinary leadership and thoughtful, measured marketing communication tactics. Market research-based strategies have turned a "remote and distant" location into a distinctive of a residential campus through a multi-media advertising campaign. Likewise, coordinated communications has improved the awareness of the university statewide, specifically in Idaho Falls, Boise and Coeur d'Alene.

Concerted efforts in aligning the university's identity, from logo usage to the consistent visual design on printed materials, has also served to unify the university's once disparate identity into a model for universities around the country.

The University of Idaho's "National Marketing Initiative" is a natural extension of the university's five-year-long image enhancement effort

The University of Idaho's "National Marketing Initiative" is a natural extension of the university's five-year-long image enhancement effort within the state. By extending the university's marketing communication activities throughout the Pacific Northwest and targeting specific audiences nationally with highly-targeted direct communications, the university intends to increase its awareness regionally, enhance its stature nationally and increase the interest of out-of-state and select under-represented student populations. While extensive market research activity is underway to become more effective at identifying and recruiting students generally, the university is developing specific strategies for promoting the College of Business and Economics' Integrated Business Curriculum. In related efforts, university communications and marketing leaders continue efforts to unify the visual identity of the university and enhance brand recognition throughout the state.

Information Technology

Our strategic investments in information technologies are returning broad dividends through increased productivity, improved management and enhanced access to problem-solving tools and resources. For the past three years, *Yahoo! Internet Life* has recognized us as one of the "Most-Wired Universities" in the United States, ranking 12th in a highly competitive field of large public and private universities including Carnegie Mellon, Stanford University,

"Recognition by Yahoo is the result of long-term investments in networking, integrated software systems and core technologies ..."

Georgia Tech and MIT. We scored a 91.06 out of a possible 100 points in six strategic areas, earning an A in the categories of student resources, e-learning and technical support, an A- in web portal access, and a B on infrastructure. Specifically, *Yahoo* commended the University of Idaho for the University's efforts to help professors use technology in the classroom. "The school's pioneering Center for Teaching Innovation provides faculty with one-on-one consultations and encourages the use of the web in the classroom.

Recognition by *Yahoo* is the result of long-term investments in networking, integrated software systems, and in core technologies that frame our vision for information technology at UI. IT will help us create a "residential campus of choice" at the Moscow campus, grow our research base, extend access to education and training, and empower employees to become both more productive and more effective.

INFRASTRUCTURE

In 1994 we inaugurated the Telecommunications Infrastructure Project (TIP). TIP was a bold vision that placed emphasis on campus wide network upgrades, integrated management software, and distributed management of information systems. It created a series of vendor partnerships and alliances that have been critical in maintaining the infrastructure.

Backbone Network

In 1999, we created an alliance with Cisco Systems to upgrade the backbone network to 4 megabits, making our networks among the fastest and most reliable in the world. Network improvements were also extended to outreach centers in Idaho Falls, Boise and Coeur d'Alene. In 1998-99, we also became a member of the Internet2 consortium funded by a networking award from the National Science Foundation. Our membership has positioned us well to participate in research on high performance applications, network security and software dependability. In 2000, we began implementing a wireless network in the Idaho Commons and the Library, allowing students and faculty to have access to the suites of productivity tools in a mobile computing environment.

Administrative Systems

Growth in applications, particularly management information systems, has resulted in the need to upgrade core computer technologies. In 2001, we created an alliance with Sun Microsystems for new central processors to handle the increased applications load. The administrative systems that run on these servers consist of several modules:

Our networks are among the fastest and most reliable in the world.

SCT Banner

In partnership with SCT Corporation, we have been a flagship university for implementing and testing administrative software in higher education. Banner student services. Via web interfaces, students and faculty can directly access student records to support counseling and advisement, to provide student degree audits, and to provide online registration. Students are also able to apply for financial aid online.

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Integrated Software: Campus Pipeline and WebCT

Through its working alliance with SCT Corporation, we have been able to beta-test and deploy other enterprise-wide software solutions. Campus Pipeline was a compatible portal product added to the Banner software to assist in the navigation and integration of the software. Campus Pipeline improves efficiency and builds community by integrating disparate systems and applications into a unified whole. WebCT was added in 2001 to assist faculty and students in accessing web-delivered courses and course materials for campus and off campus students. WebCT integrates rich and flexible pedagogical tools that enable delivery of educational programs throughout the world.

e-COMMUNITY

The term “e-Community” denotes more than simply the use of technologies to support business functions; it is, in fact, a worldview about how information technologies can assist business and communications processes. The e-Community concept puts information and resources in the hands of users, empowering them to make decisions and to use resources wisely. At UI, we are enhancing our TouchNet Gateway to further enable e-Commerce throughout the campus. The Gateway is a sophisticated fee payment system that accepts authorizes and processes credit card payments or electronic checks in real time. At UI, the e-Community is a learning community—no matter where an employee or student is located, and it has several aspects:

The e-Community concept puts information and resources in the hands of users, empowering them to make decisions and to use resources wisely.

- **Online Services:** Campus credit cards are being enhanced to support bookstore online expansion, food service applications for students in residence halls and apartments.
- **Student Support Systems:** Enhancements are being planned to automate scholarships, to improve student applications for federal assistance, and to provide improved regulatory compliance.
- **Administrative Systems:** Improvements are being planned to support improved space management, the development of a

“library” of common web programming functions to aid developers in more rapid deployment of information and processes, and a new records management process to capture the university’s information in electronic format and to distribute it when and where needed.

- **Data Warehouse:** We are developing data warehouse using Brio Query tools that will significantly expand a user’s ability to customize management reports, and to do management analysis and forecasting using data extracted from SCT Banner.
- **User Empowerment:** Becoming an empowered user demands enhanced training for all employees regardless of their location. Information and training will be available online to employees.

...the absence of state funding for the repair, replacement and operation of networks, servers, and information systems will continue to pose a significant challenge to us.

Challenges

Staying at the forefront of technology demands constant innovation and effort. We have achieved significant results by careful management of our resources and by developing and nurturing strategic partnerships with corporations such as Cisco Systems, SCT, and Sun Microsystems. As we continue to integrate technology into our classrooms and business operations, the absence of state funding for the repair, replacement and operation of networks, servers, and information systems will continue to pose a significant challenge to us.

Planning & Budgeting

Transition to Responsibility Center Management

Our strategic plan envisions enhancing the performance our instruction, research and outreach programs by creating a “flexible, stable, accountable, incentive-based” operating environment. The transition to Responsibility Center Management (RCM) and related policy changes are intended to achieve this strategic objective. RCM redefines the decision-making roles and responsibilities of the President and Provost relative to the deans, vice presidents, and vice provosts who report to us. RCM also creates an operating environment that is congruent with these new roles and relationships. At the start of fiscal year 2001-02, UI adopted RCM to decentralize decision-making within the university, to make university operations more business-like and market oriented, and to align financial incentives with our strategic objectives.

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Roles and Relationships

Under RCM, Provost Brian Pitcher and I are focusing our efforts on long-term strategic initiatives such as sharpening the academic plan,

expanding the research focus of the University, strengthening the University's performing arts through the creation of the Lionel Hampton Center, and enhancing the University's outreach efforts through locations like Idaho Place in Boise. We are delegating increased responsibility and authority for making operational decisions and solving operational problems to deans, vice presidents, and vice provosts. Our primary operational role will be the coordination of responsibility centers and the monitoring of progress within each center. Inherent in the delegation of greater responsibility and authority is an increased expectation of financial self-reliance within each responsibility center. This shift has been evidenced by a significant reduction in the number of mid-year requests for supplemental financial resources. Another inherent feature of greater operational responsibility is their responsibility to understand our strategic goals and priorities and to coordinate the efforts of their responsibility center to help us achieve our shared goals.

With the start of this fiscal year, we have instituted a single, integrated fiscal year budget that can be used to fund year-round, statewide program delivery.

As part of this transition, we are meeting quarterly with the deans, vice presidents, and vice provosts to review specific progress and to ensure operational coordination among responsibility centers which is a key element to the University's overall success. We have also significantly restructured administrative meetings to ensure effective coordination and internal communications. These changes are more fully documented in the supporting materials that we will distribute at the November meeting.

Operational Environment

During the past year, we have made a number of policy changes and taken other actions to create an operating environment that is congruent with the roles and relationships described above. These actions include:

- **Integrated, fiscal year budgeting**
With the start of this fiscal year, we have instituted a single, integrated fiscal year budget that can be used to fund year-round, statewide program delivery.
- **Revenue attribution**
We have developed procedures for attributing fee revenues to colleges and for making a portion of the budget for each college dependent upon attributed fee revenue.
- **Incentives for Summer and Off-campus course offerings**
We have created financial incentives for growing summer and off-campus enrollments.
- **F&A (Indirect cost) return policy**
We are implementing new allocation policies for F&A recoveries that create incentives for colleges, departments, and principle investigators to increase sponsored grant and contract activity.
- **Loans**
To provide responsibility centers with liquidity and stimulate more business-

...new policies create incentives for colleges, departments, and principle investigators to increase sponsored grant and contract activity.

like operations, we have instituted procedures for lending funds to responsibility centers based on business plans for the repayment of these loans.

- **Personnel policy changes**
We have changed a number of personnel policies to provide increased flexibility to the responsibility centers.
- **Transparency**
To make RCM work, the financial operations of the university need to be transparent to everyone with in the university community. We have made significant strides in moving toward “open book management.”

From the outset, we anticipated that the transition to RCM would take several fiscal years. We are deliberately creating an environment that will require us to function in a more business-like and market oriented way. We have made a good start on this journey, but we still have a ways to go and much to learn.

Planning

Academic Plan

As we review our plans, we have realized that we need to sharpen our overall academic plan and integrate more thoughtfully a range of academic issues covering the residential campus of choice, the core curriculum, strategic enrollment management, the transformation of the teaching and learning environment using instructional technology, and distance-less education. Over the next year Provost Pitcher and the Academic Affairs staff will develop and implement a planning process that will result in a more articulate statement of our academic goals and objectives.

...we need to sharpen our overall academic plan and integrate more thoughtfully a range of academic issues...

Coping with the unpredictable

The efficacy of strategic planning is predicated on a stable operating environment that is subject to rational analysis and prediction. Since we are clearly entering a time when the environment will be unpredictable, the emphasis of our planning will be on increasing our capacity to cope with unpredictable events and to adapt more rapidly to changing circumstances. The success or failure of our efforts will be evident in the way that we as a university community respond to the budget reductions and financial strains facing us as we develop the FY03 budget.

SUBJECT

Progress Report: Boise State University

President Ruch will give the report

**Progress Report
for
Idaho State Board of Education**

October 30, 2001

Founded as a junior college in 1932 under the sponsorship of the Episcopal Church, Boise State University began with strong traditions of academic quality and service based in the liberal arts, which continue to guide it today.

Boise State was granted four-year status in 1965, reached the 5,000 student enrollment mark two years later, and entered the state system of higher education in 1969 as Boise State College.

The college achieved university status and was renamed Boise State University in 1974.

Growth continues to be the persistent theme of Boise State University. This fall we opened with a headcount enrollment of 17,161 students (12,203 FTE) and a faculty in excess of 600.

Role & Mission Goals

Boise State University is a comprehensive, metropolitan university serving a diverse population through undergraduate and graduate programs, research, and state and regional public service.

The primary goal of Boise State University is to continue building a high quality public university responsive to the needs of Idaho citizens and accessible to all who are qualified to benefit from its programs and services.

In 1994 the university presented a new strategic plan to guide its development. That plan was revised in 2000. Based on the plan, since 1994 the university has focused its efforts to respond to the following strategic initiatives:

- 1 Manage Growth While Preserving and Enhancing Access
- 2 Enhance Academic Quality and Reputation
- 3 Improve Management and Administrative Functions
- 4 Develop the university 's Human Resources

The following report highlights progress and challenges for the university as of this date. Appended, per Board request, is a more detailed progress report on the development of our satellite campus (see Appendix I) – Boise State West – and related student profile data (see Appendix II).

▪ Instruction

During the 2000-2001 academic year, Boise State University added, changed, or deleted several academic programs. New programs included: the Master of Science in Engineering (MSE), with options in Civil, Computer, Electrical, and Mechanical Engineering plus minors in a variety of supporting areas; a B.A./B.S./B.B.A. degree in Networking and Telecommunication in the College of Business and Economics, and a variety of certificate and advanced certificate programs in applied technology areas (e.g. Computer Network Support Technology, Heavy Duty Mechanics-Diesel Technology, etc.). In addition, the university separated its computer science program from the Department of Mathematics and Computer Science and established a new, independent Department of Computer Science within the College of Engineering. Finally, the university deleted a variety of options or tracks within majors in order to respond to changing student demands or developments within academic disciplines (e.g. eliminated elementary, vocal, and instrumental tracks in Music Education, etc.). All of the new programs are attracting significant and growing student enrollment, and the program in Networking and Telecommunication was supported by a significant equipment donation from Micron Technology.

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In Fall 2001, the university implemented first-year funding for a two-phased effort to establish the new A.S. and certificate programs in EMT-Paramedic education within the College of Health Sciences. Further, the university hired four new Nursing faculty and expanded the Nursing program by 30 seats, including 20 associate degree seats and 10 B.S.N. seats. In view of impending, possibly severe budget reductions, both the EMT-Paramedic program and the expanded Nursing program are in jeopardy.

In accord with the university's strategic plan, Boise State is enhancing instruction by expanding opportunities for applied learning, with particular emphasis on internships and clinical experiences, undergraduate research, and, most recently, service learning. Service learning is a teaching strategy that integrates course content with relevant community service, enabling students to apply classroom theory in a real world setting. A recent grant from Campus Compact has funded development of a Service Learning Strategic Plan that will expand and publicize service learning opportunities.

▪ **Accreditation**

Boise State University holds full accreditation from the Northwest Association of Schools and Colleges. Reaffirmation of accreditation was completed in 1999-2000 with the next interim visit scheduled for 2004-2005.

During the 2001-2002 academic year, Boise State University is scheduled to undergo two major specialized accreditation visits. In October, a team from AACSB conducted a reaccreditation site visit to the College of Business and Economics. Current and future levels of funding for the programs have already been expressed as potential sources of concern by the AACSB team.

In Spring 2002, NCATE is scheduled to conduct a continuing accreditation visit to the College of Education. For a variety of reasons associated with NCATE's adoption of new accreditation standards, Boise State University has sought NCATE approval to defer the re-accreditation visit until the Spring of 2003. This deferral will allow additional time for the state and the university to adopt and document the new standards. Needless to say, program funding will also be a critical issue in light of impending budget reductions.

Recently, the A.S. program in Radiologic Science was reaccredited by the Joint Review Committee on Education in Radiologic Technology (JRCERT).

The Student Health Center received full reaccreditation by the Association for the Accreditation of Ambulatory Health Care (AAAHC) in September 2001. The Boise State Student Health Center is one of approximately 100 student health centers nationwide to be accredited by the AAAHC, and is the only student health center in the State of Idaho to receive this mark of quality in services and programs.

▪ **Enrollment**

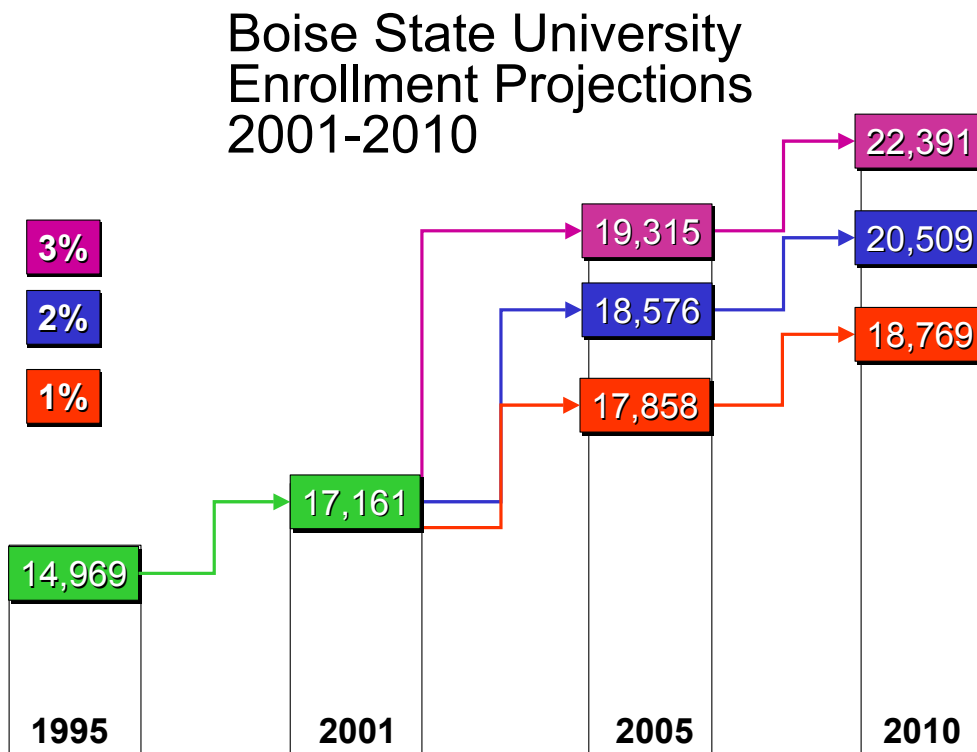
Boise State’s significant enrollment growth over the past five years reflects the region’s increasing reliance on university programs and services. Since 1996 headcount surged by over 2,000 students, or 14%. During that same span students’ average number of credits increased, accounting for a 17% jump in FTE students. This ever-increasing demand continues to make Boise State – already Idaho’s largest institution with 17,161 students – the state’s fastest growing university.

Boise State accommodates the region’s demand for access by distributing its programs across a variety of times, sites and distance education modes. This strategy serves the broadest array of constituents, maximizes resources, and attempts to alleviate overcrowding. A breakdown of the university’s Fall 2001 enrollment increase illustrates the extent of this effort:

- Boise campus daytime credit hours: +4% over last year;
- Boise campus evening credit hours: +2% over last year;
- Boise campus weekend credit hours: +18% over last year;
- Canyon County Center credit hours: +34% over last year;
- Distance education credit hours: +59% over last year;
- Credit hours at other sites: +17% over last year.

Managing our ever increasing enrollment has been, and will continue to be, one of the major challenges facing the institution.

Our goal is to average a 2% annual increase. This has been achieved over the past five years. Enrollment projections using this assumption are presented in the following graph.



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A current project is to revise our enrollment management plan. Key to the plan's revision will be strategies to distribute even more of the university's enrollment over multiple sites, times and delivery modes. In addition, the plan will establish goals and strategies for increasing the proportion of certain student populations, including: minority students, graduate students, upper division students, students from outside the 10-county area, international students, academically talented students, and full time students.

▪ **Research**

While promoting research and scholarly activities across a broad spectrum of disciplines, Boise State University emphasizes research in association with its graduate programs and Board-assigned role and mission areas of primary emphasis. Moreover, the institution focuses especially on areas of research that have "local applications but universal implications." For example, Department of Defense-funded research in the College of Engineering focuses on future developments in microelectronics that will be of interest to the local microelectronics industry but which will also impact the direction of international research and development. Similarly, research with local applications but universal implications is underway in areas such as Raptor Biology and Shallow Sub-surface Geophysics.

In Fall 2001, the university established a new position entitled Vice President for Research and hired Dr. John Owens, a distinguished engineer and research administrator from Auburn University. Dr. Owens will report to the Provost and has been charged to develop the university's research agenda, including policy development, overall stimulus of research, and increased pursuit of Federal funding.

▪ **Outreach**

Through its "distributed campus" strategy, Boise State University seeks to distribute delivery of its programs and services geographically (e.g. Twin Falls, Canyon County, Mountain Home, etc.), chronologically (evenings, weekends, and asynchronously), and technologically (e.g. internet, radio, cable tv, etc.). In addition to delivering credit-bearing courses to more than 17,000 students each semester, the university serves an additional 30,000 individuals annually through non-credit offerings in adult basic education, workforce training, and other forms of continuing education.

The university's involvement in continuing education continues to increase. In Fall 2000, Boise State offered the following distance education courses: 52 sections by Internet (and computer-based multimedia) with 553 enrollments; 50 Knowledge Network sections (interactive television, cable television, and videotape) with 273 enrollments; 9 telecourses (IPTV) with 140 enrollments; and 8 sections via videoconferencing (on the Higher Education Network to Twin Falls and the Distance Learning Network to rural high schools) with 60 enrollments. By Fall 2001, distance education offerings have increased as follows: 70 sections by Internet with 862 enrollments; 52 Knowledge

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Network sections with 354 enrollments; 10 telecourses with 217 enrollments; and 8 sections via videoconferencing with 56 enrollments. Overall, there are 140 sections with 1,489 enrollments. The retention rate in distance education courses has been quite satisfactory, ranging from a low of 82% to a high of 100% (see Appendix III - Boise State University Distance Education).

Boise State University also continues to expand opportunities for secondary students in its ten-county service area through its "Jump Start" concurrent enrollment program. In the Fall 2001 semester, the university is delivering a total of 39 sections of college level courses, with 304 enrollments, to sixteen high schools in Southwest Idaho. Participating school districts include Boise, Meridian, Canyon, Council, Ontario, Payette, and Mountain Home. The university's distance learning coordinator regularly visits schools throughout the region to promote and coordinate concurrent enrollment opportunities.

Boise State University is also involved in a variety of collaborative efforts with its sister institutions. For example, Boise State delivers upper-division programs in Business and in Criminal Justice Administration to the Magic Valley in collaboration with the College of Southern Idaho. Collaboration with the University of Idaho exists at a variety of levels: Boise State provides library support, prerequisite and elective courses, and some student services for UI students enrolled in UI-Boise programs such as Natural Resources Management and Environmental Sciences, Engineering, Education, etc.; Boise State and UI-Boise Engineering programs collaborate through adjunct appointments, aligned coursework, and research projects; the Boise State Department of Art shares facilities and collaborates with the UI Architecture Urban Research and Design Program in Boise; Boise State (and ISU) have expressed interest in collaborating with UI in the development and delivery of a statewide Ph.D. program in Environmental Science that would take advantage of the differing expertise that exists at the respective institutions; and, in conjunction with the development of the Idaho Place facility in Boise, Boise State has offered to manage administration of the facility's computing and telecommunications operations, including shared access to Internet 2, as well as to expand its current role in selling UI textbooks and supplies through a satellite Boise State University Book Store operating at Idaho Place. Collaboration with ISU has existed for many years and is also increasing: Boise State provides library support, prerequisite and elective courses, and some student services for ISU students in Boise; Boise State has recently proposed collaboration with ISU in delivering the M.P.H. in Boise; and, most recently, ISU and Boise State have collaborated to expand access to Nursing education in Boise; the Boise State A.D.N. and B.S.N. programs have been expanded by a total of 30 seats, and ISU will implement a fast-track BSN program in Boise in January. The programs are cooperating through shared facilities, coordination of admissions and clinical placements, solicitation of private funding from local hospitals, etc.

An additional outreach service of Boise State University is the Boise State radio network. A member of the national public radio service, the station has 20 transmitters throughout Idaho with a weekly listenership of 60,000. KBSU radio offers three program services, (a) news and information, (b) arts and performance, and (c) jazz. Concurrently, the station serves as a living laboratory for those students seeking career skills in the

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communication field. The station employs 19 full time and six part time employees, some of whom are also faculty. Additionally, the station employs 20 students and 12 volunteer producers.

Infrastructure Goals

▪ Personnel

Of our 602 full-time faculty 61.9% are tenured. This percentage has not fluctuated significantly over the past five years as growth and retirements counter new tenure decisions. An analysis using FY00 data and projected enrollment growth yielded a staffing shortage of 64 FTE faculty and 81 FTE support staff by FY06. Our growth in part-time faculty – a concern by our accrediting body – has slowed for the moment.

Competitive salaries continue to be a personnel problem of significance. Last year's salary supplement was most important. Salary competitiveness issues are further exacerbated by our metropolitan location. This circumstance permits our professional staff and classified personnel to seek other job opportunities without having to relocate.

Last year our turnover rates were –

	Separated	Retired	% Total Turnover
Faculty	40	21	10.1
Professional	68	2	14.95
Classified	92	4	14.79

▪ Finance

Like all of Idaho's state-supported institutions, we have witnessed a progressive shift of funding from the state to students. In 1991, state general account funds constituted 84 percent of revenues; in 2001 the State provided 76 percent of general education support.

A review of our general account FY2001 expenditures reflects an appropriate expenditure of funds matching the institution's role and mission. Over 65 percent are spent on direct educational functions. Auxiliary Enterprise operations ended FY01 with a fund balance in excess of \$11 million, and each auxiliary operated the fiscal year in the black.

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Boise State University Expenditures

<u>Area of Expenditure</u>	<u>FY2001</u>	<u>Percentage</u>
Education and General		
Instruction	\$ 56,969,420	37.5%
Research	\$ 1,653,406	1.1%
Public Service	\$ 3,250,092	2.1%
Academic Support	\$ 9,672,689	6.4%
Libraries	\$ 5,916,676	3.9%
Student Services	\$ 6,954,140	4.6%
Institutional Support	\$ 13,416,794	8.8%
Plant Operation and Maintenance	\$ 10,555,462	7.0%
Scholarships and Fellowships	\$ 2,890,625	1.9%
Total: Education and General	\$111,279,304	
Mandatory Transfers	\$ 5,146,983	3.4%
Auxiliary Enterprises Expenditures and Mandatory Transfers	\$ 35,304,807	23.3%
TOTAL EXPENDITURES	\$151,731,094	100.0%

Of significance is a recent Moody's Investor Service assignment of an A1 rating of our current \$62.3M of Student Building System, Student Union and Housing System and Student Fee Revenue Bonds. This high-grade rating reflects the university's favorable student market position as Idaho's metropolitan university, reflected in growing enrollments; manageable debt levels, including future borrowing; good levels of financial reserves; and a balanced operating performance.

▪ **Grants and Contracts**

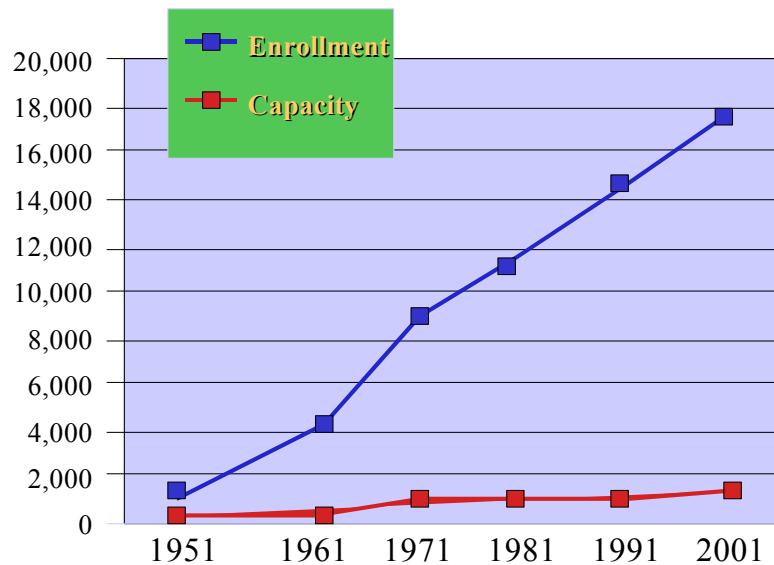
Extramurally funded research at Boise State University has expanded dramatically in the past five years, from \$8,704,493 in FY97 to \$16,756,532 in FY01. In the first quarter of FY02, the university has already been awarded more than \$10,000,000 in grant and contract funding. Approximately 80% of sponsored project funding derives from the federal government, from such agencies as the National Science Foundation, the Department of Defense, the Environmental Protection Agency, and the U.S. Agency for International Development (USAID). Among the larger grants awarded recently are \$1,686,000 from the Defense Advanced Research Projects Agency (DARPA) to the Department of Electrical and Computer Engineering for research into three-dimensional microstructures and \$997,800 from the Environmental Protection Agency to Boise State's Center for Geophysical Investigation of the Shallow Surface for research into time lapse imaging of fluid flow in the shallow surface.

▪ **Facilities**

Growth in enrollment has not been reflected in growth in facilities. Using average national standards in Fall 2000, Boise State had a deficit of academic space of over 41,000 net assignable square feet (NASF). Using conservative enrollment projections – and bringing the first Boise State West Campus academic building on line – the deficit will still grow to 125,000 NASF or three large classroom buildings by fall 2005.

This space shortage is not limited to academic needs. Student housing needs have reached crisis proportions as witnessed by the following graph.

Housing Capacity vs Enrollment



Following an intensive study a multi-phase enhancement plan to expand and modernize our student housing system has been designed. Phase I, a \$36 million construction project, is on your agenda for approval.

Other recent facility projects include privately funded expansion of the Children’s Center, the Appleton Tennis Complex, and the Alumni Center, as well as student funded construction of the Student Recreation Center. Developments on the Boise State West campus are reported in Appendix I.

Our current proposal to the Permanent Building Fund seeks support to expand the campus IT infrastructure.

Update on PeopleSoft Systems

The university converted to PeopleSoft Administrative Systems from July of 1998 through September of 2000 in order to meet Y2K compliance and to replace old homegrown systems that could not meet the business capacity of the university.

Having one enterprise database versus several stand-alone databases has allowed the university to create more seamless processes and empower staff to handle broader responsibilities. The PeopleSoft applications have provided functional areas greater control over their data, increased access to more data and a greater ability to manage their systems without dependency upon programming and technical staff resources. PeopleSoft applications provide a scalable system capable of efficiently supporting expanded campuses and multiple distance education locations.

Since moving to PeopleSoft the university has experienced no unscheduled down time as a result of applications failures. Following is a summary of the current status of these systems.

Student Administration Systems

PeopleSoft has given us the ability to create self-service options via the Internet (BroncoWeb), allowing students to access services whenever from wherever they want. This application is central to the distributed campus model at Boise State.

For example, ninety-five percent of all registration transactions for this fall were done by the students themselves via the web. For the first time in many years, there were minimal lines for students to register, apply for financial aid or pay fees.

As we progress with our development of PeopleSoft and gain more experience, we continue to shorten our processing times and expand services far beyond what was possible with our legacy systems.

For example, our Financial Aid Office issued financial aid award letters two months earlier than previous years. By the Fall 2001 fee payment deadline they had awarded 50% more federal aid than the previous year, even with 4 percent enrollment growth.

PeopleSoft systems have made it possible to provide students with greater access to information on a more timely basis.

For example, students now have access online via the web to their student account information, thus reducing the number of inquiries to student services offices.

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Human Resources

PeopleSoft applications have significantly reduced manual input, record maintenance and report generation thus reducing demand upon functional staff resources. Increased information is now available online and web-based self-service capabilities will soon be available.

For example, detailed payroll information is now available to departments on campus, thus reducing microfiche and archiving requirements.

Payroll calculation is done in 50% of the time over that required by past legacy systems.

Ad hoc reporting (e.g., employee turnover rates by classification) can now be done on demand within the department rather than making a request of the programming and technical staff.

Standard reports take up to 80% less batch processing time.

There has been a significant reduction in functional staff overtime required to complete payroll and personnel functions.

Manual processes have nearly been eliminated, thus reducing error rates and increasing data accuracy.

Finance Systems

The finance system has enabled the university to streamline processes and provide financial information on a more timely basis. We expect to see even greater improvements as we are able to implement the budget module, fixed assets, and other modules that will integrate with the financial systems.

Purchasing

PeopleSoft software has significantly improved our ability to maintain and manage vendor records.

For example, vendor records now accommodate multiple addresses, alternate payment names and effective dating of addresses and locations for vendors, thus providing more accurate and timely purchase requests, invoice reconciliation and payments. This results in more accurate information and the ability to manage payments to meet discount requirements and manage cash flow.

Status of Contract Issues Related to PeopleSoft Consulting

The university remains in dispute with PeopleSoft Consulting related to approximately \$2 million of consulting services that were invoiced to Boise State University from PeopleSoft in 1999. This dispute is related to inadequate software

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functionality that required consulting services to remedy and then having PeopleSoft charge the university for these services. The university has retained outside counsel to handle this dispute and a demand letter was issued to PeopleSoft over one year ago. PeopleSoft has not yet responded to the demand letter, nor have they taken any action on the invoices in dispute. To date, this dispute has not impacted software maintenance and support services.

▪ **Advancement**

The major challenge facing our new Vice President for University Advancement, Dr. Richard Smith, is to build an effective development function. Current priority activities for the advancement division include the development of a coordinated financial system for all advancement offices (Alumni, Foundation and BAA) and implementation of comprehensive foundation policies and procedures for gifts.

With the appointment of new Alumni Director, Mr. Lee Denker, activities to strengthen alumni relations are underway.

An expanded, campus-wide marketing effort, designed to position the institution as the leading metropolitan university in the Northwest, is in progress. The plan includes a coordinated program of “town-gown” activities including all stakeholders, e.g., community, business, legislature and public officials.

The Development Office is managing the “quiet phase” of several capital and endowment fund raising initiatives including capital drives for a nursing building and a business building; and endowment drives for scholarship support, the Honors College and for technical support for the College of Applied Technology.

Challenges

Internally, the most immediate challenge facing the institution is the ever-darkening economic picture. Institutional retrenchment – never an easy task – of the anticipated magnitude is cause for serious concern. Every effort will be made to mediate the negative impact on quality, access and services to students; clearly, however, these priorities will be affected. Further exacerbating the situation is that the process of institutional retrenchment is occurring in an environment of -

- growing competition among educational service providers in the Treasure Valley;
- growing pressures from the community for expanded services; and
- growing expectations from recipients of educational services for more services at reduced (or steady) costs.

Appendix I

Boise State University

Canyon County

In keeping with its strategic plan, Boise State University has been proactive in developing new ways to meet the educational needs of Idaho's citizens. Boise State's service area has been characterized by rapid population growth, especially along the Boise-Meridian-Nampa-Caldwell corridor. Economic growth has complemented the population growth, particularly in the high-technology manufacturing sector.

These dynamics of growth and a changing economy pose new challenges and opportunities for Boise State as the university develops programs to meet student needs and assist area businesses. Boise State can best serve the region through a "distributed campus" approach, delivering programs to students at times and locations that are convenient for them – through technology and at outreach sites. One such location is Canyon County.

Canyon County Center

Boise State University's presence in Canyon County began in the 1980's when a group of prominent citizens approached the university, requesting higher education offerings in western Treasure Valley. In response, a consortium was formed, consisting of the Nampa City Council, the Canyon County Commissioners, the State Division for Vocational-Technical Education, Boise State University, and a group of citizens. The consortium identified a facility that Boise Cascade was vacating and persuaded them to donate it. A federal grant was secured and a partial remodel took place.

The Canyon County Center (CCC) opened in 1986 and served 80 students, with a few academic classes, three vocational-technical programs, and a small adult basic education program. Since 1986, the demand for educational programs has grown steadily—the number of courses offered and the number of students taking advantage of these courses have grown dramatically.

The Center currently offers over 100 sections of academic classes each semester (during daytime, evening and weekend hours). In Fall '01, 1,436 students enrolled in academic and technical classes (an increase of 34% from Fall '00), generating just under 8,000 credit hours. Other students are served on a non-credit basis. Last year the Adult Basic Education program served 1,789 students, helping them to obtain their GED, learn English as a second language, and receive assistance in reading, writing, and math; the Center for Workforce Training served 1,040 people, with a range of classes for individuals and customized training opportunities for businesses in the Treasure Valley.

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In Fall '01, 73% of the academic and technical students are freshmen or sophomores, 24% are juniors or seniors, and 3% are graduate students. As student numbers increase, the demand for a full-service university increases, and the university is increasingly able to expand its upper division offerings to meet the demand. These students are not merely seeking an associate's degree; they are seeking a full range of program options. According to a recent student survey conducted at the CCC, 80% of academic students identified as their educational goal either a 4-year or graduate degree. Hence it is not surprising that 27% of the students enrolled at the CCC during the Fall '01 semester are upper division or graduate students, and that this percentage is increasing dramatically every year.

While many students attend classes at multiple campuses and/or through multiple delivery methods (e.g., via technology), the population served by the CCC is a different one from that on the Boise campus—older, more racially diverse, predominantly female and largely employed. Fifty-four percent of the CCC academic students are 25 years of age or older, as compared to 41% on the Boise campus. Eleven percent of the CCC academic students are of Hispanic origin, as compared to just under 5% on the Boise campus. Sixty-one percent of CCC academic students are female, as opposed to 54% on the Boise campus. Fifty percent of the CCC academic students are studying full time, as opposed to 61% on the Boise campus. A recent student survey indicated that 49% of the CCC students were employed full time and 31% part time. It would appear that the CCC affords access to a somewhat different student clientele than that served through the Boise campus (refer to Appendix II).

At the same time, increasing numbers of traditional-age students are attending classes at the CCC because it is more convenient for them. To respond to the increasing numbers of traditional-age students, the university continues to expand its daytime offerings (the number of day sections offered Fall '01 increased by 56% over Fall '00).

Boise State West

Boise State University's development of Boise State West, a full-service campus in Canyon County, is a response to ever-increasing student demands, a community needs assessment conducted by the university several years ago and ongoing community demand and support for such a venture. With the help of 45 leaders from western Treasure Valley who serve on the advisory board, Boise State has purchased 150 acres for the new campus, has developed and received approval for the framework campus master plan, and is just completing phase 1 of the campus development. The 2001 Legislature appropriated \$9.3 million toward the construction of the first classroom building. The three-story building will include 17 classrooms, three science labs, a computer lab, student services offices, faculty offices, a branch bookstore and a convenience store. The design and development documents are completed, with the construction documents to follow. Construction of the building is scheduled to begin in Spring, 2002 with a completion date of Summer, 2003.

The campus will also include an incubator, the Technology and Entrepreneurial Center (TECenter), that will assist new high-technology businesses. The building is being

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constructed with a grant of nearly \$2 million from the U.S. Department of Commerce. The TECenter, administered by the Idaho Small Business Development Center, will provide space and support for 15-20 businesses along with space for consultants and common support areas. The TECenter will bring the technical and business expertise of engineering and business students and faculty to help new businesses; at the same time Boise State students will gain valuable learning experiences.

Boise State West will function as a full-service, comprehensive university satellite campus, providing a variety of lower division, upper division and selected graduate classes. All core courses will be available, and students will be able to receive associate of arts and science degrees. Current plans include the availability of bachelor of arts degrees in social science and various liberal arts, bachelor of business administration degrees, elementary education certification, and dispute resolution certification. Graduate degrees in bilingual education will also be available. Additional degree and academic certificate programs will be made available as the demand builds and needs are identified. We will not duplicate high cost programs and specialized lab facilities that exist on the main campus. Rather, for these programs, we will provide complementary courses, e.g., general courses in engineering and health care programs (the students would come to the Boise campus for the more technical and specialized courses in these areas). We envision that some faculty, especially those teaching core courses, may be assigned to the West Campus, as their primary teaching location. Faculty from the Boise campus will be assigned, as part of their teaching load, to teach the majority of upper division courses.

Guiding principles were established in 1997 and have directed the development of programming and new facilities for the Boise State's growth in Canyon County. Four of the principles show the unique nature of the university's development of a satellite operation:

- The Boise State University Canyon County Campus will be administered centrally from the Boise State University Main Campus by the president, provost, vice presidents, college deans, dean of Extended Studies, department chairs university librarian, and respective support unit directors, in consultation as appropriate with the Director of the Boise State University Canyon County Campus.
- Boise State University faculty members may be assigned wholly or partially to the Boise State University Canyon County Campus but will be appointed, tenured, promoted, evaluated, and assigned through the Boise State University Main Campus unit to which they belong, in consultation as appropriate with the Director of the Boise State University Canyon County Campus.
- Boise State University will have a single Faculty Senate, Professional Staff Senate, and Association of Classified Employees, with Boise State University Canyon County Campus representation determined by the representative governance organization.
- Boise State University will confer all degrees and academic credits. No distinction will

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be made as to the campus at which course work is done. The principle is based upon an assumption of equivalent quality in course offerings, faculty qualifications, and admissions standards at all Boise State University locations.

When Boise State West is opened, the plan is to further expand the Seland College of Applied Technology at the current CCC. The number of full-time applied technology programs offered (currently nine) and a variety of certificate and Associate of Applied Science Degree options will expand. There will also be expansion of the Adult Basic Education and Workforce Training programs. In fact, that expansion has already begun in order to position the center for the future. In addition, a consortium has been formed with area high schools and the Seland College to provide seamless high school/post-secondary opportunities for students in technical education.

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**Appendix II
Boise Campus - Canyon County Center
Comparison**

A Comparison of Credit-Bearing Students as of the 10th Day of the Fall 2001 Semester

Total Enrolled

	Boise Campus		Canyon County Center	
Total Students	15,688		1,436	
Total Credit Hours	162,487		7,959	

Career

	Boise Campus		Canyon County Center	
Undergraduate	13,315	84.9%	1,212	84.4%
Graduate	1,288	8.3%	47	3.3%
Applied Tech	1,065	6.8%	177	12.3%

Gender

	Boise Campus		Canyon County Center	
Female	8,442	53.8%	873	60.8%
Male	7,210	46.2%	562	39.2%

Age

	Boise Campus		Canyon County Center	
<=18	1,680	10.7%	117	8.0%
19-24	7,561	48.2%	546	38.0%
25-40	4,868	31.1%	585	40.7%
41-50	1,108	7.1%	151	10.5%
>50	451	2.9%	37	2.6%

Citizenship

	Boise Campus		Canyon County Center	
US Citizen	15,012	9.6%	1393	97.6%
Permanent Resident	379	2.4%	33	2.3%
International	250	1.7%	2	0.1%

Ethnicity

	Boise Campus		Canyon County Center	
Asian American	371	2.4%	21	1.5%
Black/African American	167	1.1%	11	0.8%
Hispanic	730	4.7%	157	10.9%
Native American	161	1.0%	13	0.9%
White	13,185	84.2%	1,171	81.6%
Did Not Respond	1,042	6.6%	62	4.3%

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Class Level

	Boise Campus		Canyon County Center	
Freshman	5,513	35.2%	721	50.2%
Sophomore	3,146	20.1%	331	23.1%
Junior	2,407	15.4%	178	12.4%
Senior	2,887	18.4%	140	9.7%
2nd Undergrad	427	2.7%	19	1.3%
Graduate	1,288	8.2%	47	3.3%

Credit Load

	Boise Campus		Canyon County Center	
Fulltime	9,527	61.0%	717	49.9%
¾ Time	1,552	9.9%	148	10.3%
½ Time	2,380	15.3%	327	22.8%
< ½ Time	2,150	13.8%	244	17.0%

College of Study

	Boise Campus		Canyon County Center	
Arts & Science	3,940	25.2%	291	19.5%
Business	2,648	17.0%	204	14.2%
Social Science & PA	2,292	14.7%	187	13.2%
Health Science	1,550	9.9%	202	14.1%
Education	1,666	10.7%	155	10.8%
Engineering	1,275	8.2%	54	3.8%
Applied Technology	1,065	6.8%	177	12.3%
Courses of Interest	1,165	7.5%	173	12.1%

Residency

	Boise Campus		Canyon County Center	
Resident	14,318	91.6%	1,389	96.7%
Nonresident	1,306	8.4%	47	3.3%

Headcount 1999-2001

	Boise Campus		Canyon County Center	
Fall 2001	15,688		1,436	
Fall 2000	15,054		1,070	
Fall 1999	15,053		949	

Credits generated 1999-2001

	Boise Campus		Canyon County Center	
Fall 2001	162,487		7,959	
Fall 2000	157,208		5,826	
Fall 1999	157,247		5,694	

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Boise State University
DISTANCE EDUCATION

Appendix III

Fall 2000	Class Titles	Class Sections	Enrollment	Credits Produced	Completers	Completion Rate
A. Internet/Computer-Based	34	52	553	1,656	484	87.5%
B. Microwave (Knowledge Network)	12	50	273	873	251	91.9%
C. Telecourses (Public TV)	8	9	140	446	123	87.9%
D. Videoconferencing	7	8	60	126	57	95.0%
Total Fall 2000	61	119	1,026	3,101	915	89.2%

Spring 2001	Class Titles	Class Sections	Enrollment	Credits Produced	Completers	Completion Rate
A. Internet/Computer-Based	43	69	788	2,361	733	93.0%
B. Microwave (Knowledge Network)	15	52	235	691	214	91.1%
C. Telecourses (Public TV)	9	12	162	518	150	92.6%
D. Videoconferencing	8	11	110	314	104	94.5%
Total Spring 2001	75	144	1,295	3,884	1,201	92.7%

Summer 2001	Class Titles	Class Sections	Enrollment	Credits Produced	Completers	Completion Rate
A. Internet/Computer-Based	22	46	301	679	249	82.7%
B. Microwave (Knowledge Network)	1	1	7	21	6	85.7%
C. Telecourses (Public TV)	0	0	0	0		
D. Videoconferencing	1	1	8	24	8	100.0%
Total Summer 2001	24	48	316	724	263	83.2%

FALL 2001	Class Titles	Class Sections	Enrollment	Credits Produced		
A. Internet/Computer-Based	47	70	862	2,517		
B. Microwave (Knowledge Network)	12	52	354	1,030		
C. Telecourses (Public TV)	8	10	217	706		
D. Videoconferencing	6	8	56	168		
Total Fall 2001	73	140	1,489	4,421		

NOTES:

"Internet/Computer-Based" includes Internet, asynchronous computer conferencing, and computer-based multimedia.

"Microwave" includes Knowledge Network system with interactive television, cable television, and videotape delivery.

"Telecourses" are offered via Idaho Public Television.

"Videoconferencing" includes the Higher Education Network to Twin Fall and Distance Learning Network to high schools.

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NOVEMBER 14-15, 2001**

SUBJECT

Progress Report: Lewis Clark State College

President Thomas will give the report

LEWIS-CLARK STATE COLLEGE
PRESENTATION TO THE
STATE BOARD OF EDUCATION
NOVEMBER 14, 2001

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NOVEMBER 14-15, 2001**

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LCSC PROGRESS REPORT INCLUDED

PAGES 38-54

IF YOU NEED A COPY OF LCSC'S PROGRESS REPORT,
PLEASE CALL JIMMI SOMMER OR RANDI MCDERMOTT AT 334-2270

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
NOVEMBER 14-15, 2001**

SUBJECT

Presidents' Council Report - Higher Education Funding Plan

BACKGROUND

Board members Manning, Hall, and Lewis met with the Presidents and a representative from the Governor's Office in early November to discuss a funding plan for higher education in the wake of the current and possible future state budget shortfalls.

DISCUSSION

An update on this issue will be presented.

BOARD ACTION

No specific action could be anticipated

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
NOVEMBER 14-15, 2001**

SUBJECT

Fee Increases

BACKGROUND

Section V.R.2. of the Governing Policies and Procedures manual provides the Board's policy on student fees:

Consistent with the Statewide Plan for Higher Education in Idaho, the institutions shall maintain fees that are competitive with those of western peer institutions. Therefore the total fee for full-time undergraduate and graduate students for both residents and nonresidents shall not exceed the peer group average of the prior year. An institution cannot request more than a ten percent (10%) increase in the total full-time student fee unless otherwise authorized by the Board.

DISCUSSION

At the Board's October meeting, the Presidents' put the Board on notice that they intended to come forward with a request to increase fees above the 10% level. Information was requested from the institutions and staff in regard to this process, and is attached as follows:

- Answers to Questions posed at the October Board Meeting (pgs. 57-70)
- Table 1: Resident Undergraduate Fee Comparisons at Select Peer Institutions (pg. 71)
- Table 2: History of WICHE States Fees and Tuition (pg. 72)
- Table 3: Comparison of Annual Fees and Tuition in Idaho to WICHE states (pg. 73)
- Table 4: State Ranking by Type of Institution – WICHE States (pg. 74)

The institutions have not yet forwarded requests that include specific dollar amounts or percentages. The intent of making this request at this particular time is to help the institutions plan for the future and make adjustments as necessary given the current budget situation. If allowed to go above the 10% limit, specific percentage increases would be forwarded to the Board for approval at a later date.

BOARD ACTION

A motion to approve the request to go above the 10% fee increase limit for the 2002-2003 academic year.

Moved by _____, seconded by _____. Carried. Yes ___ No ___

College and University Responses to Fee Increase Questions

1. What operational changes do you plan to make that would result in reducing expenditures?

Boise State University

The University has adopted an aggressive energy conservation program on campus to minimize the impact of significant increases in utility rates and costs. We plan to implement a 2002 summer schedule that should result in significant energy savings by reducing the work week to 4.5 days per week (9 hours for four days and 4 hours for one day). The savings occurs as a result of offices being closed at 11:30 a.m. on Fridays. Other severe measures include canceling the plans to use one-time funds that were appropriated for special initiatives for FY2002. Instead, the positions created from these funding sources and the positions that are currently vacant within the University will remain vacant until we can achieve the level of savings necessary to meet our budget. Due to the University's chronic funding deficiency, operations are near the maximum operating efficiency. However, we are currently meeting with the University's Executive Budget Committee to complete a comprehensive budget review.

In the area of working to reduce the cost of education to our students, the University's housing costs are well below the local market rates. Wherever possible and reasonable, we are encouraging faculty to minimize the number of textbooks required for their courses. In addition, all BSU students are able to access the City Bus and University Shuttle System free of charge with a valid student identification card. Finally, by providing distance delivery of educational courses, we save the students time and transportation costs as they pursue their education goals.

Eastern Idaho Technical College

All operating expenses will be reduced by 12%.

Idaho State University

Besides considering reducing faculty and staff, will be looking at increasing class size and offering fewer sections of the same class. We will continue to address utility costs campus-wide, and have already begun to schedule evening classes within fewer buildings.

Lewis-Clark State College

LCSC is exploring a variety of operational changes, including energy/utility cost savings, travel savings, athletic department savings, and changes in administrative structure that would reduce administrative costs.

University of Idaho

First, let me outline the enormity of the financial challenge we are facing. In addition to the estimated 10 percent (about \$11.8M) budget reduction we are planning for the FY03 budget, we will encounter a significant set of secondary problems associated with

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absence of MCO funding for FY03, and the serious possibility that there will be no MCO funding in FY04. In the wake of September 11, we are also facing increased costs of doing business especially in those areas of our operations related to safety and security. In addition to the FY03 budget reduction, we face the prospect of internal reallocations to cover operating costs such as the following:

- \$1.0 million deficit in FY01 utility costs, with cost increases in FY03 projected to be at least an additional \$800,000 in ongoing expense.
- A 15 percent to 20 percent increase in health insurance costs in FY03 (up to \$1.6M in additional expense) with similar increases in FY04 (up to \$1.9M in additional expense).
- Faculty promotion increments (\$250,000 per year) in FY03 and FY04 that would normally be funded from the Change in Employee Compensation (CEC) appropriation for faculty salaries.
- Occupancy costs of \$530,000 in FY03 with additional costs to follow in FY04 that we have not yet had time to estimate in detail.
- Software maintenance contract increases of \$100,000 per year in both FY03 and FY04 for core systems such as Banner, Oracle, Web-CT, and GIS).
- Increased expenses for leases totaling more than \$150,000 in FY03.

Facing both the large budget reduction and the challenge of large internal reallocations to cover costs such as those listed above, we will take a number of actions to reduce expenditures:

- Collapse colleges and departments to reduce the number of administrative units
- Reduce number of administrative positions and support positions
- Reduce number of faculty positions
- Increase student/faculty ratio

2. Assuming increasing enrollment during this time when revenue is decreasing, what factors will be considered to become more efficient (technology, teaching loads, etc.)

Boise State University

In Fall 2001, 95 percent of BSU students enrolled via BroncoWeb, an option that was not available until recently. The University continues to rely more on technology, but staff are still needed to answer questions and support systems. The cost of maintaining, upgrading and supporting current technology and distance education delivery remains high.

In terms of teaching loads, Boise State already has a practice of enforcing differential teaching loads, with the maximum load being 15 credit hours. Accreditation standards for certain disciplines require specific teaching loads and the University has been cited as being “marginally compliant” in some of these areas. In addition, the Northwest Association of Schools and Colleges has cited the University as needing to rely less on adjunct faculty and to allow permanent faculty sufficient research time.

Eastern Idaho Technical College

Eastern Idaho Technical College will maximize faculty teaching loads and employ any and all technology enhancements.

Idaho State University

Technology adds more to the quality of teaching and student access, but it comes with additional cost. Teaching loads will be increased where practical. Class size will be expanded at the lower and upper division programs, when practical. Professional programs do not often allow for increasing class size or teaching loads due to accreditation requirements.

Lewis-Clark State College

LCSC is reviewing extended course offerings and the costs of offering technology courses. We see technology more as a cost than resulting in course savings. We are exploring an increase in class sizes where feasible. We must move cautiously because, in some areas, an increase in class size would jeopardize accreditation.

University of Idaho

We will pursue a variety of techniques to become more efficient.

- Increased use of technology and alternative learning concepts—
We have introduced a new center on campus, the Polya Center (Math Education Center). The Polya approach is to use technology as a means of redeploying our teaching resources so that we individualize the learning experience for each student. The overarching goal is to produce students who are empowered as independent active learners and graduates who are life-long

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learners not likely to shy away from opportunities simply because they involve learning some mathematics. I have attached a description of Polya. A major outcome of this approach (which is modeled on the Math Emporium Center at Virginia Tech) is that both student learning and faculty productivity are simultaneously improved. We intend to invest in similar programs for lower division instruction in areas such as English composition, foreign languages, chemistry, physics, biology, and computer science. Just as important, we intend to reduce seat time in many classes by leveraging our investments in campus networks and Web-CT software and placing increased emphasis on independent student learning.

- We will introduce a standard teaching workload policy similar to policies at several other land-grant universities.
- We will review degree programs that have low numbers of graduates and small instructional sections with the intention of reducing the number of degree programs at the institution.
- In addition, will are focusing on curriculum consolidation in similar fields to reduce costs.

3. As enrollment increases, at what level will enrollment caps be necessary to retain quality?

Boise State University

Boise State is currently at its enrollment cap based on the current budget situation. Any reduction in faculty will result in a reduction of student enrollment since fewer classes will be available. The current budget for adjunct faculty is not sufficient to accommodate enrollment growth and we need to work to retain permanent faculty to meet accreditation standards.

Eastern Idaho Technical College

Enrollment caps are currently employed in various programs at Eastern Idaho Technical College.

Idaho State University

Various professional courses have enrollment caps established by accreditation guidelines. With the increasing lay offs in SE Idaho, e.g., Astaris and INEEL, there are additional opportunities for training, so establishing University caps would be counter productive and would produce or create. Having a community college role requires access.

Lewis-Clark State College

There are automatic caps in some programs, such as nursing, because of accreditation requirements. As for the campus as a whole, LCSC could sustain increases of up to 4,500 for the current physical space.

University of Idaho

For the moment, we do not anticipate instituting caps except in professional programs like law and medicine (WWAMI) where they have traditionally existed. Rather, we plan to grow enrollment even though we will have fewer faculty. Revenue growth from enrollment growth coupled with increased student fees is one of our key strategies for coping with the increased costs of doing business, the state's reduction of budgets and flat-lining MCO in FY03 and potentially FY04.

4. If the Board were to grant an exception, do you plan to increase financial aid programs for the needy in order to retain access for this group of students?

Boise State University

The University already awards all need-based scholarship funding that is available. However, need-based student loan and grant programs are available through federal financial aid programs and it is reported that the Pell grant amount has been increased. If the University is able to increase student fees to a sufficient level, access may be preserved for classes that would otherwise be eliminated due to budget reductions.

Eastern Idaho Technical College

Financial Aid will be offered or increased to eligible applicants. Higher costs will drive larger financial awards to the limits allowed by Federal financial aid programs.

Idaho State University

Federal programs currently exist to take care of the truly needy students. The Promise Scholarship has been of significant value in attracting students. ISU is the only four year institution currently matching the state amount.

Lewis-Clark State College

To the extent that federal law and LCSC resources allow, we will provide aid. Access is a goal for us in the raising of funds for student scholarships.

University of Idaho

Yes. We already fund access scholarships for our most needy students and we plan a significant increase in financial aid funding as mandatory fees increase.

- 5. What is your long-term plan on fee increases? Are you benchmarking them to peer averages? Are you determining the share students' pay of the cost of education? What is your ultimate plan for student fee increases? Will we see an incremental increase every year?**

Boise State University

State funding has continued to decrease as a percentage of general account support. In 1991, the State provided 84 percent of general account funding to BSU. In 2001, that amount is 76 percent. As this trend continues, it is necessary for the students to fund more of the educational costs. The University would prefer a five-year plan to increase fees to a set figure to be determined. Boise State would recommend that this approach be “front-loaded,” with a greater increase in the first year when we are experiencing a severe curtailment in the budget. Then there would be a smaller percentage increase in the next four years until we reach the target level of student fee support. If the SBOE redefines the categories of expenditures that may be funded through the matriculation fee, this would lead to a determination of the percentage of general education costs that could be supported by student fees based on the support provided by the State. Boise State resident fees remains below the national average of \$3,600 per year.

Eastern Idaho Technical College

Eastern Idaho Technical College's long-term plan for increases will employ an annual 4 % increase. EITC benchmarks with Idaho Community Colleges. Student share of education cost is a constant variable and difficult to determine because of technical education dynamics.

Idaho State University

Student fees will continue to increase with students paying more for the cost of education, up to 35 to 40%. This will take some time with the yearly increase affected by a number of internal and external factors. We will continue to work closely with other higher education institutions with outreach programs to ensure that there is no duplication.

Lewis-Clark State College

We plan to cautiously raise fees to address increasing costs. Pegging student fees to the cost of their education—aiming at a percentage of the total cost, for example, seems to us to be a good way to go. We will continue to monitor our fees in relation to regional and peer averages, but we note that our fees are considerably lower than our peer averages. We would like to see a budget that plans for students paying about a third of the total cost of their education.

University of Idaho

In roughly equal proportions, we intend to resolve this financial crisis by relying upon 1) increases in mandatory student fees, 2) increased revenue from other sources, and 3)

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expenditure reductions from operational efficiencies and organizational restructuring. Based on an OSBE analysis of budgets, students currently pay about 17 percent of the costs of their education or about 40 percent of the non-instructional costs (i.e., the costs of physical plant, student services, institutional support). Our intent is to increase mandatory fees by 50 percent over four years thus bringing student fees to roughly 34 percent of educational costs and roughly 80 percent of non-instructional costs. Over the past several years, fees increases have averaged slightly less than 10 percent per year. Under our current plan, these increases will be slightly higher than 11 percent per year on average over the next four years. We anticipate a larger increase in FY03, followed by a return to fee increases of about 10 percent per year in FY04 and beyond.

For FY03, we will restructure our activity and facility fees to cover as many MCO issues in these areas as possible. This will permit us to focus most of the FY03 fee increase in the matriculation fee, which will help protect programs in our primary mission areas of instruction, research, and outreach.

We benchmark our fees against our peers and their mandatory fees are typically higher than fees at UI. Given that our peers are experiencing financial stress and will raise mandatory fees, we believe that we can increase fees at this rate without losing our competitive advantage. According to recently released statistics on rising tuition and fees (“Tuition Rise Sharply, and the Time Public Colleges Lead the Way,” <http://chronicle.com/weekly/v48/i10/10a05201.htm>), the current UI fee is about 70.5 percent of the \$3754 rate at four-year public institutions across the United States.

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- 6. We are also facing severe reductions for all state programs. The Board would like to know from the colleges and universities, the amount of fund reserve balance for FY ending June 30, 2001. This would include reserves for emergency funds or contingency funds.**

Boise State University

The University's FY01 fund balance for unrestricted current funds is \$17.7 million of which \$14.2 million is obligated for current capital projects and equipment purchases that are approved or in progress; and to meet bond coverage requirements. The remaining \$3.5 million is set aside for capital equipment and facility improvement projects (those not funded by the State) that are not yet committed and as emergency reserves (approximately \$1.5 million). The total unrestricted fund balance represents 11.3 percent of the University's unrestricted assets and 14.3 percent of unrestricted current fund revenues. As indicated in previous years by Deloitte and Touche, LLP, an appropriate reserve balance for public universities is approximately 15% of unrestricted current fund revenues. BSU's percent is 14.3%.

Auxiliaries are self-supporting operations that exist to benefit the students and the institution. As such, managers of these facilities must build reserves to update equipment, renovate facilities and provide for other capital improvements, since these activities are not funded by the University. Boise State Auxiliaries must develop long-range plans to build sufficient reserves to achieve adequate maintenance and equity availability. In addition, sufficient reserves are required to meet bond coverage covenants and to handle emergencies. As of June 30, 2001, the University's 13 auxiliary operations have a total fund balance reserve of approximately \$11.2 million. \$8.9 million of this reserve is restricted to meet bond coverage requirements and for capital projects that are currently approved or in progress. The remaining \$2.2 million is used to fund current and deferred maintenance projects and to maintain adequate reserves for emergencies. This amount represents 14.9 percent of all auxiliary assets. The auxiliaries submit annual plans for capital projects to be funded from reserves.

Eastern Idaho Technical College

Eastern Idaho Technical College does not have or maintain reserve balances.

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Idaho State University

As of June 30, 2001, the total amount was \$1,235,921.94; however, ISU has identified this as a source of the 2% holdback.

FY00-01 Carryover Funds

Fiscal Impact

General Education

The source of funds carried over are: General Account - \$0.00; Student Fees-\$4,974,505.01; Endowment - \$0.00. All carryover funds will be used for non-recurring expense as summarized:

Encumbered Funds as of 6/30/01	\$ 653,458.12
Purchase orders issued and commitments made, but goods or services not received as of 6/30/01.	
HERC and Technology	\$ 863,453.00
Research and Technology grants and projects are made for a two or three year period. Carryover necessary to complete those grants and projects.	
Other Carryover Funds	\$3,457,593.89
Planned expenditures for uncommitted funds are:	
Instructional Support/Equipment	\$1,792,055.91
Faculty Research Projects	276,203.00
Physical Plant Projects	153,413.04
*General Institutional Reserve	*\$1,235,921.94

Lewis-Clark State College

LCSC just received our audited financial statements for the fiscal year ended June 30, 2001, but we have not had an opportunity to analyze the make-up of our fund balances. We will complete that analysis next week. We do know, however, that our current unrestricted and auxiliary enterprises' fund balance is \$1,964,900, but a large portion of that was committed at year end. The external auditors, Deloitte & Touche, have stated that we should have an ongoing fund balance equal to 15% of our expenditures. For the categories of current unrestricted and auxiliary enterprises this would dictate a fund balance of approximately \$4.1 million.

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University of Idaho

Unexpended fund balances for the fiscal year ended June 30, 2001 were as follows:

State Appropriations:

General Education (lump sum appropriation)	\$8,197,000
UI Special Programs (Special Programs include: ARES, WOI, WWAMI, IGS, FUR) {see November 2001 Board Agenda}	

Non-appropriated funds:

Auxiliary Services, Local Sales and Service, Gifts	\$18,346,297
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As noted in the November Board Agenda, carryover funds were both encumbered and dedicated for the completion of multi-year grants, projects and programs. Year-end encumbrances are made to cover purchase orders for which the goods and services had not been received as of June 30th. Dedicated carryover funds are used for a variety of commitments such as the completion of HERC projects, Technology Incentive Grants, capital projects in progress and the final installments on the UI Early Retirement Incentive Plan (final payments were made in July 2001). In general, carryover balances help the university maintain adequate reserves for contingencies and strategic investments. Adequate carryover reserves are essential for sound financial condition ratings and bonding capacity. Leveraging these balances will be an important part of our strategy for limiting the number of layoffs during the current restructuring.

7. What percentage of total student (matriculation) fee increases over the last several years were voted on by the students for their projects?

Boise State University

All student fee increase proposals go through the same process. Any student, student organization or University department may submit a fee increase request. These proposals are presented at Student Fee hearings in March. The University's Executive Budget Committee (EBC) attends these hearings. This committee currently includes two student members, four faculty members, a representative from each employee group and the vice presidents of the University. The EBC meets to consider all of the requests and makes a recommendation to the President, who then makes a recommendation to the SBOE for approval. In recent years, various student groups have led initiatives to support student fee increases for the BSU Children's Center, the Student Recreation Center and the Student Union Expansion. These projects are funded from facility fees and activity fees.

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Lewis-Clark State College

	FY98	FY99	FY00	FY01	FY02
Total Fee Increase	15.31%	9.01%	7.83%	7.08%	8.05%
Inst. Maintenance Incr.	5.72%	3.68%	8.02%	5.26%	4.24%
Facility Fee Increase*	1.23%	1.07%	0.00%	0.91%	1.50%

*Includes Silverthorne & Activity Center increases only (only increase that students voted on)

If state revenue continues to decline, student fees will need to continue to go up.

University of Idaho

Mandatory fees include the matriculation fee (used to support non-instructional costs), facility fees (used primarily to retire bonded debt for facilities and identified by facility) and activity fees (used to fund the operating expenses for such activities as student government, the student union, and identified by specific activity.) The question is more than likely referring to activity fees rather than matriculation fees.

At UI, our students voted to fund a major element in our effort to become a residential campus of choice in Idaho and the West – the Student Recreation facility. In that vote we had about 40 percent turnout and a vote of 65 percent in support of the increased student fee to support that facility. The vote implied support for both the facility fee needed to retire the bonded debt for the facility and the activity fee needed to operate the facility upon completion. Currently these fees total \$82/semester but the activity fee for this facility will need to increase in FY03 to cover operating expenses for the full fiscal year. This is the only referendum we have had on a student fee initiative.

We work collaboratively with the ASUI and other student organizations in reviewing and prioritizing fee request proposals and developing the annual fee request. As noted above, one of our strategies for managing the current financial crisis will be a review and restructuring of both facility and activity fees.

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IDAHO STATE UNIVERSITY
HISTORY OF STUDENT FEES

	Incr Since 96-97	FY2002	FY2001	FY2000	FY99	FY98	FY97
<i><u>FULL-TIME FEES (8 Hours or More)</u></i>							
Matriculation Fee	73.08%	\$780.60	\$707.80	\$650.75	\$597.75	\$541.25	\$451.00
Facility Fee-Facilities	57.89%	180.00	175.00	169.00	149.00	134.00	114.00
Facility Fee-Campus Technology	44.00%	36.00	31.00	30.00	30.00	25.00	25.00
DEDICATED ACTIVITY FEES							
Intercollegiate Athletics		99.40	92.45	86.00	77.00	68.00	68.00
Student Health Center		54.00	54.00	46.50	46.50	45.00	45.00
Student Union Operations		102.00	92.00	81.00	67.00	64.00	61.00
Associated Student Body		66.75	62.75	62.75	57.75	56.75	56.75
Leadership & Counselor Training		3.00	3.00	2.00	2.00	2.00	
Janet C Anderson Women's & Men's Center		4.50	4.00	4.00	4.00		
Marching Band		5.50	5.50	5.50	4.00	3.00	
Debate Team		4.00	4.00	4.00	4.00	4.00	
Student ID Card		2.00	2.00	2.00	1.00	1.00	1.00
Childcare Services		8.00	7.75	7.75	7.75	6.75	3.00
Student Band/Choir		4.00	3.00	3.00	2.50	2.50	2.50
Student Support Service		5.00	5.00	5.00	5.00	5.00	4.00
Intramurals/Recreation/Locker		16.50	11.00	11.00	11.00	11.00	9.00
Alumni		2.50	2.50	2.50	2.50	2.50	2.50
Scholarships and Loans		19.50	19.50	19.50	14.50	14.50	14.50
Wellness Program		3.75	3.75	3.75	3.75	3.75	3.75
C.W.HOG		3.00	3.00	3.00	3.00	2.00	2.00
Phone Registration		0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Activity Fee	47.77%	403.40	375.20	349.25	313.25	291.75	273.00
Total Full-Time Undergraduate Fee	62.22%	1,400.00	1,289.00	1,199.00	1,090.00	992.00	863.00
Increase from Previous Year		8.61%	7.51%	10.00%	9.88%	14.95%	9.94%
Student Health Insurance--Fall	31.33%	262.00	245.00	213.00	205.00	220.00	199.50
Spring	31.33%	262.00	245.00	213.00	205.00	220.00	199.50

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PART-TIME CREDIT HOUR FEES (< 8 Hrs.)

Education Fee	52.11%	106.10	100.35	91.85	84.75	78.75	69.75
Facility Fee-Campus Technology	140.00%	6.00	5.50	5.50	5.50	4.50	2.50
Activity Fee:							
Student Health Center		2.00	1.50	1.50	1.50	1.50	1.50
Student Union Operations		6.50	5.50	4.00	2.00	2.00	2.00
Recreation Facility Operation		3.75	2.00	2.00	2.00	2.00	
Leadership & Counselor Training		1.00	1.00	1.00	1.00		
Janet C Anderson Women's & Men's Center		1.00	0.50	0.50	0.50		
Childcare Services		1.00					
Wellness Program		0.50	0.50	0.50	0.50		
Student Programming		7.00	7.00	7.00	7.00	6.00	6.00
Photo ID		1.15	1.15	1.15	0.25	0.25	0.25
Phone Registration System							0.00
Stadium Operations		2.00	2.00	2.00	2.00	2.00	2.00
Outreach Program		2.00	2.00	2.00	2.00	2.00	2.00
Activity Fee Subtotal	102.91%	27.90	23.15	21.65	18.75	15.75	13.75
Total Part-Time Undergraduate Fee	62.79%	140.00	129.00	119.00	109.00	99.00	86.00

Increase from Previous Year 8.53% 8.40% 9.17% 10.10% 15.12% 9.55%

GRADUATE FEE (Additional Charge)

Full-Time	28.98%	316.00	300.00	280.00	270.00	258.00	245.00
Part-Time	30.61%	32.00	30.00	28.00	27.00	25.80	24.50

NON-RESIDENT FEE (Additional Charge)

Full-Time - New Fall 1995 & Thereafter	9.98%	3,120.00	3,120.00	3,120.00	3,120.00	2,990.00	2,837.00
Full-Time - New Fall 1994		2,700.00	2,700.00	2,700.00	2,700.00	2,590.00	2,462.00
Full-Time - New Fall 1993		2,390.00	2,390.00	2,390.00	2,390.00	2,290.00	2,178.00
Full-Time - New Fall 1992		2,110.00	2,110.00	2,110.00	2,110.00	2,025.00	1,925.00
Full-Time - New Prior Summer 1992		1,840.00	1,840.00	1,840.00	1,840.00	1,765.00	1,675.00
Part-Time		90.00	90.00	90.00	90.00	86.00	82.00

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
NOVEMBER 14-15, 2001**

Table 1

**RESIDENT UNDERGRADUATE TUITION AND FEE COMPARISONS
AT SELECT PEER INSTITUTIONS, 2000-2001**

	2000-2001
California State – Fresno (BSU)	\$1,746
New Mexico Highlands University (LCSC)	1,992
Southern Utah University (LCSC)	2,066
Weber State University (BSU)	2,118
Western State College, CO (LCSC)	2,270
University of Hawaii Hilo (LCSC)	2,330
University of Nevada Las Vegas (ISU, BSU)	2,340
University of Nevada Reno (ISU)	2,340
Arizona State University West (BSU)	2,344
Northern Arizona University (ISU, BSU)	2,344
University of Arizona (UI)	2,344
Lewis Clark State College	2,360
Utah State University (UI)	2,403
Boise State University	2,450
University of Idaho	2,476
University of Wyoming (ISU, UI)	2,575
Idaho State University	2,578
Western Montana University (LCSC)	2,603
Oklahoma State University (UI)	2,672
University of Montana Northern (LCSC)	2,692
University of Colorado Denver (ISU)	2,698
University of Northern Colorado (ISU, BSU)	2,753
University of Alaska Anchorage (BSU)	2,769
Kansas State University (UI)	2,781
New Mexico State University (ISU)	2,790
Eastern Washington University (BSU)	2,826
University of Montana (ISU)	3,066
Montana State University (ISU)	3,079
University of North Dakota (ISU)	3,088
Iowa State University (UI)	3,132
Colorado State University (UI)	3,135
Valley City State University, ND (LCSC)	3,173
Eastern Oregon University (LCSC)	3,387
Portland State University (ISU, BSU)	3,525
Dakota State University, SD (LCSC)	3,568
Oregon State University (UI)	3,654
Washington State University (UI)	3,658

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
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Table 2

History of WICHE States Fees and Tuition

For Universities Only – Undergraduate

Status/State	FY96	FY97	FY98	FY99	FY00	FY01	% Chge FY96 - FY01
Resident Fees							
Alaska	2,478	2,544	2,605	2,774	2,853	2,938	18.56%
Arizona	1,950	2,009	2,058	2,158	2,259	2,344	20.21%
California	2,563	2,745	2,603	2,511	2,450	2,461	-3.98%
Colorado	2,795	2,869	2,957	3,037	3,086	3,158	12.99%
Hawaii	1,631	2,421	2,944	3,045	3,141	3,157	93.56%
Idaho	1,615	1,763	1,967	2,149	2,343	2,501	54.83%
Montana	2,397	2,495	2,654	2,823	2,966	3,073	28.20%
Nevada	1,830	1,920	1,995	2,070	2,145	2,340	27.87%
New Mexico	2,043	2,133	2,181	2,295	2,466	2,768	35.49%
North Dakota	2,369	2,469	2,622	2,780	2,921	3,049	28.70%
Oregon	3,292	3,443	3,505	3,586	3,616	3,666	11.36%
South Dakota	2,602	2,678	2,777	2,974	3,196	3,407	30.94%
Utah	2,250	2,301	2,388	2,477	2,552	2,650	17.78%
Washington	2,570	2,667	2,771	2,915	3,035	3,146	22.41%
Wyoming	2,005	2,144	2,326	2,330	2,416	2,575	28.43%
Average	2,446	2,522	2,586	2,627	2,640	2,710	10.79%
Nonresident Fees & Tuition							
Alaska	6,798	6,954	7,105	7,394	7,623	7,858	15.59%
Arizona	7,707	8,093	8,415	8,765	9,066	9,459	22.73%
California	10,039	10,279	10,449	10,529	10,641	10,780	7.38%
Colorado	11,633	12,133	12,590	13,031	13,319	13,826	18.85%
Hawaii	4,825	7,869	9,429	9,525	9,621	9,637	99.73%
Idaho	7,000	7,320	7,853	8,189	8,383	8,581	22.59%
Montana	6,679	6,980	7,485	8,029	8,396	8,735	30.78%
Nevada	6,730	7,020	7,460	7,840	8,492	9,320	38.48%
New Mexico	7,170	7,487	7,663	8,057	8,669	9,831	37.11%
North Dakota	5,893	5,993	6,356	6,724	7,063	7,398	25.54%
Oregon	10,375	11,146	11,494	11,895	12,424	13,078	26.05%
South Dakota	5,257	6,128	6,410	6,649	7,015	7,359	39.98%
Utah	6,875	7,040	7,307	7,527	7,749	8,050	17.09%
Washington	8,369	8,996	9,423	9,907	10,255	10,506	25.53%
Wyoming	6,403	6,872	7,414	7,418	7,684	7,693	20.15%
Average	8,730	9,112	9,422	9,745	9,886	10,162	16.40%

Table 3

College & Universities

Comparison of Annual Fees & Tuition in Idaho to WICHE States

Acad Yr	Resident Undergraduate Fees					Nonresident Undergraduate Tuition & Fees				
	Idaho		WICHE		% of	Idaho		WICHE		% of
	Amt	% Incr	Amt	% Incr	WICHE	Amt	% Incr	Amt	% Incr	WICHE
1986-87	1,031		1,202		85.77%	2,956		3,828		77.22%
1987-88	1,037	0.58%	1,215	1.08%	85.35%	2,962	0.20%	4,123	7.71%	71.84%
1988-89	1,067	2.89%	1,282	5.51%	83.23%	2,992	1.01%	4,346	5.41%	68.84%
1989-90	1,085	1.69%	1,432	11.70%	75.77%	3,060	2.27%	4,801	10.47%	63.74%
1990-91	1,153	6.27%	1,511	5.52%	76.31%	3,213	5.00%	5,397	12.41%	59.53%
1991-92	1,222	5.98%	1,699	12.44%	71.92%	3,439	7.03%	6,150	13.95%	55.92%
1992-93	1,298	6.22%	1,900	11.83%	68.32%	3,933	14.36%	6,582	7.02%	59.75%
1993-94	1,403	8.09%	2,079	9.42%	67.48%	4,749	20.75%	7,033	6.85%	67.52%
1994-95	1,510	7.63%	2,300	10.63%	65.65%	5,712	20.28%	7,568	7.61%	75.48%
1995-96	1,558	3.18%	2,383	3.61%	65.38%	6,750	18.17%	7,893	4.29%	85.52%
1996-97	1,729	10.96%	2,442	2.48%	70.79%	7,078	4.86%	8,311	5.30%	85.16%
1997-98	1,942	12.35%	2,532	3.69%	76.71%	7,597	7.34%	8,652	4.10%	87.81%
1998-99	2,123	9.31%	2,583	2.01%	82.19%	7,974	4.95%	8,903	2.90%	89.56%
1999-00	2,308	8.73%	2,639	2.17%	87.47%	8,156	2.29%	9,155	2.83%	89.09%
2000-01	2,466	6.83%	2,721	3.11%	90.63%	8,386	2.81%	9,459	3.32%	88.65%

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
NOVEMBER 14-15, 2001**

Table 4

**College & Universities
State Ranking by Type of Institution - WICHE States
2000 - 2001 Tuition & Fees**

Resident Undergraduate Annual Fees

<u>Universities: (BSU, ISU,Uofl)</u>	<u>Amount</u>	<u>% of Average</u>	<u>Other Institutions: (LCSC)</u>	<u>Amount</u>	<u>% of Average</u>
1 Oregon	3,666	135.28%	1 South Dakota	3,423	127.22%
2 South Dakota	3,407	125.73%	2 Oregon	3,389	125.96%
3 Colorado	3,158	116.54%	3 Washington	2,864	106.44%
4 Hawaii	3,157	116.50%	4 Montana	2,838	105.48%
5 Washington	3,146	116.09%	5 North Dakota	2,790	103.69%
6 Montana	3,073	113.40%	Average	2,691	100.00%
7 North Dakota	3,049	112.51%	6 Colorado	2,431	90.35%
8 Alaska	2,938	108.42%	7 Idaho	2,360	87.71%
9 New Mexico	2,768	102.15%	8 Hawaii	2,118	78.72%
Average	2,710	100.00%	9 Utah	2,092	77.75%
10 Utah	2,650	97.79%	10 New Mexico	2,092	77.75%
11 Wyoming	2,575	95.02%			
12 Idaho	2,501	92.29%			
13 California	2,461	90.82%			
14 Arizona	2,344	86.50%			
15 Nevada	2,340	86.35%			

Nonresident Undergraduate

<u>Universities: (BSU, ISU,Uofl)</u>	<u>Amount</u>	<u>% of Average</u>	<u>Other Institutions: (LCSC)</u>	<u>Amount</u>	<u>% of Average</u>
1 Colorado	13,826	136.06%	1 Washington	10,003	122.60%
2 Oregon	13,078	128.70%	2 Oregon	9,209	112.87%
3 California	10,780	106.09%	3 Colorado	8,960	109.82%
4 Washington	10,506	103.38%	Average	8,159	100.00%
Average	10,162	100.00%	4 Montana	8,153	99.93%
5 New Mexico	9,831	96.75%	5 Idaho	7,798	95.57%
6 Hawaii	9,637	94.84%	6 New Mexico	7,576	92.85%
7 Arizona	9,459	93.08%	7 Hawaii	7,470	91.55%
8 Nevada	9,320	91.72%	8 South Dakota	7,376	90.40%
9 Montana	8,735	85.96%	9 Utah	6,366	78.02%
10 Idaho	8,581	84.44%	10 North Dakota	6,167	75.58%
11 Utah	8,050	79.22%			
12 Alaska	7,858	77.33%			
13 Wyoming	7,693	75.71%			
14 North Dakota	7,398	72.80%			
15 South Dakota	7,359	72.42%			

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
NOVEMBER 14-15, 2001**

SUBJECT

Second Reading: Section II.B, Human Resources, Specifically Reserved Board Authority

BACKGROUND

The revisions to the Board's Human Resources policies approved in June 2001 spurred discussion on the policy that Board approval be sought for new positions prior to recruiting. It became clear that not all institutions were applying this requirement consistently. Thus, the new policy clarified the requirement by adding the phrase "no form or manner of recruitment" would occur prior to Board approval.

DISCUSSION

Since the new policies took effect, several of the postsecondary institutions have expressed concern over bringing new positions to the Board prior to recruiting because of the realities of hiring in the higher education arena. It is a common practice to recruit for positions that are not yet approved, with communication to the applicants that the position is not effective until the Board approves it.

Therefore, this proposed change to policy would still require Board approval for new positions, but would take out the requirement that this must occur "prior to any form or manner of recruitment." First Reading of this policy revision was approved at the October 2001 meeting.

STAFF COMMENTS

The current Board requirement is essentially twofold, it requires Board approval of new positions, and it requires they be approved before recruiting occurs. The proposed change deletes the second part of the requirement. By doing so, it is possible that Board members may be asked about positions or see positions advertised that they have not yet approved. However, it does remain clear that no position can be effective until it is approved by the Board. Institutions have expressed difficulty waiting to fill positions, especially those that are externally funded, until the next scheduled Board meeting. For example, if a grant is received in late June, the institution cannot begin even recruiting for the position until after the next scheduled Board meeting, which is generally in August.

BOARD ACTION

A motion to approve for second reading the change to Section II. Human Resources Policies, Item B.3.a.(1) which takes out the requirement that Board approval for new positions be granted prior to any form or manner of recruitment of applicants.

Moved by _____ Seconded by _____ Carried: Yes ___ No ___

GOVERNING POLICIES AND PROCEDURES

SECTION: II. HUMAN RESOURCES POLICIES AND PROCEDURES

Subsection: B. Appointment Authority and Procedures

Revised July 1, 2001

Published February 2000

Second Reading November 2001

B. Appointment Authority and Procedures

1. Nothing herein may be construed to be in limitation of the powers of the Board as defined by Sections 33-3006, 33-3104, 33-2806, and 33-4005, Idaho Code, or as otherwise defined in the Idaho Constitution or Code.

2. Delegation of Authority

The Board delegates all authority for personnel management not specifically retained to the executive director and the chief executive officers consistent with the personnel policies and procedures adopted by the Board. In fulfilling this responsibility, the executive director and chief executive officers, or their designees, may exercise their authority consistent with these policies and procedures. Provided, however, that the Board retains the authority for taking final action on any matter so identified anywhere in these policies and procedures.

3. Specifically Reserved Board Authority

(Note: This is not an exclusive or exhaustive list and other reservations of Board authority may be found in other areas of these policies and procedures.) Board approval is required for the following:

a. Position Authorizations

- (1) Any permanent new position, regardless of funding source, requires Board approval ~~prior to any form or manner of recruitment of applicants.~~

Agenda Item Format: Requests for new position authorizations must include the following information:

- (a) position title;
- (b) type of position;
- (c) FTE
- (d) Term of appointment;
- (e) Effective date;
- (f) approximate salary range;
- (g) funding source;
- (h) area or department of assignment;
- (i) a description of the duties and responsibilities of the position; and
- (h) a complete justification for the position

- (2) Any permanent position being deleted. The affected position should be identified by type, title, salary, area or department of assignment, and funding source.

Idaho State Board of Education

GOVERNING POLICIES AND PROCEDURES

SECTION: II. HUMAN RESOURCES POLICIES AND PROCEDURES

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- b. The initial appointment of all employees to any type of position at a salary that is equal to or higher than 75% of the institution or agency chief executive officer's annual salary.
- c. The employment agreement of any head coach or athletic director (at the institutions only), and all amendments thereto.
- d. The criteria established by the institutions for initial appointment to faculty rank and for promotion in rank, as well as any additional faculty ranks and criteria as may be established by an institution other than those provided for in these policies (see subsection G.) Any exceptions to the approved criteria also require Board approval.

The procedures established for periodic performance review of tenured faculty members. (see subsection G.)

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
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SUBJECT

Idaho State Historical Society – Appointment of New Members

BACKGROUND

Idaho Code 67-4124 provides that the State Board of Education will appoint the members to the Idaho State Historical Society Board of Trustees. Board policy provides that the ISHS Board of Trustees will, on behalf of the Board, advertise and solicit for vacant positions.

A vacancy on the Board of Trustees of the Idaho State Historical Society will occur on December 31, 2001, at which time Eugene Place of Hamer will complete a six-year term.

The Idaho State Historical Society issued a news release to all media in District 7, which encompasses Bonneville, Butte, Clark, Custer, Fremont, Jefferson, Lemhi, Madison and Teton counties. In addition, this notice was mailed to all historical societies and museums in the district. Interested individuals were directed to submit an application postmarked no later than August 15, 2001. A nominating committee comprised of Idaho State Historical Society Trustees Lorna Bard, Tony Edmondson and Merwin (Bob) Swanson interviewed all applicants as follows:

Robert Bates, Idaho Falls (application forwarded to the Board under separate cover)
Eugene Place, Hamer (application forwarded to the Board under separate cover)

DISCUSSION

At its October 5, 2001, Quarterly Meeting, the Idaho State Historical Society's Board of Trustees reviewed the recommendations of the nominating committee and voted unanimously to recommend to the State Board of Education the following individuals (listed in order of preference) to fill the District 7 vacancy.

- 1) Eugene Place, Hamer (reappointment for a second term)
- 2) Robert Bates, Idaho Falls

In addition, a vacancy will occur on December 31, 2001, for District 1 encompassing Benewah, Bonner, Boundary, Kootenai and Shoshone counties. The same process was followed as was in District 7; however, no adequately qualified candidates were identified. Therefore, the Idaho State Historical Society will continue its search and will bring its recommendation to the State Board of Education at a later date.

BOARD ACTION

To approve the reappointment of Eugene Place to the Idaho State Historical Society Board of Trustees for a term of six years.

Moved by _____ Seconded by _____ Carried: Yes ___ No ___

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
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SUBJECT

Rules Approval: 08.02.03 K-12 State Achievement Standards

BACKGROUND

During the 2001 legislative session, Idaho lawmakers approved the K-8 Achievement Standards; however, the Legislature asked that they be brought back in 2002 and printed in the Administrative Code. There were also discussions at the time and general agreement among legislators and Board members that the Samples of Application now included in all Standards (K-12) be removed and placed in a guidebook of some sort since they are simply examples of how the Standards could be applied and are not requirements that schools have to follow.

Additionally, Humanities Standards have been developed over the past year and are being added with the Standards currently in place for language arts and communication, math, science, social studies, and health.

DISCUSSION

In light of these events, the Standards have been completely reformatted. The new format does not include the Samples of Application and provides a more fluid flow of information. The standards are now by subject area and include all standards within that area for kindergarten up to grade 12.

All Standards are the same as what is currently approved in Board Rule, with the exception of the following:

- Enhancements to Math Standards – reviewed and realigned the K-8 content knowledge and skills to ensure grade appropriate
- Enhancements to Science Standards – reviewed and realigned the K-8 content knowledge and skills to ensure grade appropriate
- Addition of Humanities Standards K-12

Additionally, some adjustments and updates are proposed to the introductory rules in this section. A full copy of the proposed changes was provided to the Board under separate cover. An initial copy of the proposed changes was forwarded to the Board in August. The only substantive changes to this version from that version are the Humanities Standards, which have been revised significantly.

BOARD ACTION

A motion to approve the pending rule changes to IDAPA 08.02.03 related to K-12 Achievement Standards.

Moved by _____ Seconded by _____ Carried Yes ___ No ___

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
NOVEMBER 14-15, 2001**

SUBJECT

Rules Approval: 08.02.03 K-12 Assessment Program

BACKGROUND

The Board's Assessment and Accountability Commission was put in place last Spring and charged to design a statewide comprehensive assessment and accountability plan for the K-12 public education system.

DISCUSSION

Attached are proposed rules that take out or alter previous testing requirements and put in place newly proposed requirements as recommended by the Board's Assessment and Accountability Commission. The Commission conducted seven statewide assessment inquiries that involved over 375 administrators, educators, and local trustees and gathered additional input using questionnaires. A public hearing on proposed changes to the assessment program was held on August 21, 2001 by statewide videoconference. Numerous suggestions and input were received and are reflected in the proposed changes.

Once this new assessment program is in place, the Commission can further their efforts in developing a corresponding accountability plan.

BOARD ACTION

A motion to approve the pending rule changes to IDAPA 08.02.03 related to assessment.

Moved by _____ Seconded by _____ Carried Yes ___ No ___

PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
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IDAPA 08
TITLE 02
Chapter 03

08.02.03 – RULES GOVERNING THOROUGHNESS

111. ~~ASSESSMENT TESTING~~ IN THE PUBLIC SCHOOLS.

01. **Philosophy.** Acquiring the basic skills is essential to realization of full educational, vocational and personal/social development. Since Idaho schools are responsible for instruction in the basic scholastic skills, the State Board of Education has a vested interest in regularly surveying student skill acquisition as an index of the effectiveness of the educational program. This information can best be secured through objective assessment of student growth. A statewide student ~~assessment testing~~ program consisting of standardized achievement testing and performance appraisal activities in the fundamental basic skills will be conducted annually, ~~under the supervision of the State Department of Education. The State Board of Education will provide oversight for all components of the comprehensive assessment program. The State Department of Education will be responsible for the administration of assessment efforts as provided for by the State Board of Education.~~ (4-1-97)()

02. **Purposes.** The purpose of ~~assessment testing~~ in the public schools is to

a. ~~Measure and improve student achievement;~~

b. ~~Assist classroom teachers in designing lessons;~~

c. ~~Identify areas needing intervention, remediation, and acceleration;~~

d. ~~Assist school districts in evaluating local curriculum and instructional practices in order to make needed curriculum adjustments;~~

e. ~~Inform parents and guardians of their child's progress;~~

f. Provide comparative local, state and national data regarding the achievement of students in essential skill areas;

g. Identify performance trends in student achievement across grade levels tested and student growth over time; and

h. ~~Help determine technical assistance/consultation priorities for the State Department of Education; to provide supplemental information to local educational agencies that may be useful in evaluating local curriculum and instructional practices, screening students for special program entry/exit, diagnosing individual differences, developing student schedules, making differential assignments within classes and in communicating school progress information to various publics; and to determine State Department of Education technical assistance/consultation priorities.~~ (4-1-97)()

03. **Content.** The ~~statewide testing comprehensive assessment~~ program will consist of ~~multiple assessments, including level tests, the Idaho Reading Indicator, the Iowa Tests of Basic Skills (ITBS), the Tests of Achievement and Proficiency (TAP), the Direct Writing Assessment (DWA), and the Direct Mathematics Assessment (DMA), the National Assessment of Educational Progress (NAEP), and the Idaho Standards Achievement Test (ISAT).~~ (4-1-97)()

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
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04. Testing Population. All students in Idaho public schools, grades ~~three through eleven (3-11)~~ kindergarten through twelve (K-12), are required to participate in the comprehensive assessment program standardized portion of the statewide testing program approved by the State Board of Education and funded. ~~In addition, all students in grades four (4), eight (8) and eleven (11) are required to participate in the Direct Writing Assessment and all students in grades four (4) and eight (8) are required to participate in the Direct Mathematics Assessment portions of the statewide testing program.~~ Non-public school students at those same grade levels are encouraged to participate at non-public private school expense. All students who are eligible for special education shall participate in the statewide assessment program. Each student's individualized education program team shall determine whether the student shall participate in the regular assessment without accommodations, the regular assessment with allowable accommodations, or adaptations, or whether the student qualifies for and shall participate in the alternate assessment. English Language Learners (ELL) students who have been in an English speaking school for less than one year and score a 1 or 2 on the Pre-LAS or LAS, a 1 or 2 on the Woodcock-Munoz, an A or B on IPT, limited or intermediate on the Macualitas may be excluded from testing. If the student does not have a local language score they are not excluded from testing. ~~(4-5-00)~~ ()

05. Scoring And Report Formats. Scores will be provided for each subject skill area assessed and reported in standard scores, benchmark scores, percentile ranks, stanines, and or holistic scores ~~(Direct Writing Assessment and Direct Mathematics Assessment)~~. Test results will be presented in a class list report of student scores, building/district summaries, content area criterion reports by skill, disaggregated group reports, and pressure sensitive labels. Information about the number of students who are eligible for special education who participate in regular and alternate assessments, and their performance results, shall be included in reports to the public if it is statistically sound to do so and would not disclose performance results identifiable to individual students. (4-5-00) ()

06. Comprehensive Assessment Program (Effective April 1, 2002). In a timeframe specified by the State Board of Education, all students in grade nine (9) and random samples of students in grades ten through twelve (10-12) will take the Idaho Standards Achievement Test, and students in grades two through nine (2-9) will participate in level testing on Language Arts/Communications and Math Standards. Each assessment will be comprehensive of and aligned to the Idaho State Achievement Standards it is intended to assess. ()

07. Comprehensive Assessment Program (Effective August 1, 2002). The State approved comprehensive assessment program is outlined in subsections 07.a through 07.m below. Each assessment will be comprehensive of and aligned to the Idaho State Achievement Standards it is intended to assess. In addition, districts are responsible for writing and implementing assessments in social studies, science, health and humanities. ()

- a. Kindergarten – Idaho Reading Indicator ()
- b. Grade 1 – Idaho Reading Indicator ()
- c. Grade 2 – Idaho Reading Indicator, Level Testing on Language Arts/Communication and Math Standards ()
- d. Grade 3 – Idaho Reading Indicator, Level Testing on Language Arts/Communication and Math Standards ()
- e. Grade 4 – Direct Math Assessment, National Assessment of Educational Progress, Level Testing on Language Arts/ Communication and Math Standards ()
- f. Grade 5 – Direct Writing Assessment, Level Testing on Language Arts/ Communication and Math Standards ()
- g. Grade 6 – Direct Math Assessment, Level Testing on Language Arts/ Communication and Math Standards ()
- h. Grade 7 – Direct Writing Assessment, Level Testing on Language Arts/ Communication and Math Standards ()

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- i. Grade 8 – Direct Math Assessment, National Assessment of Educational Progress, Level Testing on Language Arts/ Communication and Math Standards ()
- j. Grade 9 – Direct Writing Assessment, Level testing on Language Arts/ Communication and Math Standards. Ninth grade students who meet eligibility criteria as established by the State Board of Education and who have parent approval may take the Idaho Standards Achievement Test (ISAT). ()
- k. Grade 10 – Idaho Standards Achievement Test (ISAT)* ()
- l. Grade 11 – Idaho Standards Achievement Test (ISAT)* ()
- m. Grade 12 – Idaho Standards Achievement Test (ISAT)* ()

*Students who do not receive a proficient score on a portion or portions of the ISAT will retake the appropriate portion or portions each time thereafter that it is offered. Once a student achieves proficiency on a portion or portions of the assessment, regardless of which grade level, 9-12, that student is not required to continue taking that portion or portions.

~~**068. Testing- Comprehensive Assessment Program Schedule. (Effective August 1, 2002) The Iowa Tests of Basic Skills and the Tests of Achievement and Proficiency will be administered in October of each school year. The Direct Writing Assessment and the Direct Mathematics Assessment will be administered in the early spring of each school year during a time period specified by the State Department of Education.**~~

- a. The Idaho Reading Indicator will be administered in accordance with section 33-1614, Idaho Code. ()
- b. Level testing will be administered twice annually in September and May. ()
- c. The Direct Math Assessment and the Direct Writing Assessment will be administered in December in a time period specified by the State Department of Education. ()
- d. The National Assessment of Educational Progress will be administered in the timeframe specified by the U.S. Department of Education. ()
- e. The Idaho Standards Achievement Test will be administered twice annually in October and May. ()

079. Costs Paid By The State. Costs for the following testing activities will be paid by the state: (4-1-97)

- a. All consumable and non-consumable ~~test~~ materials needed to conduct the prescribed statewide ~~testing comprehensive assessment~~ program; (4-1-97)()
- b. Statewide distribution of all ~~assessment~~test materials; (4-1-97)()
- c. Processing and scoring student response forms, distribution of prescribed reports for the statewide ~~testing comprehensive assessment~~ program; and (4-1-97)()
- d. Implementation, processing, scoring and distribution of prescribed reports for and scoring of the Direct Writing Assessment and the component to the fourth, eighth and eleventh grade batteries and the fourth and eighth grade batteries of the Direct Mathematics Assessment. (4-1-97)()

0810. Costs Of Additional Services. Costs for any additional ~~sub-test~~ administrations or scoring services not included in the prescribed statewide ~~testing comprehensive assessment~~ program will

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be paid by the participating school districts. ~~Cost for replacement or supplemental materials which exceed expectation may also be charged to the district.~~ _____ (4-1-97)()

0911. Services. ~~Statewide testing~~ The comprehensive assessment program should be scheduled so that a minimum of instructional time is invested. Student time spent in testing will not be charged against attendance requirements. _____ (4-1-97)()

102. Test Security. Test security is of the utmost importance. ~~It is expected that s~~ School districts will employ the same security measures in protecting statewide testing assessment materials from compromise as they use to safeguard other formal assessments. _____ (4-1-97)()

113. Demographic Information. Demographic information will may be required ~~by the State Department of Education~~ to assist in interpreting test results. It may include but not be limited to race, sex, ethnicity, special programs, Title I, English proficiency, migrant status, special education status, gifted and talented status, and socio-economic status. _____ (4-1-97)()

~~12. Assurances. The State Department of Education will neither advocate nor undertake performance comparisons across Idaho school districts. It is recognized the scholastic achievement can be adversely impacted by individual/environmental differences beyond the control of the school.~~ _____ (4-1-97)()

134. Dual Enrollment. For the purpose of nonpublic school student participation in nonacademic public school activities as outlined in section 33-203, Idaho Code, the Idaho State Board of Education recognizes d achievement test is Form K of the Iowa Tests of Basic Skills, at the elementary level (grades K-8), and the Tests of Achievement and Proficiency, at the secondary level (grades 9-12). The minimum score on each assessment is the fifth (5th) stanine for the battery total score. the following:

- a. State required Level Testing (grades 2 – 9) _____ ()
- b. The Idaho Standards Achievement Test (grades 10-12) _____ ()
- c. A portfolio demonstrating grade level proficiency in at least five (5) of the subject areas listed in items i. through vi. below. Portfolios are to be judged and confirmed by a committee comprised of at least one teacher from each subject area presented in the portfolio and the building principal at the school where dual enrollment is desired.
 - i. Language Arts/Communications
 - ii. Math
 - iii. Science
 - iv. Social Studies
 - v. Health
 - vi. Humanities.

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SUBJECT

Rules Approval: 08.01.05, Idaho Promise Scholarship Program, Category A and Category B

BACKGROUND:

During the 2000 legislative session, Idaho lawmakers created the Idaho Promise Category B Scholarship Program and changed the name of the existing State of Idaho Scholarship Program to the Idaho Promise Category A Scholarship. (Idaho Code Title 33, Chapter 43). The Code requires the State Board of Education to adopt rules necessary for implementing the Idaho Promise Scholarship Program.

Board staff has been meeting regularly with the Financial Aid and Scholarship Directors of the participating institutions to develop the procedures for implementing the provisions of the Promise Scholarship program.

DISCUSSION:

The pending rules appear as all new text. It is intended to request deletion of old rules governing the State of Idaho Scholarship program simultaneous with the new ones being put in place. All provisions of the old rules that still apply to the Category A scholarship have been retained; however, the new text updates the name, includes new provisions for Category B, and is reformatted in a manner that meshes requirements for the two programs when possible and practical, and separates when necessary in accordance with the new provisions in Idaho Code.

A public hearing on the proposed rules was held on October 19, 2001 at the College of Southern Idaho. Board staff received no comments at that public hearing. However, these draft rules have been review by the financial aid directors of each of the participating institutions and their comments and suggestions have been incorporated into this final version.

BOARD ACTION

A motion to approve the pending rule changes to IDAPA 08.01.05 related to the Idaho Promise Scholarship.

Moved by _____ Seconded by _____ Carried: Yes ___ No ___

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08.01.05 - RULES GOVERNING THE IDAHO PROMISE SCHOLARSHIP PROGRAM

CATEGORY A AND CATEGORY B

THE STATE BOARD OF EDUCATION

000. LEGAL AUTHORITY.

These rules are promulgated pursuant to the authority of the State Board of Education (the Board) under Section 33-105 and Title 33, Chapter 43, Idaho Code. ()

001. TITLE AND SCOPE.

These rules shall be known as IDAPA 08.01.05, "Idaho Promise Scholarship Program." These rules constitute the requirements for the Idaho Promise Scholarship Program, Category A and Category B.()

002. WRITTEN INTERPRETATIONS.

In accordance with Section 67-5201(19)(b)(iv) Idaho Code any written interpretation of the rules of this chapter are available at the Board office. ()

003. ADMINISTRATIVE APPEAL.

Unless otherwise provided for in the rules of the Board or in the State Board of Education Governing Policies and Procedures, all administrative appeals allowed by law shall be conducted as provided herein. ()

004. INCORPORATION BY REFERENCE.

There are no documents to incorporate by reference pursuant to, and in accordance with Section 67-5229, Idaho Code. ()

005. OFFICE--OFFICE HOURS--MAILING ADDRESS AND STREET ADDRESS.

The principal place of business of the Board is in Boise, Idaho. The mailing address is PO Box 83720, Boise, ID 83720-0037. The Board's street address is 650 West State Street, Room 307, Boise, Idaho, 83702. The office hours are from 8 a.m. to 5: p.m., except Saturday, Sunday and legal holidays. ()

006. PUBLIC RECORDS ACT COMPLIANCE.

This rule has been promulgated in accordance with the Administrative Procedure Act, Title 67, Chapter 52, Idaho Code, and is a public record. ()

007. DEFINITIONS.

These definitions are applicable to this chapter only.

01. Full-time Student. An average of at least twelve (12) credit hours per semester, including any remedial coursework. ()

02. Secondary School Equivalent. The instruction of students in grades nine (9) through twelve (12), provided by home schools or other educational delivery systems, or by successful completion of the General Educational Development (GED) test.

03. Idaho Secondary School. Any secondary school located in the state of Idaho, including secondary schools located in border school districts attended by Idaho residents in accordance with Section 33-1403, Idaho Code.

04. High School Record for Category A Students. An individual's rank in his secondary school class, cumulative grade point average (GPA) for grades nine (9) through twelve (12), and difficulty of course load taken as certified by an official of such secondary school. ()

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05. High School Record for Category B Students. An individual's secondary school cumulative grade point average for grades nine (9) through twelve (12), or a composite score on the American College Test (ACT), or a sum of sub-scores on the ACT Computerized Adaptive Placement Assessment and Support System (COMPASS), or a combined score on the College Board's Scholastic Aptitude Test I (SAT). ()

008. -- 099. (RESERVED).

100. OBJECTIVES OF THE IDAHO PROMISE SCHOLARSHIP PROGRAM.

The legislature has recognized and declared that substantial economic and social benefits accrue to the state because of an educated citizenry, and that the encouragement of the State's most talented Idaho secondary school graduates to enroll in Idaho educational institutions is an important element for assuring the future leadership in the State. See chapter 43, title 33, Idaho Code. The Idaho Promise Scholarship Program recognizes high standards of achievement, as measured by competitive examination and high school records of graduates of public, private, or the equivalent secondary schools in Idaho who attend public or independent postsecondary institutions in Idaho. ()

101. NUMBER OF SCHOLARSHIPS -- PRIORITY FOR AWARD.

01. Number of Idaho Promise Category A Scholarships. The total number of initial and continuing scholarships will not exceed the number authorized in the "Idaho Promise Scholarship Program" or by the appropriation to support the program, whichever is less. The number of initial scholarships to individuals enrolled in professional-technical programs will not be less than twenty-five percent (25%) of the total number of initial scholarships awarded during any one (1) year, contingent upon a sufficient number of qualified professional-technical applicants. If the number of qualified professional-technical applicants is not sufficient, additional awards will be given to qualified academic applicants. ()

02. Priority for Category A Scholarships. In the event the state of Idaho does not provide an appropriation sufficient to support the maximum number of scholarships authorized by the "Idaho Promise Scholarship Program," the priority for initial and continuing scholarships will be as follows: ()

a. Highest priority is given to continuing recipients in an order beginning with the date of the initial award. However, in the event further priority must be established among continuing recipients, the recipient's rank within his academic or professional-technical major and class will be used, with priority given to the recipient with a higher ranking within his academic or professional-technical major and class. ()

b. Secondary priority is given to initial scholarship recipients until the appropriation is exhausted or the maximum number of initial scholarships authorized by the "Idaho Promise Scholarship Program" is reached, whichever is less. ()

03. Number of Idaho Promise Category B Scholarships. The total number of scholarships awarded to Category B students will be determined annually by the Board based on the number of eligible students as certified by the eligible postsecondary institutions, the individual award amount, and the availability of funds. ()

04. Priority for Category B Scholarships. In the event that the state of Idaho does not provide an appropriation sufficient to award the maximum amount of the scholarship authorized by the Idaho Promise Scholarship Program, the Board may proportionally decrease the amount of the scholarship so as to provide an award to all eligible students. ()

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102. MONETARY VALUE OF THE SCHOLARSHIP.

01. Monetary Value. The monetary value of each scholarship shall be set annually by the Board in accordance with Sections 33-4307(3) et seq., Idaho Code. ()

02. Duration. The grant covers up to one (1) educational year or equivalent for attendance at an eligible postsecondary educational institution. ()

103. SELECTION AND ELIGIBILITY REQUIREMENTS OF SCHOLARSHIP RECIPIENTS.

01. Selection and Eligibility Requirements. Selection and eligibility requirements for a scholarship are based upon the provisions of the "Idaho Promise Scholarship Program." Applicants for the Idaho Promise Scholarship are responsible for providing to the eligible institution in which he intends to enroll any and all information necessary for said institution to verify a student's eligibility for the Idaho Promise Scholarship. ()

02. Educational Costs. The recipient must certify that his scholarship, if awarded, will be used only for educational costs as defined in Section 33-4306, Idaho Code.

03. Enrollment. The recipient must pursue an undergraduate course of study leading to a degree, certificate, diploma, or other documentation of completion, which requires at least six (6) months, or equivalent of consecutive attendance. Furthermore, the applicant shall not enroll in an educational program leading directly to a degree in theology or divinity. ()

04. Compliance. The recipient must comply with all the provisions of the "Idaho Promise Scholarship Program" and these rules. ()

05. Category B Recipients. First time applicants who intend to enroll in an eligible Idaho postsecondary institution and who meet the eligibility requirements of the Idaho Promise Category B Scholarship as verified by the designated financial aid or scholarship office of the eligible institution will receive the Category B Scholarship, provided said student is not a recipient of the Category A Scholarship. Criteria used to determine eligibility includes the following: ()

a. **Grade Point Average for Category B Scholarship.** Applicants must have a cumulative secondary school (grades nine (9) through twelve (12)) GPA of three point zero (3.0) or better on a scale of four point zero (4.0). The participating educational institutions will consider the GPA as indicated on the high school transcript at the time of application to said institution without regard to whether the GPA is weighted or unweighted. ()

b. **ACT or Equivalent Score.** Applicants who do not have a three point zero (3.0) grade point average must verify a composite score of twenty (20) or better on the ACT assessment, or a corresponding score on the SAT I as established on the ACT/SAT I equivalency table, or at least a combined score of one hundred ninety-five (195) from the Writing Skills, Reading Skills and Algebra areas of the ACT COMPASS examination. ()

c. The applicant must have completed secondary school or its equivalent in the state of Idaho as defined in Section 007 of this chapter. ()

d. An individual must be under the age of twenty-two (22) on July 1 of the educational year in which the initial award is made. ()

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e. An individual must enroll as a full-time student for the first time in the 2001- 2002 or subsequent educational years. ()

f. The applicant must comply with all the provisions of the “Idaho Promise Scholarship Program” and these rules.

06. Category A Recipients. Applicants who intend to enroll in academic programs at eligible Idaho postsecondary educational institutions are selected as recipients on the basis of their high school record as defined in this chapter. Applicants who intend to enroll in professional-technical programs at eligible Idaho postsecondary educational institutions are selected on the basis of performance on the ACT COMPASS exam and grade point average (GPA) in grades nine (9) through twelve (12). Criteria used during the selection process are as follows: ()

a. High School Record and GPA. Academic applicants must rank in the top ten percent (10%) of their graduating class, and have a cumulative GPA of three point five (3.5) or better on a scale of four point zero (4.0). Professional-technical applicants must have a cumulative GPA of two point eight (2.8) or better on a scale of four point zero (4.0). ()

b. ACT Composite Score. Academic applicants must verify an ACT composite score of twenty-eight (28) or better. ()

c. COMPASS Score. Professional-technical applicants must provide a copy of their ACT COMPASS report, which must include scores from the Writing Skills, Reading Skills and Mathematics sections of the COMPASS. Scores on the COMPASS report will be evaluated as a whole and used to rank professional-technical applicants. ()

d. Attendance. The applicant must be attending an accredited Idaho public or private secondary school and must declare his intention of enrolling at an eligible public or private postsecondary educational institution in Idaho (as defined in Section 33-4306(1), Idaho Code) during the academic year immediately following his graduation from secondary school. ()

e. ACT, GPA and High School Rank. Academic applicants are ranked against other academic applicants, and professional-technical applicants are ranked against other professional – technical applicants. ()

i. Equal weight is given to the academic applicant’s performance on the prescribed ACT measurements, the applicant’s cumulative GPA and the rank in the secondary school from which the applicant will be graduated. ()

ii. Equal weight is given to the professional-technical applicant’s performance on the COMPASS and cumulative GPA.

104. CONTINUING ELIGIBILITY.

To remain eligible for renewal of a scholarship following the successful completion of the first or freshman year of study, the recipient must comply with all of the provisions of the Idaho Promise Scholarship Program and these rules in addition to the following requirements: ()

01. Credit Hours. Enroll in and complete at least an average of twelve (12) credit hours per semester during the educational year in which the student receives the award at an eligible postsecondary institution. ()

02. GPA. Students who do not meet the GPA and enrollment requirements at the end of the

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educational year will forfeit the scholarship in subsequent years. ()

03. Transfer of Scholarship. A recipient who transfers from one eligible postsecondary educational institution in Idaho to another must comply with all of the requirements of the Idaho Promise Scholarship Program and these rules to maintain eligibility for the scholarship. In addition, the Category A recipient must file a statement with the Office of the State Board of Education declaring his intention to transfer as a full-time undergraduate student in an academic or professional-technical program in an eligible postsecondary educational institution in Idaho for the succeeding year no later than sixty (60) days prior to the first day of the academic term in which the student intends to enroll. ()

04. Eligibility Following Interruption Of Continuous Enrollment. A Category A recipient whose continuous enrollment is interrupted for more than four (4) months for any reason but who intends to re-enroll in an eligible postsecondary educational institution in Idaho must file a letter of intent to interrupt continuous enrollment no later than sixty (60) days prior to the first day of the academic term of the discontinued attendance. Failure to do so may result in forfeiture of the scholarship. The Office of the State Board of Education will review each request for interruption and notify the applicant of approval or denial of the request. In addition, the recipient must file a statement with the Office of the State Board of Education declaring his intent to re-enroll as a full-time undergraduate student in an academic or professional-technical program in an eligible postsecondary institution in Idaho for the succeeding academic year no later than thirty (30) days prior to the first day of the academic term in which the student intends to re-enroll. ()

05. Category A Recipient:

a. Must file a statement with OSBE each year declaring his intention to continue as a full-time undergraduate student in an academic or professional-technical program at an eligible postsecondary educational institution in Idaho for the succeeding year. The Office of the State Board of Education will provide to each eligible institution a list of anticipated recipients. The education official of each institution shall certify to the Office of the State Board of Education the current cumulative GPA of those recipients attending said institution. ()

b. Must maintain high standards of performance and rank within the top fifty percent (50%) of the students in his academic or professional-technical major and class, with a cumulative GPA of three point zero (3.0) or better. ()

06. Category B Recipient. The Category B recipient must maintain high standards of performance by achieving and maintaining a two point five (2.5) cumulative GPA on a four point zero (4.0) system. ()

105. SCHEDULE FOR APPLICATION, NOTICE, AND RESPONSE TO COMMUNICATIONS, CATEGORY A SCHOLARSHIP.

01. Initial Applications. Completed applications for initial scholarships must be postmarked no later than December 15 for the awarding of initial scholarships for each succeeding year. ()

02. Announcement Of Award. Announcement of award of initial scholarships will be made no later than May 1 of each year, with awards to be effective July 1 of that year. ()

03. Deadline For Acceptance. An applicant notified that he has been selected as a recipient must respond in writing by the date specified regarding his intent to accept the award. Failure to submit a response of acceptance in writing will result in forfeiture of the scholarship. ()

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04. Communication With State Officials. Applicants for either initial or continuing scholarships must respond by the date specified to any communication from officials of the Idaho Promise Scholarship Program. Failure to respond within the time period specified will result in cancellation of the application or forfeiture of the scholarship unless extenuating circumstances are involved. ()

106. RESPONSIBILITIES OF SCHOLARSHIP APPLICANTS AND RECIPIENTS.

01. Application For Initial Scholarship. Applicants for the Idaho Promise Scholarship are responsible for any errors or omissions in the information provided on the application form or to the eligible postsecondary institutions. The State Board of Education, the Office of the State Board of Education, any official of an eligible postsecondary educational institution in Idaho, American College Testing, and any official of the Idaho Promise Scholarship Program, individually or collectively, are not responsible for any information provided by an applicant on the application form or for any errors or omissions in the information provided by the applicant. In addition, each applicant must submit the required standardized test scores. Applications submitted without the required standardized scores are incomplete and will not be considered for the scholarship. ()

02. Submission of Application. Applicants for initial Idaho Promise Category A Scholarships are responsible for submitting completed application forms to the Idaho Promise Scholarship Program at the Office of the State Board of Education. Applicants for the Idaho Promise Category B Scholarship must apply to the eligible postsecondary institution that they plan to attend in accordance with their internal procedures. ()

03. Unused Scholarship Balances. Following the initial award of the scholarship, each recipient is responsible for remitting any reasonable unused scholarship balances to the State Board of Education in the event the recipient discontinues attendance prior to the sixty (60%) mark of any semester, quarter, term, or equivalent. ()

107. ADDITIONAL RESPONSIBILITIES OF ELIGIBLE POSTSECONDARY INSTITUTIONS.

In addition to other responsibilities provided for in this chapter, officials of Idaho postsecondary educational institutions in which scholarship recipients have enrolled are responsible for the following:()

01. Number of Category B Recipients. The total number of grants to Category B students will be determined annually.

a. The officials of eligible Idaho postsecondary educational institution are responsible for identifying eligible Category B recipients in accordance with Promise Scholarship Program and these rules. ()

b. The officials must provide to the Office of the State Board of Education an estimation of the number of Idaho Promise Category B recipients expected to enroll at the postsecondary institution during each of the corresponding academic terms. ()

02. Annual Report to State Board of Education. The officials must report annually to the Board the actual number of students for each term receiving a Category B award and the number of awards that were matched by the institution. ()

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03. Annual Educational Costs. The officials must certify that the Idaho Promise Category A Scholarship award does not exceed the average educational costs for students who will be enrolled during the succeeding year. ()

04. Certification Of Enrollment. The officials must certify that scholarship recipients have actually enrolled as full-time students. Such certification for Category A recipients must be submitted within thirty (30) days following the end of the regular enrollment period. ()

05. Withdrawal From Institution. In the event a scholarship recipient withdraws from the educational institution, the officials at the institution must certify that the recipient has withdrawn. Furthermore, the officials must remit to the Office of the State Board of Education any prorated tuition, fees, or room and board balances, up to the amount of any payments made under the program in the event a recipient withdraws from all classes within the first 60% of any semester, quarter, term, or equivalent. ()

a. **Remittance In Case of Discontinued Attendance.** The refund to the Promise Scholarship Program shall be calculated as follows: refund due to the student from the educational institution minus federal financial aid repayments as calculated in accordance with The Return of Title IV Funds Formula, provides the refund due the Promise Scholarship, up to the total amount the student received for the term. The educational institution must remit the balance if any as provided in Section 108 of this chapter. ()

b. **Waiver.** In the event of extreme hardship as determined by the professional judgment of the designated official at the educational institution, a student may request to the educational institution a waiver of remittance. Members of the National Guard or Reserves who have been ordered to active military duty are eligible for a waiver of remittance. Each institution shall provide to the Office of the State Board of Education an accounting of all waivers granted. ()

108. PAYMENT OF SCHOLARSHIPS.

Scholarships will be awarded on an annual basis and payments will correspond to academic terms, semesters, quarters, or equivalent units. In no instance will the entire amount of a scholarship be paid in advance to or on behalf of a scholarship recipient. ()

01. Category A Payments. Payments are made in the name of the recipient and will be sent to a designated official at the postsecondary educational institution in which the recipient is enrolled. The official must transmit the payment to the recipient within a reasonable time following receipt of the payment. ()

02. Category B Payments. Payments will be sent to a designated official at the eligible postsecondary educational institution based upon the estimated number of recipients expected to enroll at the institution as provided for in Subsection 107 of this chapter. The official must transmit the payment to the recipients within a reasonable time following receipt of the payment. Transmittal of funds for the scholarship will be in accordance with a schedule established by the Office of the State Board of Education. The schedule will also establish dates by which the following activities will occur to ensure accurate and timely payments to the postsecondary institutions on behalf of recipients. ()

a. **Number of Estimated Recipients:** The postsecondary educational institutions must submit to the Office of the State Board of Education the estimated number of Idaho Promise Category B fall term and spring term recipients each educational year. ()

b. **Semester Payment Schedule.** The Office of the State Board of Education shall distribute scholarship funds to a designated official at the postsecondary educational institutions at least fifteen (15) days prior to the start of the fall and spring academic terms. ()

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c. Mid-semester Adjustments. The postsecondary educational institution must submit mid-semester scholarship adjustment information that shows refunds resulting from withdrawal from the institution and reports the actual number of students eligible to receive the Category B Scholarship to the Office of the State Board of Education each academic term of the educational year. ()

i. Where the postsecondary educational institution has underestimated the number of scholarship recipients, the Office of the State Board of Education will send an additional payment on behalf of those students to the educational institutions each academic term of the educational year. ()

ii. Where the postsecondary educational institution has overestimated the number of fall recipients, the Office of the State Board of Education will deduct the amount overpaid to the educational institution from its spring semester payment. Spring semester overpayments to the educational institutions must be refunded to the Office of the State Board of Education prior to the end of the educational year. ()

d. Year-End Final Report. The postsecondary educational institution must submit to the Office of the State Board of Education prior to the end of the educational year a final report indicating for each term the number of students that received an Idaho Promise Category B scholarship and the number of Category B scholarships that were matched by the institution. Any outstanding overpayment made to the institution during the educational year must accompany the final year-end report. ()

109. ADMINISTRATION.

The State Board of Education has delegated to the Office of the State Board of Education the responsibility for the administration of the Idaho Promise Scholarship Program. As administrator, the Office of the State Board of Education is responsible for releasing any public information regarding the Idaho Promise Scholarship Program, determination of scholarship recipients, determination of procedures for payment of scholarships to recipients, maintaining fiscal controls and accounting procedures, preparing annual reports as required, and authorizing release of all forms, affidavits, and certification necessary for the operation of the program. ()

110. APPEAL PROCEDURE.

Any Category B applicant or recipient adversely affected by a decision made under provisions of this chapter may appeal using the institution's financial aid appeals process. Any Category A applicant, recipient, or eligible postsecondary educational institution, or any Category B applicant who desires further consideration of an appeal after the institutional decision has been reached, may appeal to the State Board of Education. The applicant, recipient, or eligible postsecondary educational institution must submit the appeal in writing no later than thirty (30) days following notice of the decision, and the written statement must include a statement of the reason the applicant, recipient, or eligible postsecondary educational institution believes the decision should be changed. The appeal must be submitted to the president of the State Board of Education in care of the Office of the State Board of Education, which must acknowledge receipt of the appeal within seven (7) days. The president of the Board may or may not agree to review the action, or may appoint a subcommittee of three (3) persons, including at least one (1) financial aid administrator at an eligible postsecondary educational institution in Idaho. ()

01. Transmittal To Subcommittee. If the appeal is transmitted to the subcommittee, the subcommittee will review the appeal and submit a written recommendation to the president of the State Board of Education within fifteen (15) days from the time the subcommittee receives the appeal document. The applicant, recipient, or institution initiating the appeal will be notified by the chairperson of the subcommittee of the time and place when the subcommittee will consider the appeal and will be allowed to appear before the subcommittee to discuss the appeal.

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02. Subcommittee Recommendations. Following the subcommittee's decision, the president of the State Board of Education will present the subcommittee's recommendation to the State Board of Education at the next regularly scheduled meeting of the Board. The applicant, recipient, or eligible postsecondary educational institution initiating the appeal may, at the discretion of the president of the State Board of Education, be permitted to make a presentation to the Board. ()

03. Board Decision. The decision of the State Board of Education is final, binding, and ends all administrative remedies unless otherwise specifically provided by the Board. The State Board of Education will inform the applicant, recipient, or eligible postsecondary educational institution in writing of the decision of the State Board of Education. ()

111. AUTHORITY OF THE STATE BOARD OF EDUCATION.

With the sole exception of the ability to audit the Idaho Promise Scholarship Program as set forth in Section 112 of this chapter, these rules do not grant any authority to the State Board of Education and Board of Regents of the University of Idaho to control or influence the policies of any eligible, nonpublic postsecondary education institution or community college because those institutions accept as students recipients of the Idaho Promise Scholarship, nor do these rules require any institution to admit or, once admitted, retain a recipient of an Idaho Promise Scholarship. ()

112. AUDIT.

Participating institutions shall agree in advance to submit to regular, periodic audits by the legislative auditor and/or an auditor designated by the Board to ensure compliance with the statutes, rules, and policies governing the Idaho Promise Scholarship Program. ()

113. -- 999. (RESERVED).

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SUBJECT

Rules Approval: 08.01.12, Minority and "At-Risk" Scholarship.

BACKGROUND:

The legislature established the Minority and "At-Risk" Student Scholarship to assist talented students who are "at-risk" of failing to obtain a college education because of their cultural, economic or physical circumstances. Although the statute authorizing the program has been in existence for some time, administrative rules were never drafted. The award amount is \$3,000 per year renewable for four (4) years. Approximately forty (40) Minority and "At-Risk" Scholarships are awarded to Idaho residents attending Idaho colleges and universities each year.

DISCUSSION:

A public hearing on the proposed rules was held on October 19, 2001 at the College of Southern Idaho. Board staff received no comments at that public hearing. However, these draft rules have been review by the financial aid directors of each of the participating institutions and their comments and suggestions have been incorporated into the pending rules document.

BOARD ACTION

A motion to approve as pending rules the changes to IDAPA 08.01.12 related to the Minority and "At-Risk" Scholarship Program.

Moved by _____ Seconded by _____ Carried: Yes ___ No ___

**08.01.12- THE IDAHO MINORITY AND “AT-RISK”
STUDENT SCHOLARSHIP PROGRAM**

THE STATE BOARD OF EDUCATION

000. LEGAL AUTHORITY.

These rules are promulgated pursuant to the authority of the State Board of Education (the Board) under Section 33-105, and Section 33-4606, Idaho Code. ()

01. TITLE AND SCOPE.

01. Title. These rules shall be known as IDAPA 08.01.12, “Idaho Minority and ‘At-Risk’ Student Scholarship Program.” ()

02. Scope. These rules constitute the requirements for the Idaho Minority and “At-Risk” Student Scholarship Program. ()

002. WRITTEN INTERPRETATIONS.

In accordance with Section 67-5201(19)(b)(iv) Idaho Code any written interpretation of the rules of this chapter are available at the Board Office. ()

003. ADMINISTRATIVE APPEAL.

Unless otherwise provided for in the rules of the State Board of Education or in the State Board of Education Governing Policies and Procedures, all administrative appeals allowed by law shall be conducted as provided herein. ()

004. INCORPORATION BY REFERENCE.

There are no documents to incorporate by reference pursuant to, and in accordance with Section 67-5229, Idaho Code. ()

005. OFFICE--OFFICE HOURS--MAILING ADDRESS AND STREET ADDRESS.

The principal place of business of the Board is in Boise, Idaho. The mailing address is PO Box 83720, Boise, ID 83720-0037. The Board's street address is 650 West State Street, Room 307, Boise, Idaho, 83702. The office hours are from 8 a.m. to 5 p.m., except Saturday, Sunday and legal holidays. ()

006. PUBLIC RECORDS ACT COMPLIANCE.

This rule has been promulgated in accordance with the Administrative Procedure Act, Title 67, Chapter 52, Idaho Code, and is a public record. ()

007. DEFINITIONS

01. High School Record. An individual's rank in his secondary school class, cumulative grade point average (GPA) for grades nine (9) through twelve (12) and difficulty of course load taken as certified by an official of such secondary school. ()

02. Financial Need. Financial need is the difference between the student’s net financial assets available, including those available from a spouse, parents, parent, guardian, or other person to whom he looks for support or who stands *in loco parentis*, and the student’s anticipated expenses while attending a postsecondary educational institution. ()

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03. Educational Costs. Student costs for tuition, fees, room and board, or expenses related to reasonable commuting, books and other such expenses reasonably related to attendance at a postsecondary educational institution. ()

008. -- 099. (RESERVED)

100. OBJECTIVES OF THE IDAHO MINORITY AND "AT-RISK" STUDENT SCHOLARSHIP PROGRAM.

The legislature has recognized and declared that substantial economic and social benefits accrue to the State because of an educated citizenry. The legislature further recognizes that certain talented students, because of their social, cultural and economic circumstances are "at-risk" of failing to obtain the education necessary to realize their potential and that encouraging these at-risk students to enroll in Idaho postsecondary educational institutions is an important element for assuring the future prosperity of the state. ()

101. PRIORITY FOR AWARDS.

Priority for initial awards shall be in accordance with Section 33-4605 Idaho Code. In the event the state of Idaho does not provide an appropriation sufficient to support the program, first priority is given to continuing recipients in an order beginning with the date of an initial award. ()

01. Further Priority. In the event further priority must be established among continuing recipients, the recipient's rank within his academic or professional-technical major and class will be used, with priority given to the recipient with a higher ranking within his academic or professional-technical major and class. ()

02. Secondary Priority. Secondary priority is given to new scholarship recipients until the appropriation is exhausted, in accordance with Section 33-4605, Idaho Code. ()

102. MONETARY VALUE OF THE SCHOLARSHIP.

01. Monetary Value. The monetary value of each scholarship shall be the same as that set annually by the Board for the Idaho Promise Category A Scholarship in accordance with Sections 33-4307 et seq., Idaho Code. ()

02. Other Financial Assistance. A recipient is not precluded from receiving other financial aid, awards, or scholarships, provided that the total of the Idaho Minority and "At-Risk" Student Scholarship and such other financial aid, awards, or scholarships does not exceed the total educational costs for attendance at an eligible postsecondary institution. ()

103. DISTRIBUTION OF FUNDS.

01. Allocation of Funds. Funds appropriated to the Board for the Idaho Minority and "At-Risk" Student Scholarship Program shall be allocated to participating institutions each fiscal year based on enrollment data submitted by each institution verifying the minority student headcount from the previous year for the participating institution. ()

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02. Notification of Allocation. Participating institutions will be notified each year of the amount of the allocation and the number of awards allocated to each institution. ()

03. Distribution of Funds. Funds allocated to participating institutions for the fiscal year by the Office of the State Board of Education shall be distributed to the institutions prior to the start of the academic year. ()

04. Enrollment Factor. The allocation for a participating institution in a specific fiscal year shall be equal to the portion of the appropriation for that fiscal year multiplied by an enrollment factor. That enrollment factor shall be calculated by dividing the headcount of full-time minority students at the participating institutions by the total headcount of full-time minority students for all participating institutions. ()

05. Carry Forward of Funds. Unexpended funds allocated to participating institutions for this program shall not be carried forward from one fiscal year to the next. Such unexpended funds shall be returned to the Board for reallocation in the succeeding fiscal year. ()

104. SELECTION OF SCHOLARSHIP RECIPIENTS.

Recipients of scholarships are selected by a committee appointed by the financial aid director of each participating eligible institution, in accordance with Chapter 46, Title 33, Idaho Code, as verified by the staff of the Board. ()

105. FINANCIAL NEED.

Financial need will be determined annually by the participating institutions in accordance with the criteria and standards for determining need promulgated by the Secretary of Education, U.S. Department of Education, under the Higher Education Act of 1965, as amended. Student financial aid directors may, on the basis of professional judgment, make necessary adjustments to the cost of attendance and expected family contribution computations to allow for treatment of individual students with special circumstances. Student financial aid directors may use supplementary information about the financial status of eligible applicants in considering applicants. ()

106. CONTINUING ELIGIBILITY

01. Academic Progress. To remain eligible for renewal of a scholarship, the recipient must enroll in and complete an average of at least twelve (12) credit hours per semester and maintain satisfactory academic progress as defined by the participating institution. ()

02. Financial Need. If financial need is one of the eligibility criteria used in the scholarship selection, the recipient must continue to have financial need. ()

03. Compliance. The recipient must continue to comply with all of the provisions of the Minority and "At-Risk" Scholarship Program and these rules. ()

04. Transfer Students. A student who transfers from one eligible institution to another shall not be entitled to retain this scholarship award. ()

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05. Interruption. A recipient who discontinues his enrollment shall not be entitled to retain this scholarship. However, upon re-enrollment in an eligible institution the individual may re-apply for the scholarship. ()

107. ADDITIONAL RESPONSIBILITIES OF ELIGIBLE POSTSECONDARY INSTITUTIONS.

01. Scholarship Recipient Report. Participating institutions shall provide to the Board an annual list of scholarship recipients prior to disbursement of scholarship funds, which shall include ethnic origin, gender, grade point average, class standing, and number of college credits completed. ()

02. Recruitment and Retention Report. Participating institutions shall provide to the Board an annual report on minority recruitment and retention. ()

03. Withdrawal From Institution. In the event a scholarship recipient withdraws from the college, school, or university, the officials at the college, school, or university must certify that the recipient has withdrawn. Furthermore, the officials must remit to the Office of the State Board of Education any prorated tuition, fees, or room and board balances, up to the amount of any payments made under the program in the event a recipient withdraws from all classes within the first 60% of any semester, quarter, term, or equivalent. ()

04. Waiver. In the event of extreme hardship as determined by the professional judgment of the designated official at the educational institution, a student may request to the educational institution a waiver of remittance. Members of the National Guard or Reserves who have been ordered to active military duty are eligible for a waiver of remittance. Each institution shall provide to the Office of the State Board of Education an accounting of all waivers granted. ()

108. APPEAL PROCEDURE.

Any applicant, recipient, or eligible postsecondary educational institution adversely affected by a decision made under procedures of this chapter may appeal using the institution's financial aid appeals process. Students or educational institutions that desire further consideration of an appeal after the institutional decision has been reached may appeal such decision to the Board.

01. Requirements for Submitting Appeal. The applicant, recipient, or eligible postsecondary educational institution must submit the appeal in writing no later than thirty (30) days following notice of the decision, and the written statement must include a statement of the reason the applicant, recipient, or eligible postsecondary educational institution believes the decision should be changed.

02. Submission Of Appeal To President Of Board. The appeal must be submitted to the president of the State Board of Education in care of the Office of the State Board of Education, which must acknowledge receipt of the appeal within seven (7) days. The president of the Board may or may not agree to review the action, or may appoint a subcommittee of three (3) persons, including at least one (1) financial aid administrator at an eligible postsecondary educational institution in Idaho. ()

03. Transmittal To Subcommittee. If the appeal is transmitted to the subcommittee, the subcommittee will review the appeal and submit a written recommendation to the president of the State Board of Education within fifteen (15) days from the time the subcommittee receives the appeal document. The applicant, recipient, or institution initiating the appeal will be notified by the chairperson of the subcommittee of the time and place when the subcommittee will consider the appeal and will be

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allowed to appear before the subcommittee to discuss the appeal. ()

04. Subcommittee Recommendations. Following the subcommittee's decision, the president of the State Board of Education will present the subcommittee's recommendation to the State Board of Education at the next regularly scheduled meeting of the Board. The applicant, recipient, or eligible postsecondary educational institution initiating the appeal may, at the discretion of the president of the State Board of Education, be permitted to make a presentation to the Board. ()

05. Board Decision. The decision of the State Board of Education is final, binding and ends all administrative remedies unless otherwise specifically provided by the Board. The State Board of Education will inform the applicant, recipient, or eligible postsecondary educational institution in writing of the decision of the State Board of Education. ()

109. AUTHORITY OF THE STATE BOARD OF EDUCATION.

With the sole exception of the ability to audit the Idaho Minority and "At-Risk" Student Scholarship Program as set forth in Section 110 of this chapter, these rules do not grant any authority to the State Board of Education and Board of Regents of the University of Idaho to control or influence the policies of any eligible, nonpublic postsecondary education institution or community college because those institutions accept as students recipients of the Idaho Minority and "At-Risk" Student Scholarship, nor do these rules require any institution to admit or, once admitted, retain a recipient of a Minority and "At-Risk" Student Scholarship. ()

110. AUDIT. Participating institutions shall agree in advance to submit to regular, periodic audits by the legislative auditor and an auditor designated by the Board to ensure compliance with the statutes, rules, and policies governing the Minority and "At-Risk" Student Scholarship Program. ()

111. -- 999. (RESERVED).

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SUBJECT

Other / New Business

DISCUSSION

- January PPGAC:
Progress reports scheduled for January include Idaho State University, Division of Professional-Technical Education, the Idaho State Library, and the Division of Vocational Rehabilitation. If you have specific topics that you would like them to address, please let staff know.

- 2002 Legislative Session