



**STATE BOARD OF EDUCATION
TRUSTEES OF BOISE STATE UNIVERSITY
TRUSTEES OF IDAHO STATE UNIVERSITY
TRUSTEES OF LEWIS-CLARK STATE COLLEGE
BOARD OF REGENTS OF THE UNIVERSITY OF IDAHO
STATE BOARD FOR PROFESSIONAL-TECHNICAL EDUCATION
TRUSTEES FOR THE IDAHO SCHOOL FOR THE DEAF AND THE BLIND**

**APPROVED MINUTES
STATE BOARD OF EDUCATION MEETING
August 12-13, 2004
College of Southern Idaho
Twin Falls, Idaho**

A regular meeting of the Idaho State Board of Education was held on August 12-13, 2004 at the College of Southern Idaho in Twin Falls, Idaho. The meeting was called to order at 8:00 a.m. Board President Rod Lewis presided. The following members were present:

Rod Lewis, President	Laird Stone, Vice President
Milford Terrell, Secretary	Karen McGee
Susan Thilo	Marilyn Howard, State Superintendent

Members Absent: Blake Hall and Paul Agidius.

EXECUTIVE SESSION

M/S (Howard, McGee): To enter into executive session pursuant to Idaho Code Section 67-2345 (1), (a), (b), (c), (d), (e), (f), and (g). A roll call vote was taken. Motion carried unanimously.

In executive session, the Board considered hiring a public officer, employee, staff member or individual agent; considered the evaluation, dismissal or disciplining of, or complaints or charges brought against a public officer, employee, staff member or individual agent, or public school student; conducted deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency; considered records that are exempt from public inspection; considered preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations; considered and advised its legal representatives in pending litigation or where there is a general public awareness of probable litigation; and by the commission of pardons and parole, as provided by law.

M/S (Terrell/McGee): To move out of executive session and go into public session. Motion carried unanimously.

The public session reconvened at 11:05 a.m.

BOARDWORK

1. Agenda Approval

By unanimous consent, the Board agreed to defer consideration of the proposed commercial driving school rules to the end-of-day (Thursday, August 12).

M/S (Terrell/ Stone): To approve the agenda as amended. Motion carried unanimously.

2. Rolling Calendar

M/S (McGee/Terrell): To approve August 11-12, 2005, as the date, and North Idaho College as the location, for the August, 2005, regularly scheduled Board meeting. Motion carried unanimously.

3. Minutes Review/Approval

M/S (Terrell/Stone): To approve the minutes from April 22-23, 2004, as submitted with corrections and additions. Motion carried unanimously.

M/S (Thilo/Stone): To approve the minutes from May 18-19, 2004, as submitted with corrections or additions. Motion carried unanimously.

M/S (Terrell/Stone): To approve the minutes from June 17-18, 2004, as submitted with corrections or additions. Motion carried unanimously.

M/S (Terrell/McGee): To approve the minutes from June 24, 2004, as submitted with corrections or additions. Motion carried unanimously.

M/S (McGee/Terrell): To approve the minutes from July 12, 2004, as submitted with corrections or additions. Motion carried unanimously.

OPEN FORUM

Chris Pentico, a student from Boise State University, spoke very briefly about issues related to student safety.

At this time Board President Lewis thanked the College of Southern Idaho, and President Meyerhoeffer, for their hospitality. He also welcomed Dr. Tim White, the new President of the University of Idaho. Dr. Kustra introduced Sona Andrews, the new Academic Provost of Boise State University. And, Dr. White introduced Jay Kenton, the new Financial Vice President at the University of Idaho.

INSTRUCTION, RESEARCH & STUDENT AFFAIRS

1. Program Approvals

Board member Stone introduced these items to the Board. Jonathan Lawson of ISU gave a brief overview of the programs under consideration.

a. New Instructional Unit: Informatics Research Institute – ISU

M/S (Stone/McGee): To approve Idaho State University’s Informatics Research Institute. *Motion carried unanimously.*

b. New Graduate Program: M.S., Geographic Information Science – ISU

M/S (Stone/McGee): To approve Idaho State University’s program request to offer a new Masters of Science in Geographic Information Science. *Motion carried unanimously.*

2. Western Interstate Commission for Higher Education (WICHE) Changing Direction Grant: Integrating Higher Education Financial Aid and Financing Policy

Jeff Shinn, Office of the State Board, briefly spoke about this information item.

3. University of Washington School of Medicine Committee on Admissions for the WWAMI (Washington, Wyoming, Alaska, Montana, and Idaho) Program

Gary Stivers provided background information on the appointment of Dr. Dardis to the Committee. The Board discussed the appointment process. Board member McGee asked Board staff how this committee recruits members and for clarification about the three-year rotating term language. The Board agreed to continue giving this committee their attention.

M/S (Stone/Howard): To approve the revised three-year rotating terms for the University of Washington School of Medicine Committee on Admissions and the appointment of Dr. James Dardis as an Idaho member of the Committee. (A substitute motion was made.)

In making a substitute motion, Board President Lewis made clear the intention of his substitute motion was to approve the original three-year appointment, but to object to the option to renew the appointment.

Substitute M/S (Lewis/McGee): To approve the appointment of Dr. Dardis for a three-year term and not approve the revised schedule to the extent that it provides for an option to renew for a second three-year term. *Motion carried unanimously.*

4. Higher Education Research Council (HERC) FY 2005 Budget

M/S (Stone/Lewis): To approve the FY2005 HERC Budget Allocation as presented. *Motion carried unanimously.*

5. Approval of Pending Rule Governing LEP Testing and Participation Requirements

Board President Lewis asked about the provision for students who are absent due to a medical emergency. Discussion to clarify the practical impact of the provision followed. Board staff agreed to research the time frame in question as far as the testing window goes, and will provide Board President Lewis with specifics.

M/S (Stone/McGee): To approve the Pending Rule Governing Limited English Proficient testing and participation requirements. *Motion carried 5-1 (Lewis dissenting).*

6. Approval of Temporary and Proposed Rule to Establish Awards for Recognition of School Achievement

M/S (Stone/Lewis): To approve the Temporary and Proposed Rule Amendment to the Rules Governing Thoroughness Rewards. *Motion carried unanimously.*

7. Committee on Teacher Mentoring

Bob West briefly discussed the mentoring program and noted it is an unfunded mandate (Section 33-514) from the Legislature. A committee is looking at it and will make a final report to the Board in December.

8. Update on Teacher Compensation

Board member McGee presented this information item. She indicated that another update will be provided in December.

9. U.S. Department of Education's Preparing America's Future High School Initiative

Parra Byron, Governor Kempthorne's Education Advisor, discussed this initiative. She said that the U.S. Department of Education Office of Vocational and Adult Education and the National Governors Association brought teams together to address high school reform and low-performing schools. Partnerships, regional and national meetings, monthly conference calls and networking opportunities will continue to take place in an effort to identify new and innovative ideas for the future.

Board member Terrell asked the Governor's Office to lobby at the national level on behalf of the trades because of the costs associated with offering the programs.

Board member Howard said it appeared that the U.S. Department of Education is talking more about vocational and applied education than it has in the recent past.

Brian Pritcher of the University of Idaho said the universities and colleges are very interested in the success of students and indicated that they would like to be part of the discussion. Board

member Stone thanked Mr. Pritcher for his suggestion and noted that a decision had already been made to invite them into the discussion.

PLANNING, POLICY & GOVERNMENTAL AFFAIRS

1. Presidents' Council Report

Dr. Kustra spoke to the Board about the Presidents' Council retreat discussion. Two themes emerged. The first was how taxpayers perceive the way universities and colleges use of state funds. The second concerned the need for a timely response to the rapidly changing marketplace. Dr. Kustra mentioned that Gary Michaels had arranged for CEO's from several businesses to meet with the Presidents' Council on August 19.

Dr. Kustra listed areas (including the state classified system, tuition and fees, the Board's reporting requirements, and performance indicators) where the Presidents' Council believes greater flexibility would help them better address the needs on their campuses, in their communities and within the state.

2. College of Southern Idaho Report

President Meyerhoeffer presented highlights about various activities, events and initiatives taking place at CSI. He discussed plans for expanding the campus and for addressing increased enrollments.

3. Boise State University and University of Idaho Alcohol Policy Waiver Request

President Kustra, Boise State University, and President White, University of Idaho, spoke to the Board about waiving the alcohol policy for the 2004 football season. They outlined security and control measures to manage alcohol consumption under the provisions of the waiver. Both emphasized that alcohol would not be served during the games, nor would it be advertised or promoted within the arena.

There was discussion with Board members about liability as well as the moral and ethical issues associated with serving alcohol on campus. Board President Lewis said he would vote against the motion since it promotes a connection between alcohol and athletics, sanctions the use of alcohol in establishing friendships and financial support, and because of potential liability issues.

Board member Stone said he does not condone the use of alcohol, but recognizes that the universities are acting responsibly in trying to control its use. He will vote in favor of the motion.

M/S (Terrell/Thilo): To approve the request by Boise State University and University of Idaho to grant permission to establish secure areas under the conditions set forth in this request for the purpose of allowing pre-game activities. Also, that they follow the strict permit process; that no alcoholic vendors be allowed to have corporate tents; they be no longer than 4 hours in duration; and that it conforms to the existing rules and regulations

set forth by this board; and that it be for sponsors to entertain clients/guests for the fall 2004 home football games, including the sales and service of alcoholic beverages during the fall 2004 home football games; and that it be brought back after the conclusion of the 2004 football season to the Board for reconsideration for 2005. *Motion carried 5-1 (Lewis dissenting).*

4. Approval of Agency and Institution Strategic Plans

Karen Echeverria, Office of the State Board, spoke to the Board about the agency and institution strategic plans. She noted that the Division of Vocational Rehabilitation and Idaho School for the Deaf and Blind made significant changes to their strategic plans.

Harvey Lyter, Office of the State Board, reviewed the history of strategic planning under the direction of the State Board of Education. He briefly discussed the need for agency and institution plans to be standardized and aligned with the Board's strategic plan. Ms. Echeverria explained the need for establishing a standardized format and noted that all the institutions and agencies would be involved in future discussions to that end.

M/S (Lewis/McGee): To approve the Institution Strategic Plans as submitted. *Motion carried unanimously.*

M/S (Lewis/McGee): To approve the Agency Strategic Plans as submitted. *Motion carried unanimously.*

M/S (Lewis/Stone): To direct the Executive Director to establish a standardized form and timelines for submission of strategic plans to the Board office. *Motion carried unanimously.*

5. Approval of the Proposed Commercial Driving School Rules

This item was deferred to later in the day.

6. Approval of the Temporary and Proposed Charter School Rules

This item was deferred to the following day.

7. Decision on Renaissance Public Charter School Revocation

Karen Echeverria introduced this item. Diana Smith, Vice President of the Board for the Renaissance Charter School, and Brian Julian, Counsel for the Moscow School District, appeared before the Board to make comments.

Ms. Smith reviewed the history, qualifications and merits of the school. In addition, she described the reasons for appealing the revocation. She emphasized that the Moscow School District did not give the charter school a reasonable opportunity to correct defects and deficiencies.

Mr. Julian said a substantial record had been provided to the Board. He indicated the school district felt that due process and fair-minded consideration had been given to this matter. He said the State Board of Education would need to decide whether to remand this back to the Moscow School District, or to put this charter school under the authority of the Charter School Commission. He suggested the Board not remand this back to the Moscow School District since revocation is a certainty.

It was noted that a full and complete record had been reviewed by the Board members. Board member McGee and Board President Lewis agreed it would be better to remand this to the Commission, but Ms. Smith indicated that timing was an issue in that regard. Therefore, the Board moved forward with making a decision.

M/S (Lewis/ Thilo): To deny the Renaissance Charter School appeal on the revocation of the Moscow School District of its charter. Motion carried 4-1 (McGee dissenting, Terrell absent).

8. Reconsideration of Proposed Rule – 08.01.01 Rules of The State Board of Education – Waiver Rule

Karen Echeverria introduced this item to the Board saying that withdrawing the proposed rule would allow the Board staff more time to review the issue.

M/S (Lewis/McGee): To withdraw Docket No. 08-0101-0404, “Rules of the State Board of Education and Board of Regents of the University of Idaho – Administrative Procedures and Records, “ as a proposed rule. Motion carried 5-0 (Terrell absent).

BUSINESS AFFAIRS AND HUMAN RESOURCES

By unanimous consent, the Board agreed to move item number 12, under Section II, (Finance) to second place on that same agenda. It also agreed to defer item 11, under Section II, for the time being.

Section I – Human Resources

1. Boise State University – New Positions, Changes in Positions, Deletion of Positions

President Kustra informed the Board that Stacy Pearson had been offered an appointment as the Vice President of Finance and Administration at a salary of \$138,000. He asked for permission to include approval of her appointment on this agenda.

M/S (Terrell/McGee): To approve the request by Boise State University for ten (10) new positions (8.75 FTE); term, salary and FTE changes to four (4) positions (4.0 FTE); deletion of one (1) position (1.0 FTE); and to appoint Sona Karentz Andrews as Provost and Vice President for Academic Affairs (1.0 FTE) at a salary equal to or greater than 75% of the president’s base salary. Motion carried unanimously.

M/S (Terrell/ Lewis): To appoint Stacy Pearson as Vice President of Finance and Administration (1.0 FTE) at a salary of \$138,000. Motion carried unanimously.

2. Idaho State University – New Positions, Changes in Positions, Deletion of Positions

M/S (Terrell/McGee): To approve the request by Idaho State University for five (5) positions (4.75 FTE; to increase the FTE of one (1) position (1.0 FTE); and to delete one (1) position (.50 FTE). Motion carried unanimously.

3. Idaho State University – Head Coach and Athletic Director Employment Agreements

Brad Hall, legal counsel for Idaho State University, and Kent Nelson, legal counsel for the Board, discussed several differences between the model multi-year contract and the actual contracts under consideration at this meeting.

Board member Terrell said he was concerned the actual contract does not follow the model. Mr. Nelson said the Board has the flexibility to approve contracts that are different than the model as long as it is a policy question and not a regulatory or legal question.

Board member Terrell asked if the Board planned to change all the contracts that come before them so they conform to the model contract. Board President Lewis expressed concern about having the model contract imposed to the point that it is not applicable to the situation.

Board member Terrell recommended that the Board take the contracts under consideration and not delay action. He reiterated, for the record, that they do not conform to the model.

M/S (Stone/Thilo): To approve the request by Idaho State University for a multi-year employment agreement for the Head Women’s Basketball Coach (1.0 FTE), Jon Newlee, supported by state funds. Motion carried unanimously.

M/S (Stone/Lewis): To approve the request by Idaho State University for a multi-year employment agreement for the Head Soccer Coach (1.0 FTE), Mark Salisbury, supported by state funds. Motion carried unanimously.

M/S (Stone/McGee): To approve the request by Idaho State University for a multi-year employment agreement for the Head Volleyball Coach (1.0 FTE), Mike Welch, supported by state funds. Motion carried unanimously.

M/S (Stone/Lewis): To approve the request by Idaho State University for a multi-year employment agreement for the Director of Intercollegiate Athletics (1.0 FTE), Jim Senter, supported by state funds. Motion carried unanimously.

4. University of Idaho – Deletion of Position, Non-Delegated Appointment, Head Coach and Athletic Director Employment Agreements

M/S (Lewis/McGee): To approve the request by University of Idaho to delete one position (1.0 FTE); and to appoint Peter Goodwin as Director of the Ecohydraulics Research Center and DeVlieg Presidential Professor of Hydraulics at a salary equal to or greater than 75% of the chief executive officers base salary. Motion carried unanimously.

Board member Terrell noted, for the record, that the coaches' contracts under consideration are different from the model contract. Jay Kenton, legal counsel for the University of Idaho, went over the substantive changes in the coaches' contracts under consideration.

M/S (Lewis/Thilo): To approve the request by University of Idaho for a multi-year employment agreement for the Women's Head Basketball Coach (1.0 FTE), Mike Divilbiss, supported by state funds. Motion carried unanimously.

The Board members discussed specific concerns it had regarding the contract for Rob Spear.

M/S (Terrell/McGee): To approve the request by University of Idaho for a multi-year employment agreement for the Director of Athletics (1.0 FTE), Rob Spear, supported by state funds. (This motion was held. A substitute motion was made later in the agenda.)

Board member Stone recommended the motion be tabled until October to give Dr. Spear an opportunity to speak on his own behalf to the Board. President White came forward and reminded the Board about the climate at the University of Idaho when the contract was originally negotiated between Gary Michael and Rob Spear. He noted that Dr. Spear was recruited out of a stable position in the Ag Science department without any guarantees of the long-term outcomes of acting as the Director of Athletics. Dr. White said it would be unfair of the Board to require Dr. Spear to appear before the Board.

Board President Lewis asked if the provision could be written so it lapsed after a year to allow all parties time to better assess the stability of the environment. Dr. Howard recommended allowing the provision to lapse after three years, if that is the length of the contract. Board President Lewis was concerned about setting a precedent.

Board President Lewis recommended deferring this item to later in the meeting so as to allow additional time for the parties involved to continue negotiating the contract. The Board agreed by unanimous consent.

5. Lewis-Clark State College – New Positions and Changes in Positions

M/S (Lewis/McGee): To approve the request by Lewis-Clark State College for eight (8) new positions (7.5 FTE); one (1) decrease in FTE (.48 FTE); three (3) salary increases (2.83 FTE); and to appoint Ronald E. Smith as Vice President for Administrative Services at a salary equal to or greater than 75% of the president's base salary. Motion carried unanimously.

Section II – Finance

1. Idaho State University – Rendezvous Center Bonds

Idaho State University staff discussed the financing for the Rendezvous Center.

M/S (McGee/Thilo): To approve the Supplemental Resolution, as follows: A SUPPLEMENTAL RESOLUTION authorizing the issuance and sale of \$4,980,000 of General Revenue Bonds, Series 2004, of the Board of Trustees of Idaho State University; making certain findings required by Section 33-3805, Idaho Code, and by the Resolution for the issuance of additional bonds; setting forth the issue date, interest rates, maturity dates, maturity amounts and redemption amounts of the Series 2004 Bonds; authorizing the execution and delivery of a bond purchase agreement; and providing for other matters relating to the Series 2004 Bonds. Roll call vote was taken. Motion carried unanimously.

M/S (McGee/Stone): To approve Restatement to incorporate the Original Resolution and all supplemental resolutions into a single document for the ease of reference. Roll call vote was taken. Motion carried unanimously.

12. Consideration of ISU Land Purchase

Mr. Prolo, Idaho State University, and Mr. Hawkins, University of Idaho Foundation, discussed this item. They explained that the criteria required by the Board of the parties are all in place. The non-exempt employees of UI will easily transition into ISU employees (they have supporting documents from the Division of Financial Management and the Department of Human Resources in place). A final draft of the document of understanding is in place. The leases that exist with other occupants of the Tinney Building are current, and will not break when the sale is finalized. The purchase price is \$5.5 million.

Mr. Hawkins said the UI Foundation Board authorized him to approve the sale.

M/S/ (Lewis/McGee): To approve the purchase of land by ISU at University Place, Idaho Falls, from the UI Foundation, at a total price of \$5,500,000 subject to final approval by the Executive Committee of the Board of the lease agreement, the MOU/Operations agreement, and the other associated collateral agreements by and among ISU, UI Foundation and UI. Motion carried unanimously.

2. University of Idaho – Water Center Rent/Lease Costs

University of Idaho staff reported to the Board on this item. In response to the Board's recommendation, UI will provide a semi-annual progress report to the Board.

3. University of Idaho – Athletic Fund Raising Report

University of Idaho staff reported to the Board on this item. It was noted that while the actual funds raised were much less than the estimated amount, UI ended the year with a positive balance.

4. Lewis-Clark State College – Land Purchase

Lewis-Clark State College staff reported to the Board about plans to purchase real property located east of Lewiston for use as a motor safety training center. Institutional funds would be used to purchase the land, however a grant is being pursued to replace those funds and to complete the project. If the grant doesn't come through, and the project is unable to continue, LCSC said the land could be sold with no problem as there are already several interested parties.

M/S (McGee/Lewis): To approve the purchase of 57 acres of vacant real property in east Lewiston for the construction for a skid pad training course for the LCSC Workforce Training program. Motion carried unanimously.

5. Acceptance of FY2005 Intercollegiate Athletic Reports

Jeff Shinn, Office of the State Board, explained that the reports were issued in June, but action was delayed to allow institutional representatives time to review the information.

Board member Terrell asked about gender equity funding. There was lengthy discussion to clarify that the gender equity funds are institutional funds and not state funds.

M/S (Stone/McGee): To accept the Intercollegiate Athletics Report as presented in Tab 5 (originally brought forth in the June, 2004 agenda). Motion carried unanimously.

6. FY 2005 Supplemental Appropriation Requests

Jeff Shinn reviewed the supplemental requests for the Board.

a. College and Universities FY05 Occupancy Costs

M/S (Stone/Thilo): To allow the College and Universities to include the amount of \$1,460,100 as a Supplemental Appropriation request as part of the FY 2006 budget request, for FY 2005 unfunded occupancy costs, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual guidelines and Board policy. Motion carried unanimously.

b. Idaho Division of Vocational Rehabilitation

M/S (McGee/Thilo): To allow the Division of Vocational Rehabilitation to include the amount of \$180,400 as a Supplemental Appropriation as part of the FY 2006 budget request for Community Rehabilitation Provider payments, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual and guidelines and Board Policy. Motion carried unanimously.

M/S (McGee/Lewis): To allow the Division of Vocational Rehabilitation to include the amount of \$82,900 as a Supplemental Appropriation as part of the FY 2006 budget request for Community Supported Employment program costs, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual guidelines and Board policy. Motion carried unanimously.

7. Approval of FY 2006 Maintenance of Current Operations Budget

Jeff Shinn presented this item to the Board.

M/S (Lewis/McGee): To delegate to the Executive Director approval of the FY 2006 Maintenance of Current Operations budget requests for the following agencies as developed by following the State of Idaho Budget Development Manual guidelines and Board policy: Idaho Public Television; Idaho State Historical Society; Idaho State Library. Motion carried unanimously.

8. FY 2005 Enhancement Budget Requests

a. Colleges and Universities Building Occupancy Costs

Jeff Shinn introduced this item to the Board.

M/S (McGee/Stone): To allow the College and Universities to include the amount of \$592,400 as an Enhancement request for FY 2006 Occupancy Costs, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual guidelines and Board policy. Motion carried unanimously.

b. Colleges and Universities – Enrollment Workload Prior-Year Funding

M/S (McGee/Stone): To allow the College and Universities to include the amount of \$5,189,100 as an Enhancement Request for prior-year unfunded Enrollment Workload Adjustment, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual guidelines and Board policy. Motion carried unanimously.

c. Colleges and Universities Funding Equity

M/S (Thilo/McGee): To allow the College and Universities to include the amount of \$10,920,000 as an Enhancement request for Funding Equity, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division

of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual guidelines and Board policy. *Motion carried unanimously.*

d. Office of the State Board of Education – New Position, Shift Funds

M/S (Thilo/McGee): To allow the Office of the State Board of Education to request on (1) new position (1.00 FTP), to be supported with existing funds, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual guidelines and Board policy. *Motion carried unanimously.*

e. Idaho School for the Deaf and Blind

M/S (McGee/Thilo): To allow the Idaho School for the Deaf and Blind to include the amount of \$277,000 as an Enhancement Request for salary equity, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual guidelines and Board policy. *Motion carried unanimously.*

f. Professional-Technical Education – Postsecondary Capacity Building

M/S (Thilo/McGee): To allow the Division of Professional-Technical Education to include the amount of \$2,942,000 as an Enhancement Request for capacity-building for postsecondary programs, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual guidelines and Board policy. *Motion carried unanimously.*

g. Professional-Technical Education – Career Information Systems

M/S (Thilo/McGee): To allow the Division of Professional-Technical Education to include the amount of \$81,800 as an Enhancement Request for Career Information System multi-year inflationary costs, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual guidelines and Board policy. *Motion carried unanimously.*

h. Family Practice Residencies

Dr. Jonathan Cree, Family Practice Residency at ISU, and Dr. Ted Epperly, Family Practice Residency of Idaho (Boise), spoke to the Board about this item. They emphasized that this program is a pipeline for placing physicians in the rural communities of this state. They discussed the problems associated with taking care of the uninsured, and the resulting financial

crisis for the program. Enhancing the budgets for these programs will enhance the state's future in terms of health care, as well as help sustain the programs.

M/S (McGee/Stone): To allow the Family Practice Residencies include the amount of \$450,000 as an Enhancement Request for state support for postgraduate medical education and training, and to delegate to the Executive Director the approval to submit the FY 2006 total budget request to the Division of Financial Management and the Legislative Services Office, as developed by following the State of Idaho Budget Development Manual guidelines and Board policy. Motion carried unanimously.

9. FY 2006 Capital Budget Requests

Jeff Shinn reviewed the Permanent Building Fund projects for the Board. He indicated that the Board could choose to prioritize the projects for the Permanent Building Fund or leave them as they appear on the list. Board President Lewis said it would be appropriate for Board staff to provide a means for helping the Board to properly prioritize the projects, but at this time he recommended not prioritizing the projects because there is insufficient information available to do so.

By unanimous consent, this item was deferred until more information is made available to the Board.

10. Position Authorization Policy

Jeff Shinn reported to the Board on this information item.

11. Audit Committee Bylaws – Second Reading

This item was deferred to the October Board meeting.

13. BSU Security Contract

Boise State University staff reviewed this item for the Board noting that the Boise City Council will consider this contract proposal next week.

M/S (Lewis/McGee): To authorize Boise State University to issue a letter of intent to award a law enforcement services contract to the Boise City Police Department, subject to approval by the Boise City Council, for an amount not to exceed \$2,716,991 for a maximum four-year period. The Board delegates authority to the Executive Director to approve the final contract prior to September 1, 2004. In the event that the Boise City Council does not approve the contract, the University is authorized to negotiate a contract with the Ada County Sheriff's Office for an amount not to exceed \$3,240,750 for the maximum four-year period. The Board delegates authority to the Executive Director to approve the final contract prior to September 1, 2004. Motion carried unanimously.

At this time the Board returned to the appointment of Rob Spears as the University of Idaho Athletic Director (Section I - Human Resources agenda, item 4).

M/S (Stone/Howard): To approve the request by University of Idaho for a multi-year employment agreement for the Director of Athletics (1.0 FTE), Rob Spear, supported by state funds such contract to be as per the proposed contract submitted to the Board in the agenda materials, modified as follows: (1) the reassignment described in section 2.2 of the proposed contract shall be removed, along with all references thereto; (2) the term of the contract shall be four years from August 15, 2004, at the annual rate of \$135,000 per year; (3) counsel for the Board shall approve the modifications described in items 1 and 2 above, as well as such further modifications as are necessary to make the contract terms consistent with the modifications described in items 1 and 2 above. Motion carried unanimously.

At this time the Board returned to the Commercial Drivers Training discussion. Karen Echeverria indicated that a panel of representatives from commercial driving schools met during the day and reached agreement on the points of change. She distributed notes from the meeting and briefly summarized them for the Board.

M/S (Lewis/ McGee): To approve the SBOE Rules for Commercial Driving Schools as presented to the Board today, August 12, 2004. Motion carried unanimously.

The meeting adjourned at 6:25 p.m. on August 12, 2004, and reconvened on August 13, 2004, at 8:00 a.m.

The first item of business was item number six of the Planning, Policy and Governmental Affairs agenda, Approval of the Temporary and Proposed Charter School Rules, which had been deferred to this time on the meeting agenda.

Board President Lewis introduced this item. Kent Nelson, legal counsel, discussed sections 301 and 303, having to do with written communication from the chartering entity to the charter school concerning defects. Board President Lewis noted that the situation with the Renaissance School made clear the need for the rules to have a proper procedure for charter schools to develop a corrective action plan before the chartering entity can revoke a charter.

Mr. Nelson said that the word “defect” is used in the statute. That is the reason it is used in the rule. He went on to note that the corrective action plan is developed by the charter school and that the plan is forwarded to the local board or the Charter Commission Board.

M/S (Lewis/McGee): To approve, as temporary and proposed, the State Board of Education Rules Governing Public Charter Schools. (This motion was amended.)

Amended M/S (Lewis/Terrell): To approve, as temporary and proposed, the State Board of Education Rules Governing Public Charter Schools as amended and as set forth in the handout that was distributed on August 12 pertaining to sections 301 and 303. Motion carried unanimously.

DEPARTMENT OF EDUCATION

CONSENT AGENDA:

Dr. Howard reviewed the items on the consent agenda. She recommended approving the consent agenda if there was no objection from the Board.

M/S (Howard/Terrell): To approve the consent agenda -- items A, B, C, and D – as presented. Motion carried unanimously.

A. Adoption of Curricular Materials – Bob West

By consent, the Board approved the request for adoption of curricular materials and related instructional materials as recommended by the Curricular Materials Selection Committee.

B. Professional Standards Commission Appointments – Bob West

By consent, the Board approved the request by/for Professional Standards Commission appointments as submitted.

C. ISU Early Childhood – Early Childhood Special Education Program Approval – Bob West

By consent, the Board approved the state team report approved by the Professional Standards Commission at its June 24-25, 2004, meeting recommending approval of the Early Childhood/Early Childhood Special Education Blended Certificate (Birth-Grade 3) Program at Idaho State University.

D. Payment Responsibilities for Idaho Teacher Preparation Program Reviews – Bob West

By consent, the Board approved the addition to Idaho State Board of Education Rule 08.02.02.100.05 as recommended by the Professional Standards Commission.

REGULAR AGENDA:

E. Superintendent's Report – Marilyn Howard

Dr. Howard briefly reported on several items. She discussed the ISIMS roll-out, the needs outlined by the local superintendents (who expressed concerns about staff morale, lack of resources, the public reporting requirements, etc.), and the SDE budget request for FY 2006. In addition, Dr. Howard reported that recovery at the national level will be compromised by standards-based reform requirements as well as by the growing monetary demands of Medicaid. She noted that the increasing immigrant population is putting demands on the present educational resources.

Board member McGee asked for regular updates regarding ISIMS, along with data that demonstrates its effectiveness. Dr. Howard agreed to provide those updates.

Board President Lewis asked about possible changes in the funding formula to address rapid growth situations in school districts such as the Meridian School District. Dr. Howard and the Department of Education staff discussed the variables that impact the funds that go to the districts. Board member McGee agreed it would be helpful for the Board to meet with the Department of Education to look at the funding formula for better understanding of how it works.

F. Idaho Social Studies – Ben Ysursa (this item was deferred to a later time in the agenda).

G. Twin Falls School District #411 Dropout Prevention Program – Tom Owens, Twin Falls School District

Bob West introduced Tom Owens who is in charge of the drop-out prevention program in the Twin Falls District. Mr. Owens shared the highlights of the Every Child A Graduate Drop-Out Prevention Plan. He discussed the identified need, challenges and beliefs of the district along with the response, the strategies of the plan, and the first year numbers. It was mentioned that Title V and innovation programs money was used to fund this program.

During the discussion, Dr. Howard introduced the local superintendents in attendance: Wiley Dobbs of Twin Falls, Mike Chesley of Cassia County, John Graham of Filer, Dave Hocklander of Richfield and Jim Coble of Jerome.

H. State Accreditation Rule Change and Standards Approval – Shannon Page

Bob West introduced Shannon Page of the Department of Education. She discussed the parameters of the new accreditation system and noted that a huge amount of time was spent with constituent groups to study and review recommendations for change, draft standards, and accountability and reporting measures.

Ms. Page reviewed the specifics of the rule changes for the Board and explained how the proposed rule change aligns with the policy and procedural documents that are being, and will continue to be, developed in support of the policy.

It was noted that the goal of the Department of Education is to have the revised accreditation system in place for school-year 2005-2006, coinciding with the expectation of the State Board of Education that schools and districts will have fully implemented standards, assessments and accountability requirements.

Board members discussed, in detail, places in the rules where grammatical corrections or clarifying language were needed. It was noted that the word “district” under District Strategic Plan needed to be defined. Also, the term “staff capacity” under Plan Alignment and Focus needed to be defined as “adequacy of resources, resource allocation, and teacher skill sets” so that it is understood to mean capability or ability of staff, not an increase in number of staff.

Ms. Page went on to discuss the six Idaho Accreditation Standards being considered by the Board at this meeting. The six standards are: (1) vision, mission and policies; (2) highly qualified personnel; (3) educational program; (4) learning environment; (5) continuous school improvement; (6) student achievement.

Board member Terrell expressed concerns with the term “highly qualified personnel” and wondered how it relates to Tab N of the Department’s agenda. Dr. Howard and Board President Lewis recommended defining who the Board deems to be a highly qualified teacher when Tab N comes up for discussion.

In response to a question from Board President Lewis, Ms. Page said that the Continuous School Improvement standard supports the requirement for schools to have a plan in place.

Dr. West clarified that if the proposed rule is approved, it begins the APA process and they will go to public hearing for comment and change.

M/S (Howard/Thilo): To approve proposed changes to IDAPA 08.02.02.140. Accreditation, with new language in section 01 to say, “The district strategic plan will be monitored by a representative review team established by each district’s administration and board of trustees, which will recommend revision of goals as necessary and provide regular reports on implementation of the plan to the district’s trustees.” And, new language in section 03 to say, “will align and focus on improving school and staff capacity (structure/resource allocation/teacher skill sets).” Motion carried unanimously.

M/S (Howard/Lewis): To approve the Idaho Accreditation Standards. Motion carried unanimously.

At this time, the Board returned to item “E” of the Department’s agenda.

E. Idaho Social Studies Standards

Dr. Howard introduced Mr. Ben Ysursa, Secretary of State. Together, they explained how the Secretary of State’s office and the Department of Education worked in partnership on a project to improve youth voting and civic involvement.

Mr. Ysursa said there is a decline in voter turn-out in Idaho. He explained how good government and good education go hand-in-hand to bring about positive change. Through a joint effort between the Secretary of State’s office and the State Department of Education, a new interactive teaching tool has been unveiled and includes a CD ROM to help teachers bring the state’s achievement standards to life for students. Mr. Ysursa thanked Dr. Howard and the Department of Education staff for their hard work on this project.

The Board members thanked Mr. Ysursa and Dr. Howard.

I. Approval of Proposed Public School Driver Education Rule Change – Rod McKnight

Bob West introduced Rod McKnight to discuss the proposed rules for Public School Driver Education, noting that if they are approved, they will go to public hearing and that they will appear in the Administrative Bulletin in October.

M/S (Howard/Terrell): To approve a proposed rule (Docket No. 08-0202-0405) for publication in the October 6, 2004, Administrative Bulletin. Motion carried unanimously.

M/S (Howard/Lewis): To approve a rule by reference, i.e., the Idaho Standards for Public School Driver Education and Training, as approved on August 12, 2004. Motion carried unanimously.

J. Appeal of Transportation Reimbursement by Nampa School District – Rod McKnight

Dr. Howard introduced Jon Allen of the Nampa School District. Bob West explained that the Nampa School District is appealing the transportation reimbursement in the same way three districts did at the June meeting of the Board. He indicated that the Department was looking to the Board for guidance. Board President Lewis clarified that the Department was asking whether it should grant the waiver, based on the same rationale used at the June meeting, or should the Department proceed as it did before, and require the district to explain its argument to the Board.

Mr. McKnight urged caution about taking the step of automatically reimbursing districts based on the rationale that was brought forward in June. Board member Stone said that the waiver that was approved in June was based on specific issues related to those districts. The situation with the Nampa District has not been fully explained.

Mr. McKnight indicated that there are probably one or two more districts who may request reimbursement based on the action in June.

M/S (McGee/Terrell): To approve having the Department treat all the other districts which come to the Department with the same factual background, in the same manner. Motion carried 5-1 (Stone dissenting).

K. Notice of Proposed Rulemaking – Rod McKnight

Rod McKnight discussed the proposed rule and summarized the changes, referring to the materials provided to the Board in their agenda materials. He noted that this rulemaking is in response to an Office of Performance Evaluations report, legislative inquiries, recent legislation and concerns expressed by the State Board of Education.

Board member Terrell said he is not in favor of the philosophy of providing exemptions. Mr. McKnight said the Department is attempting to follow the statute and the federal requirements with the exemptions that are in the proposed rule.

M/S (Howard/McGee): To approve a proposed rule (Docket No. 08-0202-0403) for publication in the October 6, 2004, Administrative Bulletin. Motion carried 5-1 (Terrell dissenting).

In reference to the Standards for Idaho School Buses and Operations, Department of Education staff explained points that were brought forward by the Board members. Following discussion, Board President Lewis recommended that the Board move forward in taking action on approving the Standards with the understanding that the document will be edited to reflect concerns that were identified during the discussion.

Gary Stivers noted the proposed rule makes reference to a document that the Board approved on August 13, 2004. Legal counsel was asked if approval of the rule at this time would make it impossible to continue making changes in the incorporated document that is approved on August 13, 2004. Legal counsel indicated that it would be possible to continue to change the incorporated document and then amend the rule with the final date.

It was agreed that a notation would be inserted into the document to indicate that it is being reworked.

M/S (Howard/McGee): To approve a rule by reference, i.e., the Standards for Idaho School Buses and Operations – August 13, 2004. Motion carried 5-1 (Terrell dissenting).

L. Review and Approval of Idaho Physical Education Standards K-12 – Barb Eisenbarth

Dr. Howard introduced Barb Eisenbarth of the Department of Education to review the physical education standards. She discussed nationwide concerns associated with obesity and its related health problems. She noted that since the elimination of the physical education graduation requirement in 1997, the amount of training, technical assistance and guidance available to school districts has been extremely limited. There is a need for standards to guide curriculum development and instruction as well as to make it possible for Idaho districts to apply for federal Physical Education for Progress Act funds.

Board President Lewis referenced page 22 of the standards, item C.2.i, and suggested it be deleted. Dr. Eisenbarth agreed it could be omitted. Dr. Howard incorporated the omission into her motion and Ms. McGee (the motion's second) agreed to the change.

M/S (Howard/McGee): To approve the request by the Idaho Department of Education to establish physical education standards K-12, with the omission of C.2.i. Motion carried unanimously.

M. Petition to Transfer Property from Twin Falls School District No. 411 to Filer School District No. 413 – Bob West

This item was deferred until the October Board meeting.

N. Highly Qualified Teacher Questionnaire-Rubric – Bob West

Bob West introduced this item to the Board. In order to meet the No Child Left Behind requirements for highly qualified teachers, Idaho school districts will need to determine the highly qualified status of their K-12 teachers on their October 15, 2006 IBEDS report. Districts will be asked to begin using this questionnaire-rubric now to become familiar with it.

To assist the districts with this determination, the Idaho Department of Education has developed a questionnaire-rubric, which is based on Idaho's definition of "highly qualified teacher." As a point of information, teachers teaching in an area in which they are certified automatically qualify; teachers teaching in an area in which they aren't certified may not be qualified.

Board member McGee encouraged the Board to have ongoing discussions on this point and to require a stronger definition of a highly qualified teacher, even though this questionnaire-rubric meets the federal requirement. Board member Terrell agreed that there needs to discussion about the meaning of "highly qualified."

OTHER BUSINESS

M/S (Terrell/McGee): To adjourn the meeting. *Motion carried 5-0 (Thilo absent).*

The meeting adjourned at 12:35 p.m.