



**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
December 1, 2005
Idaho State University
Pocatello, Idaho**

A regular meeting of the State Board of Education was held December 1, 2005, at Idaho State University in Pocatello, Idaho. Board President Lewis was absent. Board Vice President Laird Stone presided. Members present were:

Laird Stone, Vice President

Paul Agidius

Karen McGee

Marilyn Howard, State Superintendent

Milford Terrell, Secretary

Blake Hall

Sue Thilo

EXECUTIVE SESSION

M/S (Terrell/Thilo): To go into Executive Session, pursuant to Idaho Code Section 67-2345(1), on December 1, 2005 at 7:40 a.m., at Idaho State University. A roll call vote was taken; motion carried unanimously.

M/S (McGee/Agidius): To go out of Executive Session at 9:13 a.m. and enter into Open Session. 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 of individual agent, or public school student; conducted deliberations concerning labor negotiation 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; and considered and advised its legal representatives in pending litigation or where there is a general public awareness of probable litigation.

OPEN SESSION

BOARDWORK

1. Agenda Review

By unanimous consent, the Board agreed to add to the Policy, Planning and Governmental Affairs agenda an item related to an earlier decision to transfer property from the West Bonner County School District to the Lakeland School District.

By unanimous request, the Board agreed to take the audit presentation off of the agenda.

By unanimous consent, the Board agreed that the presentation of the Idaho School for the Deaf and the Blind recommendations would be moved up on the agenda to take place about 10:00 a.m.

By unanimous consent, the Board agreed to move item 14 under Section II of the Business Affairs and Human Resources agenda in order to discuss it at the same time the other Boise State University items were discussed.

By unanimous consent, the Board agreed to add an employment issue from the University of Idaho to the Business Affairs and Human Resources agenda.

M/S (Hall/Terrell): To approve the agenda as modified. *Motion carried unanimously.*

2. Minutes Approval

M/S (Terrell/Agidius): To approve the minutes from October 16-17, 2005, as submitted. *Motion carried unanimously.*

3. Rolling Calendar

M/S (McGee/Hall): To approve November 30 and December 1, 2006, as the dates and Idaho State University as the location for the December, 2006, regularly scheduled Board meeting. *Motion carried unanimously.*

At this time Board Vice President Stone recognized Representative Steve Smiley and Representative Wendy Jaquet, who were in the audience.

OPEN FORUM

Matt Hobson, Idaho State University Student Body President, spoke to the Board about equity funding and asked for an update on that issue. Board Vice President Stone requested that Board staff provide students at each campus with an update.

Joe Jensen of the Idaho State University Foundation introduced himself and commented on the foundation's role in acquiring funding support for higher education.

CONSENT AGENDA

M/S (Agidius/Terrell): To approve the Consent Agenda as submitted. Motion carried unanimously.

1. BAHR-Section I – Boise State University – New Positions & Changes in Positions

By consent, the Board agreed to approve the request by Boise State University for twelve (12) new positions supported by appropriated and local funds; title, term salary and FTE changes to three (3) positions; and the deletion of two (2) positions.

2. BAHR-Section I – Idaho State University – New Positions & Changes in Positions

By consent, the Board agreed to approve the request by Idaho State University for five (5) new positions (4.6 FTE) and changes in three (3) classified positions from part-time to full-time (3.0 FTE).

3. BAHR-Section I – University of Idaho – New Positions & Changes in Positions

By consent, the Board approved the request by University of Idaho to establish one (1) new position supported by non-appropriated funds.

4. BAHR-Section II – Eastern Idaho Technical College – New Positions & Changes in Positions

By consent, the Board approved the request by Eastern Idaho Technical College for two (2) new positions supported by grant funding.

5. BAHR-Section II – Agency Dashboard Reports

Information item.

6. PPGAC – Alcohol Permits Issued by University Presidents

Information item.

7. PPGAC – Amendment of Board Policy – Section IV.B.10 – Idaho Student Information Management System – Second Reading

By consent, the Board approved the second reading of amendments to Board Policy – IV.B.10 – Idaho Student Information Management System (ISIMS).

At this time the Board moved to Tab 7 of the Instruction, Research and Student Affairs Agenda.

8. Idaho School for the Deaf and the Blind Committee Recommendations

M/S (Terrell/Thilo): To accept the report and to put it on the agenda for the next meeting for discussion. Motion carried unanimously.

Board staff Christine Ivie presented this item. She thanked the committee members for their work and reviewed the recommendations drafted by the committee. She reported on the next steps. Board member Hall asked for additional time to review the recommendations and suggested that the Board only accept the report at this meeting.

Board Vice President Stone indicated that fine-tuning of the language would be done by Board members, along with Board staff. Board member Hall recommended holding a special Board meeting to accept the finalized language, if necessary.

BUSINESS AFFAIRS AND HUMAN RESOURCES

Section I – Human Resources

1. Boise State University – Dean of College of Business and Economics – Appointment

M/S (Hall/Agidius): To approve the request by Boise State University to appoint the Dean of the College of Business and Economics at a salary of \$175,000. Motion carried 7-1 (Terrell dissenting).

Stacy Pearson, Boise State University, requested the appointment of Dr. Howard Smith as Dean of the College of Business and Economics, at a salary of \$175,000. Board member Terrell indicated his intention to vote against the motion based on a concern about high salaries.

2. Boise State University – Athletics Director – Multi-year Contract Addendum

M/S (Hall/Stone): To approve the request by Boise State University to offer a multi-year contract addendum for Gene Bleymaier, Athletic Director, in the form presented to the Board. Motion carried unanimous.

Stacy Pearson, Boise State University, discussed the terms of the multi-year contract addendum for Gene Bleymaier. Board member Terrell indicated his intention to vote in favor of the motion because of the value of college athletic programs.

3. University of Idaho – Dean of College of Engineering -- Appointment

M/S (Hall/Terrell): To table this request. *Motion failed 3-4 (Agidius, Howard, Stone and Thilo dissenting).*

M/S (Thilo/Agidius): To approve the appointment of Aicha Elshabini as Dean of the College of Engineering at the University of Idaho at an eleven-month salary of \$214,509. *Motion carried 4-3 (Hall, McGee and Terrell dissenting).*

David Chichester, University of Idaho, requested the Board's approval of the appointment of Dr. Aicha Elshabini as Dean of the College of Engineering at an eleven-month salary of \$214,509. He summarized her resume and explained that \$180,000 of her salary would come from state funds, and the remainder from private funds and donations.

Board member Terrell indicated his intention to vote against the appointment based on a concern about high salaries. Board member Hall discussed concerns related to equity issues. Board member McGee expressed concerns with the salary equity issues as well. Board member Thilo noted the amount coming from state funds would be \$180,000 and was comparable to the salary being paid at Boise State University. Board Vice President Stone suggested the focus should be on the state funded portion of the salary.

Board member Hall recommended the Board look at the scope of work and possible duplication of effort amongst the institutions. Board member Agidius pointed out that while institutions may offer programs with the same name, the content of those programs are not necessarily identical. Board members Agidius and McGee agreed that the Board should follow up on Board member Hall's suggestion to look for possible duplication. Board member Terrell indicated he would bring that topic up during the Presidents' Council report.

Section II – Finance

Board member Terrell suggested putting the SkySuites discussion (item 4) together with the discussion on the Corporate Partnership Agreement with Agri-Beef (item 1) discussion.

By unanimous consent the Board agreed to combine items 1 and 4 together for the purpose of discussion.

1. Boise State University – Corporate Partnership Agreement with Agri-Beef

M/S (McGee/Agidius): To approve a request by Boise State University to enter into a corporate partnership agreement with Agri Beef Company, the terms and conditions as provided in the attached Agreement. Motion carried unanimously.

Stacy Pearson, Boise State University, summarized the request to enter into a corporate partnership with Agri Beef Company. Gene Bleymaier, Boise State University, overviewed the partnership agreement including officially naming the Stadium Club the "Agri Beef Stadium Club."

4. Boise State University – SkySuites Project

M/S (McGee/Thilo): To approve the request by Boise State University to procure architectural services through the Division of Public Works, in an amount not to exceed \$900,000, to complete preliminary design and programming through design development, for a design-build project to provide an addition of a Press Box/SkySuite facility to Bronco Stadium. Motion carried unanimously.

Stacy Pearson, Boise State University, summarized this request. She indicated that funding to procure architectural services will not exceed \$900,000 and that it will come from the reserve and operating budgets of the athletic department.

2. Boise State University – Parking Structure Project – Request for Proposal for Design and Build

M/S (Thilo/McGee): To approve the request by Boise State University to select a design consultant for an amount not to exceed \$100,000 to develop the Request for Qualifications (RFQ) and Request for Proposals (RFP), through the Division of Public Works, for a parking structure using the design-build project delivery method. It is understood that Board approval for project financing and construction will be sought at a later time. Motion carried 6-0 (Hall absent for the vote).

Stacy Pearson, Boise State University, summarized this request.

3. Boise State University – Classroom Remodel Project

M/S (McGee/Thilo): To approve a request by Boise State University to remodel an existing classroom, Multi-Purpose classroom #309, into a physics research lab at a cost not to exceed \$575,000. Motion carried unanimously.

Stacy Pearson, Boise State University, summarized this request. She indicated that the desire of the institution is to locate the classroom next to the existing lab. The remodel will help coordinate the research and the teaching functions.

14. Boise State University – Loan Refinancing

M/S (McGee/Hall): To approve the refinance of the stadium improvement loan between Boise State University and U.S. Bank at an interest rate of 4.25 percent, maturity date of December 1, 2015, and monthly payment of \$32,111.91. A roll call vote was taken; motion carried 6-0 (Agidius absent during the roll call).

Stacy Pearson, Boise State University, presented this request.

5. Idaho State University – Center for Advanced Energy Studies (CAES) Project – Request for Proposal of Design and Build

M/S (Agidius/McGee): To approve the request by Idaho State University to issue a Request for Proposal (RFP) through the Division of Public Works for selection of an architect to design the Center for Advanced Energy Studies (CAES) facility, and proceed with pre-design/programming, through design development, to include a construction cost estimate. It is understood that permission to proceed with the financing plan and construction of the complete CAES project will be requested at a future Board meeting. The allowable cost for the architect and engineer fees for the entire project will be no greater than \$1,680,000. Motion carried unanimously.

Ken Prolo, Idaho State University, introduced Dr. Leonard Bond, Director of the Center for Advanced Energy Studies (CAES). Mr. Prolo summarized the request and outlined the fiscal impact, the funding sources, and the points of the lease agreement.

Stacy Pearson confirmed that Boise State University had been in discussion with ISU regarding the role of BSU in this project. David Chichester, University of Idaho, agreed that more remains to be done regarding occupancy.

Board member Hall asked to see an operating agreement for the three institutions prior to the letting of a bid for construction. Mr. Prolo reported that the institutions are working on one and would bring it before the Board in the next few months.

Board member Hall discussed concerns he had about the fiscal impact of this project on the state. He indicated that his concerns had been addressed after he verified that the HUD grants are in place, that federal monies are available, that Governor Kempthorne had committed \$5 million to this CAES project and that Battelle Energy Alliance (BEA), and its affiliates, have guaranteed the lease.

Board counsel, Jeff Schrader, noted he participated in the planning meetings and was comfortable with the request.

6. University of Idaho – Contract for Legal Services

M/S (Agidius/McGee): To approve the professional services contract between the University of Idaho and Miller Nash, LLP. Motion carried 5-2 (Stone and Hall dissenting).

At this time, Representative Donna Boe and Pocatello Mayor Roger Chase were introduced to the audience. Dwight Johnson, the Interim Executive Director of the Office of the Board of Education, was also introduced.

7. Intercollegiate Athletics – Financial Reports

M/S (Hall/Agidius): To postpone Tabs 7 and 8 until the next regular Board meeting. *Motion carried unanimously.*

By unanimous consent, the Board agreed that Board member Terrell could visit each institution, along with Board member Agidius, to address questions he had related to their individual reports; and, to report back at the next scheduled meeting.

8. Intercollegiate Athletics – Employee Compensation Reports

This item was postponed in the motion above.

9. Amendment of Board Policy – Section V.E – Gifts and Affiliated Foundations – Second Reading

M/S (Hall/McGee): To postpone the second reading until the next Board meeting. *Motion carried unanimously.*

Board staff Jeff Shinn presented this item. Board member Terrell noted this was a basic blue print and one institution's way to take care of a problem. He indicated that the other institutions would need to bring their individual operating agreements before the Board as well. Following discussion, Board member Hall suggested postponing this item until Board President Lewis was present.

10. Audit Presentation – Moss Adams

This item was removed from the agenda.

11. Optional Retirement Program – Deferred Compensation Plan

M/S (Hall/Agidius): To adopt a Deferred Compensation Plan for participants in the Idaho Optional Retirement Plan under Internal Revenue Code Section 457, subject to final review and approval of the plan and related documents by the Executive Director and Board legal counsel. *Motion carried unanimously.*

Board staff Jeff Shinn summarized this item for the Board.

12. Idaho Promise Scholarship – Increase Category B Award

M/S (McGee/Hall): To approve the amount of the Idaho Promise Scholarship, Category B, to be \$315 for the Spring semester, 2006, for a total of \$565 for the 2005-2006 academic year, per eligible student for those current recipients who maintain eligibility, and for qualified first-year entering students under the age of 22 in the Spring of 2006. *Motion carried unanimously.*

Board staff Jeff Shinn summarized this item.

13. Student Health Insurance – Report of Workgroup

Board staff Jeff Shinn summarize this item. The results of the study by the workgroup indicated that a standardized student health insurance consortium purchasing arrangement would not be practical because a one-size-fits-all approach would not work for every institution. The Board thanked the Presidents' Council for their timely attention in addressing this concern.

At this time, Board Vice President Stone invited Lori Rasich, representing the LCSC student body, to make remarks. Ms. Rasich thanked the Board for their work related to the student health insurance issues.

PLANNING, POLICY, AND GOVERNMENTAL AFFAIRS

By unanimous consent, the Board moved the ISU progress report up on the agenda.

2. Idaho State University – Progress Report

Board member Hall introduced Dr. Michael Gallagher, Interim President of Idaho State University, to present the ISU progress report. Dr. Gallagher discussed ISU's role and mission regarding health professions and introduced Dr. Steven Coker, the 2007 President of the Idaho Medical Association.

Dr. Coker presented a detailed report recommending that the Board to consider establishing a medical school in Idaho. He discussed causes for the low number of physicians coming into the state as well as reasons why Idaho students lack the opportunity to get into medical school. Dr. Coker suggested that Idaho has educators and quality hospitals in place to support the establishment of a medical school. Dr. Gallagher agreed that ISU would continue to work with the State Board of Education and the Idaho Medical Association to develop a comprehensive health care education plan for Idaho. Board member Hall thanked Dr. Coker for his informative presentation and indicated that the Board will work with ISU to look at alternative plans.

On another point, Board member Hall reported that he had received a letter from the local superintendents expressing concerns about dual enrollment opportunities at ISU. He asked Dr. Gallagher to review the process at ISU and engage in discussion with the superintendents. Dr. Gallagher agreed and will report back to the Board.

1. Presidents' Council Report

President Tim White reported to the Board on behalf of the Presidents' Council. He noted that the November meeting focused on the student health care issue, the regional oversight council, and budget, foundation and high school reform issues. Board member Hall thanked the presidents for their timely response on the health care needs of students at the respective institutions.

Board member Thilo mentioned that Dr. Michael Burke of North Idaho College had accompanied Steve and Judy Meyer to the National Council for Resource Development to be recognized for their generous philanthropic support of North Idaho College.

Board member Hall asked the Presidents' Council to examine the various colleges and programs within their individual institutions to clarify how much duplication exists amongst the institutions overall as well as the differential that makes those similar programs or colleges necessary within the state. He asked them to define the differences as well, and to report back to the Board within the next six months, on a college-by-college basis. Dr. White indicated the Presidents' Council would begin working on this assignment and provide as much detail as possible.

3. West Bonner County School District

M/S (Thilo/Howard): That the Board reconsider its decision with regard to changing the boundaries of West Bonner County School District. *Motion failed 2-5 (Thilo and Howard voted Aye).*

Board member Thilo noted that a petition was brought forward at the last Board meeting regarding a transfer of land from the West Bonner County School District and to the Lakeland School District. She indicated that since then, certain problems related to the petition may have come up. In addition, cost concerns were made known by the West Bonner district.

INSTRUCTION, RESEARCH, AND STUDENT AFFAIRS

1. Idaho PLATO Learning Network (I-PLN) Presentation

This item was postponed because inclement weather prevented the presenters from attending the meeting.

2. New Graduate Program: Ph.D., Electrical and Computer Engineering – Boise State University

M/S (Terrell/Thilo): To approve Boise State University's request to offer a Ph.D. in Electrical and Computer Engineering. *Motion carried unanimously.*

Sona Andrews, Boise State University, presented the institution's proposal for a doctorate degree in Electrical and Computer Engineering and introduced Dean Cheryl Schrader of the BSU College of Engineering to the Board.

Dr. Andrews discussed various aspects of the program and noted it is in BSU's eight-year plan. She reviewed letters of support from various businesses and government entities and explained the funding and staffing for the proposed program. In response to a question from the Board about the College of Engineering taking over space currently used by the Selland College of Technology, Dr. Andrews reported that some programs from the Selland College of Technology would be relocated throughout the community and others would move to the Canyon County campus.

3. Quarterly Report: Program Changes Approved by the Executive Director

Information item.

4. Annual Report of Postsecondary Programs

Board staff Marilyn Davis noted this was a new report which would be submitted on an annual basis.

5. Second Reading: Board Policy Section III.Y. – Accelerated Learning Programs

M/S (Thilo/Agidius): To approve the second reading of the amendments to Board Policy Section III.Y. – Accelerated Learning Program. Motion carried 6-0 (McGee absent during this vote).

Board staff Marilyn Davis presented this item. Board member Hall suggested the Board should ask for an annual report by the institutions as to their progress and their compliance with the Accelerated Learning Program. Board Vice President Stone instructed the Executive Director to note the request and to schedule its timing.

Dr. Howard asked about issues related to costs for advanced opportunities. Executive Director Dwight Johnson explained the mechanism and noted that a proposal would go to the legislature related to the costs.

6. EPSCoR Reappointments

M/S (McGee/Hall): To postpone until the next regularly scheduled meeting. Motion carried 4-3 (Agidius, Howard, and Thilo dissenting).

DEPARTMENT OF EDUCATION

A. Superintendent's Report – Marilyn Howard

Dr. Howard reported to the Board. She commended Jana Jones and Sally Tiel for their work in gathering and reporting the data. She noted that a report on the revisions to the Idaho Achievement Standards was forthcoming.

B. Technology Grants Funding Formula

M/S (Howard/Stone): To approve the 2005-2006 state technology allocation as submitted. *Motion carried unanimously.*

C. Standards Revisions

M/S (Thilo/Hall): To approve the proposal that the State Department of Education proceed with the negotiated rule making process to incorporate by reference the Idaho Achievement Standards as reorganized and revised. *Motion carried unanimously.*

Dr. Jana Jones reported to the Board on the recommended revisions to the Idaho Achievement Standards. She summarized the revisions made, to date, and reviewed the changes in the individual areas. Dr. Jones asked for approval from the Board to move forward with negotiated rulemaking and outlined the timeline for beginning the proposed rulemaking process. She indicated that districts would complete realignment by August, 2006. Dr. Jones reported that a link to the Standards website had been posted on the Department of Education website to give the public access to the information. Board member McGee commended the Department of Education for their hard work on the standards.

In response to a question from Board member Terrell related to physical education, Dr. Jones indicated the standards state what a participating student should know, in a way similar to the humanities area.

D. CNP Wellness Policy

Dr. Jana Jones informed the Board about a federal law change requiring all districts to adopt a local policy addressing wellness. The policy must be in place by June, 2006. During discussion it was noted that the federal regulations do not give the states the ability to withhold funds from districts that don't have a policy in place.

OTHER BUSINESS

M/S (Agidius/McGee): To adjourn the meeting at 4:00 p.m. *Motion carried unanimously.*