

**BUSINESS AFFAIRS AND HUMAN RESOURCES  
AUGUST 9-11, 2006**

<b>TAB</b>	<b>DESCRIPTION</b>	<b>ACTION</b>
<b>1</b>	<b>BOISE STATE UNIVERSITY</b> Student Rec Center HVAC & Plumbing Upgrades	Motion to approve
<b>2</b>	<b>BOISE STATE UNIVERSITY</b> Parking Deck Project	Motion to approve
<b>3</b>	<b>BOISE STATE UNIVERSITY</b> Authorization to Redirect Bond Proceeds	Motion to approve
<b>4</b>	<b>IDAHO STATE UNIVERSITY</b> CAES Facility Project	Information item
<b>5</b>	<b>IDAHO STATE UNIVERSITY</b> Agreement for Foreign Ownership, Control or Influence	Motion to approve
<b>6</b>	<b>UNIVERSITY of IDAHO</b> Barker Wealth Mgmt Program	Information item
<b>7</b>	<b>UNIVERSITY of IDAHO</b> Events Pavilion Feasibility Study	Information item
<b>8</b>	<b>UNIVERSITY of IDAHO</b> Amendment to Palouse Mall Associates Agreement	Motion to approve
<b>9</b>	<b>ITEM PULLED</b>	n/a
<b>10</b>	<b>LEWIS-CLARK STATE COLLEGE</b> Athletic Fee Waiver Increase	Motion to approve

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

<b>TAB</b>	<b>DESCRIPTION</b>	<b>ACTION</b>
<b>11</b>	<b>LEWIS-CLARK STATE COLLEGE</b> Student Housing Project – Management Agreement	Information item
<hr/>		
	<b>FY 2008 BUDGET REQUESTS</b> Description of Budget Process	
<b>12</b>	a) Motions for Supplementals, Replacement Capital Outlay & Maintenance of Current Operations b) College & Universities c) Community Colleges d) Other Higher Education e) Agencies f) Capital Budget Requests	Motions to approve
<hr/>		
<b>13</b>	<b>AMENDMENT OF BOARD POLICY</b> Amendment to Board Policy Section V.J.4.c – 1 <sup>st</sup> Reading - Travel and Moving Expenses.	Motion to approve
<hr/>		
<b>14</b>	<b>IDAHO STATE UNIVERSITY</b> New License Plate Logo	Motion to approve
<hr/>		
<b>15</b>	<b>BOISE STATE UNIVERSITY</b> Property Acquisition	Motion to approve
<hr/>		

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**BOISE STATE UNIVERSITY**

**SUBJECT**

Boise State University requests approval to upgrade the HVAC and plumbing systems in the Student Recreation Center for a cost not to exceed \$686,000.

**APPLICABLE STATUTE, RULE OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Section V.k.2.

**BACKGROUND**

During the Student Recreation Center commissioning process, a number of environmental and operational concerns were identified. Subsequent operation of the building revealed the depth of the initial issues identified in the commissioning report. The problems identified included overheated spaces, inadequate airflows, excessive space humidity, and water sporadically building up in the warm air duct system. In addition, the domestic water system periodically allows cold water to be fed into the heating water distribution system.

During the operation of this facility, many attempts were made to resolve these issues. Both in-house labor and external contractors were used to identify and attempt to resolve these operational problems. For the larger and more complex issues, the University employed an engineering firm to fully analyze and model all environmental and utility systems in the building as well as develop a draft plan and budget for correction of these items.

**DISCUSSION**

The existing HVAC system and Boilers in the Student Recreation center are undersized and do not adequately condition and dehumidify the outside air brought into the HVAC system. The domestic water system and Hydroid piping system does not provide adequate pressure and temperature control for the building. The HVAC control system experiences problems interfacing with the University's HVAC control system, impacting the overall performance of the building systems.

This project will resolve the HVAC, control, temperature, humidity, and control problems which impact the user comfort and long term maintenance of the facility; as well as the pressure and temperature problems associated with the domestic cold and hot water systems

**IMPACT**

The total projected cost of this project is \$686,000 (see attached project budget worksheet). The university proposes to use bond reserves set aside for capital projects at the Student Recreation Center to fund this project. It is anticipated that the work would be completed by July 2007.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**BOISE STATE UNIVERSITY - continued**

**ATTACHMENTS**

Attachment 1 – Project Tracking Sheet	Page 3
Attachment 2 – Project Budget Sheet	Page 4

**STAFF COMMENTS AND RECOMMENDATIONS**

Staff has discussed this project with officials at Boise State University and the state Division of Public Works. The requested project appears to be the best course of action with respect to the building, given the alternative of continuing with a very inappropriate cooling system.

Staff recommends approval.

**BOARD ACTION**

A motion to approve the request by Boise State University to proceed with the design and construction of an upgrade to the HVAC and plumbing systems in the Student Recreation Center for a cost not to exceed \$686,000.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_



**Office of the Idaho State Board of Education**  
**Capital Project Tracking Sheet**  
August, 2006

**History Narrative**

1 **Institution/Agency:** Boise State University      **Project:** Upgrade Student Rec Center HVAC and Plumbing  
2 **Project Description:** Project will upgrade and replace HVAC and plumbing systems with those consistent with engineering recommendations.  
3 **Project Use:** Improve air systems and water temperatures in the Student Rec Center

	Sources of Funds				Use of Funds			
	PBF	ISBA	Other *	Total Sources	Planning	Use of Funds Const	Other	Total Uses
8 Upgrade HVAC and Plumbing Systems	\$ -	\$ -	\$ 686,000	\$ 686,000	\$ 85,264	\$ 600,736		\$ 686,000
9								
10								
11								
12								
13								
14								
15 Total Project Costs	\$ -	\$ -	\$ 686,000	\$ 686,000	\$ 85,264	\$ 600,736	\$ -	\$ 686,000

History of Funding:		* Other Sources of Funds						
		PBF	ISBA	Institutional Funds	Student Revenue	Other	Total Other	Total Funding
19 Aug-06		\$ -		-	686,000		\$ 686,000	\$ 686,000
20								
21								
22 Total		\$ -	\$ -	\$ -	\$ 686,000	\$ -	\$ 686,000	\$ 686,000

## Architectural & Engineering Services PROJECT BUDGET

<b>Project Number:</b>	TBD		
<b>Project Title:</b>	HVAC/Plumbing Upgrade Remodel - Student Rec Center		
<b>Fund Source No:</b>	TBD	<b>Dept. ID No.</b>	TBD
<b>Project Manager:</b>	Patrick Sullivan		
<b>Date:</b>	June 7, 2006		

Category	Budget	Revised
Engineering Fees	\$53,784.00	
Reimbursables	\$5,000.00	
Additional Services	\$2,500.00	
Extended Startup Fees	\$16,800.00	
Extended Startup Reimbursables	\$3,380.00	
Testing during Construction (T&B)	\$38,500.00	
Construction Contract 1	\$489,792.00	
Construction Contingency	\$48,979.00	
Commissioning		
Builder's Risk Insurance Premium		
Site Survey		
Miscellaneous		
Project Contingency	\$23,465.00	
Plan Check	\$3,500.00	
Document Reproduction		
Advertising	\$300.00	
Site Survey		
Soil Investigation		
<b>Subtotal</b>	<b>\$686,000.00</b>	<b>\$0.00</b>
FO&M - Labor		
I.T. (Telephone & Data)		
Locks		
Signage		
<b>Total</b>	<b>\$686,000.00</b>	

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

SECTION: V. FINANCIAL AFFAIRS

Subsection: K. Construction Projects

April 2002

**K. Construction Projects**

**2. Project Approvals**

Without regard to the source of funding, proposals by any institution, school or agency under the governance of the Board to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities, when the cost of the project is estimated to be between two hundred fifty thousand dollars (\$250,000) and five hundred thousand dollars (\$500,000), must first be submitted to the executive director for review and approval. Without regard to the source of funding, proposals by any institution, school or agency under the governance of the Board to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities or construction of new facilities, when the cost of the project is estimated to exceed five hundred thousand dollars (\$500,000), must first be submitted to the Board for its review and approval. Project cost must be detailed by major category (construction cost, architecture fees, contingency funds, and other). When a project is under the primary supervision of the Board of Regents or the Board and its institutions, school or agencies, a separate budget line for architects, engineers, or construction managers and engineering services must be identified for the project cost. Budgets for maintenance, repair, and upkeep of existing facilities must be submitted for Board review and approval as a part of the annual operating budget of the institution, school or agency.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**BOISE STATE UNIVERSITY**

**SUBJECT**

Boise State University requests approval to proceed with the issuance of an RFP for design/build teams, selection of the final design build team and the construction of a parking structure and included office space for a total project budget not to exceed \$12 million.

**REFERENCES**

October 2005	Board approved the University Master Plan, indicating future parking structures near the perimeter of campus.
December 2005	Board approved the parking structure planning project, including the selection of design consultant to issue the Request for Qualifications and Request for Proposals using the design/build project delivery method.
June 2006	Project update presented location of parking deck near Student Union Building

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Sections V.B.8-9, and V.K.  
Section 33-3804, Idaho Code  
Sections 67-5710A; 67-5710; 67-5711C, Idaho Code

**BACKGROUND**

This project is to construct the first parking deck on the south expansion zone (Block 6) to include approximately 750 parking spaces and 7000 square feet of office space. Approximations are used since design/build teams will be competing on the number of spaces or the amount of occupied space provided within budget. This 5-level parking structure, with office space on the ground floor, will be located near the intersection of University Dr. and Lincoln Ave. The location provides parking for students near the academic core of campus as well as parking proximity to the Student Union, Special Events Center, Student Recreation Center and parking support for events at Taco Bell Arena and Bronco Stadium. The development of this project is timely to support the expansion of the Student Union, to meet needs for additional student and event parking and to support future developments in the campus expansion zone.

The Division of Public Works approved the utilization of design-build project delivery method to expedite completion of this project and obtain the best overall project within the proposed total project budget. An RFQ to design/build contractors was issued on June 29<sup>th</sup> 2006, for the purpose of selecting 3-5 qualified design/build teams that will receive an invitation to respond to the RFP. If approved, the RFP will be issued by the DPW in August 2006 to design-build teams that met DPW qualification requirements. Proposals are due to DPW in September 2006.

**INSTITUTION / AGENCY AGENDA**  
**BOISE STATE UNIVERSITY – continued**

**DISCUSSION**

The scope of the design-build project includes design, general conditions, construction, commissioning, fees, contingencies, overhead and every other element required for a complete project. Design-build teams submitting a proposal must show: a) experience with design/build construction; b) experience with pre-cast or cast-in-place concrete parking structures; and c) have successfully completed at least two projects over \$5 million; and other criteria described in the RFP. Selection will be based on the design-build team's composition, project schedule, design, experience, references, number of parking spaces provided, amount of occupied space, degree of finish out of occupied space and guaranteed maximum price.

The project will be required to be substantially complete by August 1, 2007 for all parking elements, and the office space will be substantially completed by October 1, 2007. Liquidated damages will apply to completion beyond the guaranteed date.

In addition to the parking structure, the project budget includes an allowance to include work for the south campus power loop (funded from DPW funds) and a portion of the south campus technology infrastructure (funded from university reserves). These two infrastructure projects need to be established on land in the construction zone of the parking deck. To ensure that these projects can be completed more efficiently during construction of the deck and to minimize future disruption of the site these two projects are being incorporated into the overall construction of the parking deck.

**IMPACT**

The total project budget is not to exceed \$12 million of which \$11.4 million is allocated to the parking deck and \$600,000 is allocated to the infrastructure improvements.

In a related agenda item, the University will request Board approval to pay construction costs from current bond proceeds, interest earnings on these proceeds and university reserves. Boise State plans to issue bond debt in early 2007 to reimburse the portion funded by university reserves. In this manner the project can start construction in fall 2007 with an estimated completion date of August 2007 and prior to additional parking being taken offline for the construction of the SHWCC Nursing Building and the SUB expansion for fall semester 2007.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**BOISE STATE UNIVERSITY – continued**

The source of debt service for this project is parking revenues and the strategic facilities fee. Operating expenses from the facility will be paid through parking revenue sources. A detailed operating cash flow statement is included, showing a 30 year debt-service period.

The project budget and capital project tracking sheet documents are also attached.

**ATTCHMENTS**

Attachment 1-Capital Project Tracking Sheet	Page 5
Attachment 2-Architectural & Engineering Services	Page 6
Project Budget	
Attachment 3-Estimated Operating Cash Flow	Page 7
Statement	

**STAFF COMMENTS AND RECOMMENDATIONS**

Staff has reviewed the request and has asked for detailed information relating to how this project financing will fit within the university debt plan and strategic facilities fee, and the amount of parking rates in future years.

**BOARD ACTION**

A motion to approve Boise State University's request, in conjunction with the State Division of Public Works, to proceed with the issuance of the Request For Proposal for selection of a design/build team to design and construct a parking structure, and to authorize the Division of Public Works to award a design-build contract to the selected team. The total project budget is not to exceed \$12 million, with funding to come from current bond proceeds, interest earnings on these proceeds and university reserves.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**



Office of the Idaho State Board of Education  
 Capital Project Tracking Sheet  
 August, 2006

History Narrative

- 1 **Institution/Agency:** Boise State University      **Project:** Parking Deck Design/Build Construction Project  
 2 **Project Description:** Hire of a design/build construction firm to complete final design and engineering and complete construction of a parking deck and office space. Project includes utility and IT infrastructure project.  
 3 **Project Use:** Project will develop much needed parking and office space on campus and is the first parking deck in the south expansion zone.  
 4 **Project Size:** This project will be up to five levels with approximately 750 parking spaces and 7,000 square feet of office space.

	Sources of Funds					Use of Funds			
	PBF	ISBA	Other *	Total Sources	Planning	Use of Funds Const	Other	Total Uses	
Select Design Consultant	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ -		\$ 100,000	
Approval to select design consultant	\$ -	\$ -	\$ 11,400,000	\$11,400,000	\$ 1,400,000	\$ 10,000,000		\$ 11,400,000	
Infrastructure Projects	\$ 300,000	\$ -	\$ 300,000	\$ 600,000	\$ 50,000	\$ 550,000		\$ 600,000	

## Architectural & Engineering Services PROJECT BUDGET

<b>Project Number:</b>	DPW06-215		
<b>Project Title:</b>	Parking Structure (Block 6)		
<b>Fund Source No:</b>	TBD	<b>Dept. ID No.</b>	886L103682
<b>Project Manager:</b>	Patrick Sullivan		
<b>Date:</b>	July 11, 2006		

Category	Budget	Revised
Engineering Fees	\$142,000	
Reimbursables	\$5,000	
Additional Services		
Consultant	\$90,000	
Extended Startup Reimbursables		
Testing during Construction (T&B)	\$75,000	
Construction Contract 1	\$10,300,000	
Construction Contingency	\$515,000	
Commissioning		
Builder's Risk Insurance Premium		
Site Survey		
Miscellaneous	\$62,000	
Project Contingency	\$107,448	
Plan Check	\$25,000	
Document Reproduction		
Advertising	\$300	
Site Survey	\$11,000	
Soil Investigation	\$9,252	
<b>Subtotal</b>	<b>\$11,342,000</b>	<b>\$0.00</b>
Utility and IT Infrastructure	\$600,000	
I.T. (Telephone & Data)	\$50,000	
Locks	\$5,000	
Signage	\$3,000	
<b>Total</b>	<b>\$12,000,000</b>	

Signature: \_\_\_\_\_



[illegible]

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

**SECTION: V. FINANCIAL AFFAIRS**

**Subsection: B. Budget Policies**

**April 2002**

**B. Budget Policies**

**8. Major Capital Improvement Project -- Budget Requests**

For purposes of Item 8., the community colleges (NIC and CSI), the State Historical Society, and the State Library are included, except as noted in V.B.8.b. (2).

a. Definition

A major capital improvement is defined as the acquisition of an existing building, construction of a new building or an addition to an existing building, or a major renovation of an existing building. A major renovation provides for a substantial change to a building. The change may include a remodeled wing or floor of a building, or the remodeling of the majority of the building's net assignable square feet. An extensive upgrade of one (1) or more of the major building systems is generally considered to be a major renovation.

b. Preparation and Submission of Major Capital Improvement Requests

(1) Permanent Building Fund Requests

Requests for approval of major capital improvement projects to be funded from the Permanent Building Fund are to be submitted to the Office of the State Board of Education on a date and in a format established by the executive director. Only technical revisions may be made to the request for a given fiscal year after the Board has made its recommendation for that fiscal year. Technical revisions must be made prior to November 1.

(2) Other Requests

Requests for approval of major capital improvement projects from other fund sources are to be submitted in a format established by the executive director. Substantive and fiscal revisions to a requested project are resubmitted to the Board for approval. This subsection shall not apply to the community colleges.

c. Submission of Approved Major Capital Budget Requests

The Board is responsible for the submission of major capital budget requests for the institutions, school and agencies under this subsection to the Division of Public Works. Only those budget requests which have been formally approved by the Board will be submitted by the office to the executive and legislative branches.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY - continued**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

SECTION: V. FINANCIAL AFFAIRS

Subsection: K. Construction Projects

April 2002

**K. Construction Projects**

**1. Major Project Approvals - Proposed Plans**

Without regard to the source of funding, before any institution, school or agency under the governance of the Board begin formal planning to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities, when the cost of the project is estimated to exceed five hundred thousand dollars (\$500,000), must first be submitted to the Board for its review and approval. All projects identified on the institutions', school's or agencies' six-year capital plan must receive Board approval.

**2. Project Approvals**

Without regard to the source of funding, proposals by any institution, school or agency under the governance of the Board to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities, when the cost of the project is estimated to be between two hundred fifty thousand dollars (\$250,000) and five hundred thousand dollars (\$500,000), must first be submitted to the executive director for review and approval. Without regard to the source of funding, proposals by any institution, school or agency under the governance of the Board to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities or construction of new facilities, when the cost of the project is estimated to exceed five hundred thousand dollars (\$500,000), must first be submitted to the Board for its review and approval. Project cost must be detailed by major category (construction cost, architecture fees, contingency funds, and other). When a project is under the primary supervision of the Board of Regents or the Board and its institutions, school or agencies, a separate budget line for architects, engineers, or construction managers and engineering services must be identified for the project cost. Budgets for maintenance, repair, and upkeep of existing facilities must be submitted for Board review and approval as a part of the annual operating budget of the institution, school or agency.

**3. Fiscal Revisions to Previously Approved Projects**

Project revisions that substantially alter the use of the project causing changes in project costs between two hundred fifty thousand dollars (\$250,000) and five hundred thousand dollars (\$500,000) must first be submitted to the executive

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

director for review and approval. Changes in project costs of more than five hundred thousand dollars (\$500,000) must first be submitted to the Board for its review and approval. Requests must be supported by a revised detailed project budget and justification for changes.

**4. Project Acceptance**

Projects under the supervision of the Department of Administration are accepted by the Department on behalf of the Board and the state of Idaho. Projects under the supervision of an institution, school or agency are accepted by the institution, school or agency and the project architect. Projects under the supervision of the University of Idaho are accepted by the University on behalf of the Board of Regents.

**5. Statute and Code Compliance**

- a. All projects must be in compliance with Section 504 of the Rehabilitation Act of 1973 and must provide access to all persons. All projects must be in compliance with applicable state and local building and life-safety codes and applicable local land-use regulations as provided in Chapter 41, Title 39, and Section 67-6528, Idaho Code.
- b. In designing and implementing construction projects, due consideration must be given to energy conservation and long-term maintenance and operation savings versus short-term capital costs.



**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY – continued**

**IDAHO STATUTES**

TITLE 33  
EDUCATION  
CHAPTER 38

STATE INSTITUTIONS OF HIGHER EDUCATION BOND ACT

**33-3804. POWERS AND DUTIES OF STATE INSTITUTIONS.**

Every institution shall have power in its proper name as aforesaid:

- (a) To have a corporate seal and alter the same at pleasure;
- (b) To sue and be sued;
- (c) To acquire by purchase, gift or the exercise of the right of eminent domain and hold and dispose of real or personal property or rights or interests therein and water rights;
- (d) To make contracts and to execute all instruments necessary or convenient;
- (e) To acquire any project or projects, and to own, operate, and maintain such project;
- (f) To accept grants of money or materials or property of any kind from a federal agency, upon such terms and conditions as such federal agency may impose;
- (g) To borrow money, with or without the issuance of bonds and to provide for the payment of the same and for the rights of the holders of such bonds and/or of any other instrument of such indebtedness, including the power to fix the maximum rate of interest to be paid thereon and to warrant and indemnify the validity and tax exempt character;
- (h) To perform all acts and do all things necessary or convenient to carry out the powers herein granted, to obtain loans or grants or both from any federal agency, and to accomplish the purposes of sections 33-3801--33-3813, Idaho Code, and secure the benefits of the Recovery Act;
- (i) To issue refunding bonds, for the purpose of paying, redeeming, or refunding any outstanding bonds theretofore issued under authority of this chapter. Refunding bonds so issued shall have such details, shall bear such rate or rates of interest and shall be otherwise issued and secured as provided by the board authorizing the issuance of such bonds and as otherwise provided in this chapter, provided, however, that such changes in the security and revenues pledged to the payment thereof may be made by such board as may be provided by it in the proceedings authorizing such bonds, but in no event shall such refunding bonds ever be secured by revenues not authorized by this chapter to be pledged to the payment of bonds issued for other than refunding purposes. Refunding bonds issued hereunder may be exchanged for a like principal amount of the bonds to be refunded, may be sold in the manner provided in this chapter for the sale of other bonds, or may be exchanged in part and sold in part. If sold, the proceeds of such bonds may be deposited in escrow for the payment of the bonds to be refunded, provided such bonds mature or are callable for redemption under their

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

terms within six (6) months from the date of the delivery of the refunding bonds. No refunding bonds may be issued hereunder in a principal amount in excess of the principal amount of the bonds to be refunded nor may any bonds not maturing or callable for redemption under their terms as above provided be refunded hereunder without the consent of the holders thereof. Refunding bonds so authorized and issued may in the discretion of the board be combined with other bonds to be authorized and issued under this chapter, and a single issue of bonds may be so authorized in part for improvement and in part for refunding purposes.

- (j) In connection with borrowing without the issuance of bonds, to fix fees, rents or other charges for utilization of any facility or project being financed by said borrowing and to pledge the same, together with any other revenue from such project or facility, as collateral for repayment of principal and interest in the same manner and to the same extent as provided in this chapter for securing the payment of bonds issued pursuant to this chapter.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY – continued**

**IDAHO STATUTES**

TITLE 67  
STATE GOVERNMENT AND STATE AFFAIRS  
CHAPTER 57  
DEPARTMENT OF ADMINISTRATION

**67-5710. PERMANENT BUILDING FUND ADVISORY COUNCIL -- APPROVAL OF USE OF FUND -- DUTIES OF ADMINISTRATOR OF PUBLIC WORKS.**

There is hereby created in the division of public works a permanent building fund advisory council which shall be appointed by the governor. This council shall be composed of one (1) member of the senate, one (1) member of the house of representatives, a citizen engaged in the contracting business, a citizen engaged in the banking business, and a citizen who is a member of the business community not engaged in contracting or banking. The senate member and house of representative member shall be appointed for a fixed term of two (2) years. All other council members shall be appointed for a fixed term of three (3) years. The terms of office of members of the council holding office prior to July 1, 1996, shall expire on the following dates: contracting business member on July 1, 1996; senate member and house of representative member on December 1, 1996; business community member on July 1, 1997; and banking member on July 1, 1998. On or after July 1, 1996, the governor shall appoint members of the council as terms of existing members expire. All members of the council shall serve at the pleasure of the governor. The administrator of public works and the responsible heads of the agencies for which appropriations for construction, renovations, remodelings or repairs are made pursuant to chapter 11, title 57, Idaho Code, shall consult, confer and advise with the permanent building fund advisory council in connection with all decisions concerning the administration of these appropriations and the planning and construction or execution of work or works pursuant thereto. The approval of the permanent building fund advisory council shall be a condition precedent to the undertaking of planning or construction.

The administrator of public works is hereby directed to work in close cooperation with the responsible heads of institutions and agencies for which appropriations are made herein and no building proposals shall be approved by the administrator of public works nor any planning or work undertaken by that officer pursuant to these appropriations without the prior approval of the responsible chief officer of the institutions and agencies for whom appropriations are made herein.

**67-5710A. REQUIREMENT OF PLANS AND SPECIFICATION APPROVAL BY PERMANENT BUILDING FUND ADVISORY COUNCIL AND DELEGATION OF PROJECT OVERSIGHT BY THE ADMINISTRATOR FOR THE DIVISION OF PUBLIC WORKS.**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

(1) (a) Unless an emergency exists as defined in section 67-5711B, Idaho Code, an existing public works may not be altered, repaired, constructed or improved on property owned or occupied by any state institution, department, commission, board or agency, if the estimated cost of work exceeds the limit established in section 67-5711, Idaho Code, and except for those institutions and agency exemptions listed in section 67-5711, Idaho Code, without regard to source of funding, until the location, design, plans and specifications are approved by the permanent building fund advisory council and the project supervised by the division of public works or its designee.

(b) Facilities to be built with funds under the control of a nonstate entity, and owned or occupied by state entities, must have plans and specifications prepared, and all plans and specifications must be reviewed and approved by the permanent building fund advisory council prior to the advertising, bidding, construction and/or negotiation for construction of the facilities.

(2) (a) The administrator for the division of public works may delegate control over design, construction and all other aspects of a public works or maintenance project which costs less than one hundred fifty thousand dollars (\$150,000), to agencies of state government on a project-by-project basis, if a responsible party of the state agency requests that delegation in writing and the permanent building fund advisory council approves the delegation.

(i) The state agency to whom control is delegated shall assume all responsibility for project budgets and shall receive funds appropriated for the project upon application and approval by the permanent building fund advisory council.

(ii) Delegation of project control does not exempt the state agency from complying with public works statutes, life safety and building codes or other applicable codes and regulations. The state agency also must comply with any guidelines or procedures for design and construction adopted by the division of public works and the permanent building fund advisory council.

(iii) State agencies that receive delegated projects may not have access to permanent building fund advisory council contingency funds unless approved by the permanent building fund advisory council or authorized by appropriation.

(iv) Prior, written approval from the administrator must be granted for any public works utilizing sole source or limited competition. No agency will be delegated the ability to declare an emergency as defined in section 67-5711B, Idaho Code.

(v) The permanent building fund advisory council may elect to audit any project for compliance with applicable codes and policies.

(vi) The delegated state agency will use standard documents for professional services contracts and for construction contracts as adopted by the division of public works.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

(vii) Delegation is subject to cancellation by the administrator for the division of public works with the concurrence of the permanent building fund advisory council.

**67-5711C. CONSTRUCTION OF PUBLIC PROJECTS -- COMPETITIVE SEALED BIDDING.**

(1) All construction contracts for public works shall be awarded to the lowest responsible and responsive bidder after receipt of competitive sealed bidding except as otherwise provided in sections 67-5711B, 67-5711D and 67-5713, Idaho Code.

(2) An invitation for bids shall be issued and shall include a project description and all contractual terms and conditions applicable to the public works.

(3) Adequate public notice of the invitation for bids shall be given at least fourteen (14) days prior to the date set forth therein for the opening of bids. Such notice shall include publication at least fourteen (14) days prior to bid opening in a newspaper of general circulation in the area where the work is located.

(4) When prequalification is deemed in the best interest of the state, competitive bidding procedures shall be open only to licensed public works contractors that meet preliminary supplemental qualifications. The solicitation for bids in a prequalified bidder public works project shall consist of two (2) stages, an initial stage for identifying prequalified contractors, either prime or specialty contractors, followed by a stage during which bid prices will be accepted only from prequalified contractors. Notice of the prequalification stage shall be given in the same manner that notice of open competitive bidding is provided. Prequalification standards must be premised upon demonstrated technical competence, experience constructing similar facilities, prior experience with the state, available nonfinancial resources, equipment and personnel as they relate to the subject project, and overall performance history based upon a contractor's entire body of work. Any request for qualifications must include the standards for evaluating the qualifications of prospective bidders. Licensed contractors desiring to be prequalified to bid on a project must submit a written response to a request for qualifications. After a review of qualification submittals, licensed contractors that meet the prequalification standards shall be notified. Thereafter, bids may be solicited from contractors that meet the prequalification standards. The department may promulgate rules or develop procedures to implement the prequalification process.

(5) Bids shall be opened publicly at the time and place designated in the invitation for bids. The amount of each bid and such other relevant information as may be specified by rules, together with the name of each bidder, shall be entered on a record and the record shall be open to public inspection. After the time of the award all bids and bid documents shall be open to public inspection in accordance with the provisions of sections 9-337 through 9-347 and 67-5725, Idaho Code.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

(6) With respect to a project having a written cost estimate of greater than twenty-five thousand dollars (\$25,000) but less than the public works limit established in section 67-5711, Idaho Code, the agency, if it does not perform the work with existing physical plant staff, must award a written contract to the lowest responsible and responsive bidder after soliciting at least three (3) documented informal bids from contractors licensed in Idaho to perform public works contracts, if reasonably available. Adequate public notice of the invitation for informal bids shall be given at least seven (7) days prior to the date set forth therein for the receipt of the informal bids. Such notice may include publication at least seven (7) days prior to bid opening in a newspaper of general circulation in the area where the work is located; or the agency may advertise the invitation for bids in appropriate trade journals, and otherwise notify persons believed to be interested in the award of a contract. Informal bids must be submitted by the contractor in writing in response to a prepared written document describing the project's scope of work in sufficient detail so as to enable a contractor familiar with such work to prepare a responsible bid. Nothing herein exempts an agency from the responsibility of utilizing formal plans and specifications if the work involves the public health or safety as described in chapters 3 and 12, title 54, Idaho Code. The agency must document receipt of the informal bids in the project file.

(7) Any personal property including goods, parts, supplies and equipment which is to be supplied or provided by a state agency for use in any public work, project, or preventive maintenance programs, whether the public work, project, or preventive maintenance program is constructed, undertaken or performed by agency in-house personnel, or by delegation pursuant to section 67-5710A, Idaho Code, or otherwise provided or supplied by the agency to a contractor, the personal property, goods, parts, supplies or equipment supplied or provided by the agency must be purchased or procured by the agency through the division of purchasing in accordance with the Idaho Code.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**BOISE STATE UNIVERSITY**

**SUBJECT**

Boise State University requests authorization to redirect certain bond proceeds from the Series 2004A and Series 2005A issuance.

**REFERENCE**

February 2004	Authorization to Issue General Revenue Bonds, Series 2004A
April 2005	Authorization to Issue General Refunding and Revenue Bonds, Series 2005A
October 2005	Approval of 2005 Campus Master Plan Update
June 2006	Capital Project Update

**APPLICABLE STATUTE, RULE OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Section V.F.5.  
Idaho Code Title 33, Chapter 38

**BACKGROUND**

In anticipation of building a Student Services Center, Boise State University issued bonds generating \$5,000,000 of construction proceeds in Series 2004A and \$3,500,000 of construction proceeds in Series 2005A.

As was presented in June, 2006, the Student Services Center was originally approved for construction in December 2003 and within the next nine months it was determined that the project scope and budget was not sufficient to meet the programming needs and the escalation in construction costs. The project was placed on hold to determine if it could be re-scoped to accommodate the construction cost increases. During this period, the University completed the campus master plan and the Interactive Learning Center (ILC) project was bid. The costs for the ILC were much greater than anticipated due to the 2005 hurricanes and active construction market. In October 2005, President Kustra announced that the Student Services Center project budget was also insufficient and would likely need to be delayed.

Subsequent to the approval of the Campus Master Plan Update in October 2005, Boise State staff re-prioritized the building projects based on most urgent need and funding availability. The staff also analyzed the local construction market and reviewed results of construction bids over the last nine months to determine feasibility and budget of the projects that were then in the planning stages. A decision was made to continue with the projects that represented a strategic priority, had adequate funding and/or could be bid with add alternates to exclude portions of the project to meet the budget (for example, shelling in floors, eliminating a floor or reducing square footage). Given the programming needs for

**INSTITUTION / AGENCY AGENDA**  
**BOISE STATE UNIVERSITY - continued**

the Student Services Center, this project could not be accomplished with the current budget and still achieve the “one stop shop” concept that is important to this facility.

**DISCUSSION**

Currently, the University has four construction projects in various stages of active planning and design.

1. First parking deck in the south expansion zone (Block 6)
2. Student Health and Wellness Counseling Center/Nursing Building (SHWCC)
3. Student Union Building Expansion (SUB)
4. Environmental Science and Policy Center (ESPC)

The first three of these projects are scheduled to be part of a bond issuance anticipated to be issued early 2007 pending SBOE approval prior to that date to proceed with these projects.

The ESPC is anticipated to be part of a subsequent financing package since it is currently early in the programming, planning and design stage.

Due to the delay of the Student Services Center, \$8.5 million of bond proceeds plus related interest earnings of approximately \$500,000 exist from the Series 2004 and Series 2005 bond issues. The University is requesting Board approval to re-allocate the proceeds and related interest earnings to expenses for the first construction project listed above. The Student Services Center continues to be a top priority for the University. However, academic and infrastructure facilities are a higher priority at this point in time. The University does plan to return to the Board for approval to plan, design and finance the Student Services Center at the appropriate time in the future.

It is anticipated that the first project to be constructed will be the parking deck due to its relative simplicity and ability to utilize the design-build project delivery method. In addition, the first three projects are in close proximity to each other and all will require space for construction staging and replacement parking. By proceeding with the parking deck in fall of 2007 with an estimated completion date of August 2007, the University should be able to complete a project to provide replacement parking in time for fall semester 2007 while the other two projects are in the initial phases of construction over the summer of 2007.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**BOISE STATE UNIVERSITY - continued**

Under the University's master bond resolution and the supplemental resolutions for the Series 2004 Bonds and for the Series 2005 Bonds, bond proceeds may be reallocated to a different project subject to (i) the Board's designation of the new projects as a "project" under the Higher Education Bond Act, and (ii) the reallocation of bond proceeds not having an adverse effect on the tax exempt status of the Series 2004 Bonds or the Series 2005 Bonds.

The term "project" in this context is defined by the Higher Education Bond Act, Idaho Code 33-3802 as follows:

**(d) The term "project" shall mean and include buildings, structures, improvements, and equipment of every kind, nature and description, which may be required by or convenient for the purposes of an institution, including, without limiting the generality of the foregoing, administration, dining, exhibition, lecture, recreational and teaching halls, or parts thereof, or additions thereto; heat, light, sewer and water works plants or systems, or parts thereof, or extensions thereto; commons, dining halls, dormitories, auditoriums, libraries, infirmaries, laundries, laboratories, metallurgical plants, museums, swimming pools, water-towers, fire prevention and fire fighting systems, gymnasias, stadia, dwellings, green houses, farm buildings, and stables, or parts thereof, or additions thereto; or any one, or more than one, or all of the foregoing, or any combination thereof...**

The resolution below will satisfy point (i). The University will obtain an opinion of bond counsel to satisfy point (ii).

**IMPACT**

Redirecting the proceeds will allow the next project (parking deck) to proceed very quickly since nearly \$9,000,000 (79 percent) of the project cost is currently in the University's construction accounts. The parking deck project is on target for construction bids in early fall 2006, but would not be completed prior to the issuance of bond debt in early 2007. Additional funds would be generated from that bond issue to complete the project. The University has identified reserves to complete the project should the planned bond issue be delayed or not occur.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**BOISE STATE UNIVERSITY - continued**

**STAFF COMMENTS AND RECOMMENDATIONS**

The Board has been briefed by Boise State University officials regarding the difficulties encountered with planning and design of the Student Services Center, and has determined to redirect certain bond proceeds. This will allow construction of a much-needed parking deck to serve the growing enrollment. Staff has reviewed this request and parking deck project with officials at Boise State University, including requesting a site plan to be included with the agenda item.

Staff recommends approval.

**BOARD ACTION**

A motion to approve the request by Boise State University to authorize the use of \$8,500,000 in bond proceeds from Series 2004 and Series 2005 Bonds, and related interest earnings, originally allocated to the Student Services Center, for a parking deck, subject to Board approval to proceed with construction. In so doing the Board designates the parking deck as a "project" under the Higher Education Bond Act and finds the parking deck project to be necessary for the proper operation of the University and economically feasible.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

*[This motion requires a roll call vote.]*

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

SECTION: V. FINANCIAL AFFAIRS

Subsection: F. Bonds and Other Indebtedness

April 2002

---

**F. Bonds and Other Indebtedness**

5. Expenditure of Excess Revenue

Expenditure of project revenues over and above that pledged or otherwise encumbered to meet the indebtedness is limited to expenditures for projects identified in the bond's Official Statement. Expenditure of excess revenue for other projects requires prior Board approval. Expenditures between two hundred fifty thousand dollars (\$250,000) and five hundred thousand dollars (\$500,000) require prior approval from the executive director and expenditures greater than five hundred thousand dollars (\$500,000) require prior Board approval.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION/ AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY**

**SUBJECT**

An update by Idaho State University regarding the Center for Advanced Energy Studies (CAES).

**REFERENCES**

April 2005	Overview of CAES by Dr. Leonard Bond
August 2005	Update information on CAES at SBOE regular meeting
December 2005	SBOE approved request to issue an RFP through DPW for selection of an architect to design the CAES facility and proceed with pre-design/programming through Design Development.

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Sections V.B.8 and V.K.

**BACKGROUND**

At the April 21, 2005, SBOE meeting Dr. Leonard Bond, Director of the Center for Advanced Energy Studies (CAES), provided an overview of the Center mission and its programs to be located in Idaho Falls. The Battelle Energy Alliance (BEA) was awarded the contract from the Department of Energy to manage the new Idaho National Laboratory (INL) for nuclear energy research. As part of the contract, Battelle committed to establish CAES which is designed to become a nationally and internationally recognized focal point for the advancement of education in energy science and technology.

A Memorandum of Agreement was signed by the Governor, the University Presidents, and Battelle Memorial Institute to work towards the establishment of a joint laboratory/university center which would serve as a research center for the INL with the construction of a State-owned building to house the CAES. Governor Kempthorne previously stated that "the laboratory has committed to create within Idaho a new Center for Advanced Energy Studies...to help augment the State's reputation as a high-tech destination of choice for companies looking to expand or relocate."

The Division of Public Works has reviewed and signed the Design/Build Agreement for the project. The total fixed fee will not exceed \$14,000,000. The agreement provides that the work of the project shall be substantially complete on/or before July 1, 2008. Further, the agreement provides that the work of the project be finally complete on or before August 15, 2008.

A chronology for CAES was updated to July 7, 2006, and sent to the SBOE.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION/ AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY - continued**

**DISCUSSION**

The CAES facility is planned to open during FY2008 and is expected to be a minimum of 55,000 square feet. To satisfy the BEA requirement for an operating lease as opposed to a capital lease, the lease agreement must show that BEA has use of approximately 58.5% of the building space. Common space (hallways, restrooms, maintenance, foyer) for this building is estimated to be almost one third of the total space, and 8.5% of this space will be designated to BEA, allowing them to satisfy their requirement for an operating lease while providing approximately one-half of the usable space (office and laboratory space) to share among the three universities. BEA will cover the occupancy costs for their portion of the building. The three universities will share the remaining space on a one-third basis with a considerable amount of that space for shared laboratories. The facility is envisioned to be a two-story, structural steel building with a brick façade. The facility will be located on state property north of the ISU/UI Center for Higher Education. When fully occupied, the CAES facility will have a total of up to 175 people, including approximately 100 faculty, researchers, and staff; 50 graduate students; and 25 undergraduate students. The interior design will be cooperatively planned among all the users with the architect.

ISU will serve as the lessor for the building, which will include responsibility for managing all maintenance and operation of the facility. The Lease Agreement and Facility Operating Agreement will be presented at the next Board meeting.

Permission to proceed with the financing plan and construction of the CAES project will be requested at a future Board meeting, as well as the Lease Agreement Between ISU and BEA, the CAES Business Plan, and the Facility Operating Plan.

**IMPACT**

The design and construction of the facility is estimated to cost approximately \$14 million. Funding for the facility is based on: (1) \$5million from the INEEL Settlement Fund, as defined in the Idaho Code 67-806A, for use according to the terms of the agreement for the construction of the Center for Science and Technology in Idaho Falls (dated June 29, 2001), between the Office of the Governor of the State of Idaho and the Regents of the University of Idaho and the Trustees of Idaho State University; (2) \$1,942,756 from two grants from the U.S. Department of Housing and Urban Development (HUD) to the University of Idaho: HUD Grant B-00-SP-ID-0116 in the amount of \$925,000 and HUD Grant B-01-SP-ID-0172 in the amount of \$1,017,756 for use according to the terms of

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION/ AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY - continued**

the grant (approximately \$300,000 has been expended from one of the grants for preliminary designs for the CST facility); and (3) approximately \$7 million through the issuance of bonds, using ISU's bond capacity, to be retired over 20 years supported by rent paid by BEA and its affiliates for occupancy of approximately 58.5% of the CAES facility. The bond payment amounts are guaranteed by Battelle Memorial Institute through a signed lease agreement. ISU has sufficient bonding capacity to support this additional debt with no affect on its bond ratings.

Cost of infrastructure (roadway, utilities, and parking) is estimated to be approximately \$2.5 million. INL has received additional funds in FY2006 to install a utility corridor from Fremont Avenue to the new building location north of the railroad tracks. The utility corridor would have all the necessary utilities, communications and a roadway.

Maintenance and occupancy costs will be covered according to the assignment of space with 58.5% of the total M&O being paid by BEA as part of their rental agreement and the three universities paying their respective share. The specific amounts for the three universities will be worked out later when actual shared spaces are defined.

Each organization occupying the building will provide furniture and laboratory equipment for the spaces they occupy. The universities will cooperatively determine their equipment needs based on their specific programs and opportunities for sharing equipment and space. Grants and donations will be used to cover the costs of the equipment and furnishings.

**ATTACHMENTS**

All documents represent plans as of July 11, 2006, not final versions.

- |                              |        |
|------------------------------|--------|
| 1. Aerial Photo of CAES Site | Page 5 |
| 2. Conceptual Site Plan      | Page 7 |

**STAFF COMMENTS AND RECOMMENDATIONS**

Staff has been involved in ongoing discussions with officials at Idaho State University and the Division of Public Works, in order to stay current on the project. Staff recommends that a work session take place in late September, prior to the next Board meeting, in order to finalize all items (lease and operating agreements and business plan, financing and construction documents) for the October Board meeting.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION/ AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY - continued**

**BOARD ACTION**

This item is for informational purposes only. Any action will be at the Board's discretion.





**THIS PAGE INTENTIONALLY LEFT BLANK**





**THIS PAGE INTENTIONALLY LEFT BLANK**

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

**SECTION: V. FINANCIAL AFFAIRS**

**Subsection: B. Budget Policies**

**April 2002**

---

**B. Budget Policies**

**8. Major Capital Improvement Project -- Budget Requests**

For purposes of Item 8., the community colleges (NIC and CSI), the State Historical Society, and the State Library are included, except as noted in V.B.8.b. (2).

a. Definition

A major capital improvement is defined as the acquisition of an existing building, construction of a new building or an addition to an existing building, or a major renovation of an existing building. A major renovation provides for a substantial change to a building. The change may include a remodeled wing or floor of a building, or the remodeling of the majority of the building's net assignable square feet. An extensive upgrade of one (1) or more of the major building systems is generally considered to be a major renovation.

b. Preparation and Submission of Major Capital Improvement Requests

(1) Permanent Building Fund Requests

Requests for approval of major capital improvement projects to be funded from the Permanent Building Fund are to be submitted to the Office of the State Board of Education on a date and in a format established by the executive director. Only technical revisions may be made to the request for a given fiscal year after the Board has made its recommendation for that fiscal year. Technical revisions must be made prior to November 1.

(2) Other Requests

Requests for approval of major capital improvement projects from other fund sources are to be submitted in a format established by the executive director. Substantive and fiscal revisions to a requested project are resubmitted to the Board for approval. This subsection shall not apply to the community colleges.

c. Submission of Approved Major Capital Budget Requests

The Board is responsible for the submission of major capital budget requests for the institutions, school and agencies under this subsection to the Division of Public Works. Only those budget requests which have been formally approved by the Board will be submitted by the office to the executive and legislative branches.

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY - continued**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

SECTION: V. FINANCIAL AFFAIRS

Subsection: K. Construction Projects

April 2002

**K. Construction Projects**

**1. Major Project Approvals - Proposed Plans**

Without regard to the source of funding, before any institution, school or agency under the governance of the Board begin formal planning to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities, when the cost of the project is estimated to exceed five hundred thousand dollars (\$500,000), must first be submitted to the Board for its review and approval. All projects identified on the institutions', school's or agencies' six-year capital plan must receive Board approval.

**2. Project Approvals**

Without regard to the source of funding, proposals by any institution, school or agency under the governance of the Board to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities, when the cost of the project is estimated to be between two hundred fifty thousand dollars (\$250,000) and five hundred thousand dollars (\$500,000), must first be submitted to the executive director for review and approval. Without regard to the source of funding, proposals by any institution, school or agency under the governance of the Board to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities or construction of new facilities, when the cost of the project is estimated to exceed five hundred thousand dollars (\$500,000), must first be submitted to the Board for its review and approval. Project cost must be detailed by major category construction cost, architecture fees, contingency funds, and other). When a project is under the primary supervision of the Board of Regents or the Board and its institutions, school or agencies, a separate budget line for architects, engineers, or construction managers and engineering services must be identified for the project cost. Budgets for maintenance, repair, and upkeep of existing facilities must be submitted for Board review and approval as a part of the annual operating budget of the institution, school or agency.

**3. Fiscal Revisions to Previously Approved Projects**

Project revisions that substantially alter the use of the project causing changes in project costs between two hundred fifty thousand dollars (\$250,000) and five hundred thousand dollars (\$500,000) must first be submitted to the executive

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

director for review and approval. Changes in project costs of more than five hundred thousand dollars (\$500,000) must first be submitted to the Board for its review and approval. Requests must be supported by a revised detailed project budget and justification for changes.

4. Project Acceptance

Projects under the supervision of the Department of Administration are accepted by the Department on behalf of the Board and the state of Idaho. Projects under the supervision of an institution, school or agency are accepted by the institution, school or agency and the project architect. Projects under the supervision of the University of Idaho are accepted by the University on behalf of the Board of Regents.

5. Statute and Code Compliance

- a. All projects must be in compliance with Section 504 of the Rehabilitation Act of 1973 and must provide access to all persons. All projects must be in compliance with applicable state and local building and life-safety codes and applicable local land-use regulations as provided in Chapter 41, Title 39, and Section 67-6528, Idaho Code.
- b. In designing and implementing construction projects, due consideration must be given to energy conservation and long-term maintenance and operation savings versus short-term capital costs.

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY**

**SUBJECT**

Idaho State University requests that the Board authorize the Agreement By Idaho State University To Exclude Governing Organization and a related Report Of Actions By Board Of Trustees of Colleges And/Or Universities in connection with the University's response to security clearance requirements of the Department of Energy (DOE) pursuant to the Foreign Ownership, Control or Influence (FOCI) certification process of the National Industrial Security Program.

**APPLICABLE STATUTE, RULE OR POLICY**

Section 33-3003, Idaho Code (establishes the State Board of Education as the governing body for Idaho State University).

**BACKGROUND**

Idaho State University conducts research and various programs in conjunction with the Idaho National Laboratory (INL) and the Department of Energy. As part of its FOCI obligations, the DOE is required to ensure that individuals and entities with whom it conducts business, comply and provide information in accordance with the DOE Safeguards and Security Program Planning and Management policy. Initially, DOE requested the Board's President and ISU's Facility Security Officer undergo the extensive security clearance and background check process. Given the fact that the term of the Board President is ordinarily one year, the University and DOE have agreed that the Board may designate Idaho State University President, Arthur C. Vailas, along with Dr. Jerry Frank Harmon, ISU Facility Security Officer, as Idaho State University's representatives for purposes of security clearance and FOCI certification. This is contingent upon the Board authorizing Dr. Vailas to enter into the Agreement By Idaho State University To Exclude Governing Organization and the related Report Of Actions By Board Of Trustees Of Colleges And/Or Universities. As stated in the Agreement, in addition to designating Drs. Vailas and Harmon as the Board's representatives for this purpose, it is provided that:

- (1) the Board excludes itself and individual members from access to classified information and/or special nuclear material that may be in the custody of ISU;
- (2) the Board and individual members won't affect adversely the performance by ISU of its classified contracts with DOE;
- (3) the Board has delegated to the named ISU officials authority to act in matters related to safeguarding of classified information and/or special nuclear materials; and

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY - continued**

- (4) the Board, its President and individual members will not be required to obtain a Facility Clearance equivalent to that to be obtained by the designated ISU officials, in accordance with the National Industrial Security Program.

**IMPACT**

Authorization of the Agreement and related report will enable ISU to meet the DOE FOCI requirements and to obtain security clearance for the designated officers, as well as obviating the necessity of a security clearance for the Board President. ISU conducts a substantial number of research projects and contracts with DOE and its contractor/s, and this will facilitate the continuation of those projects and contracts.

**ATTACHMENTS**

- |   |        |
|---|--------|
| 1. Agreement by Idaho State University  | Page 3 |
| 2. Report of Actions  | Page 5 |
| 3. Letter of M. J. Arpin, (with<br><u>Safeguards and Security Program</u><br><u>Planning and Management</u><br>document). | Page 9 |

**STAFF COMMENTS AND RECOMMENDATIONS**

Staff has reviewed the attached documents and recommends approval.

**BOARD ACTION**

A motion to approve the request by Idaho State University to authorize the Agreement By Idaho State University To Exclude Governing Organization and a related Report Of Actions By Board Of Trustees of Colleges And/Or Universities in connection with the University's response to security clearance requirements of the Department of Energy (DOE) pursuant to the Foreign Ownership, Control or Influence (FOCI) certification process of the National Industrial Security Program.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**AGREEMENT BY IDAHO STATE UNIVERSITY  
TO EXCLUDE GOVERNING ORGANIZATION**

I, Arthur C. Vailas, the duly selected President of Idaho State University, an institution of higher education organized under the statutes of the State of Idaho, does hereby certify that the following is a true and complete copy of an Agreement authorized at a meeting of the State Board of Education, the governing board for said Idaho State University, at which a quorum was present, duly called and held \_\_\_\_\_, 2006.

AGREED that officials of the State Board of Education, as trustees of Idaho State University, shall not require and shall not have access to the classified information and/or special nuclear material in the custody of Idaho State University, an institution under said State Board of Education's governance.

BE IT FURTHER AGREED that Idaho State University hereby officially acknowledges the adoption by the State Board of Education, the trustees of Idaho State University, of resolutions (1) excluding the State Board of Education, its Director and Officers, acting as such, from access to all classified information and/or special nuclear material in the custody of Idaho State University; (2) providing that such Directors and Officers, acting as such, do not occupy positions that would enable them to affect adversely the policies and practices of Idaho State University in performing classified contracts; and (3) acknowledging that Idaho State University has been delegated authority to act independent of the State Board of Education in all matters relating to responsibility to safeguard classified information and/or special nuclear material.

BE IT FURTHER AGREED that Idaho State University acknowledges certificates executed by the below listed individuals who are officers appointed by the State Board of Education serving Idaho State University and who have been granted or are being processed for access authorizations as a condition of clearing Idaho State University, that they will not disclose classified information and/or special nuclear material to the State Board of Education or any of its agents.

Dr. Arthur C. Vailas  
President  
Idaho State University

Dr. Jerry Frank Harmon  
Facility Security Officer  
Idaho State University

BE IT FURTHER AGREED that these actions of the State Board of Education are taken for the purpose of excluding the State Board of Education from the necessity of obtaining a Facility Clearance equivalent to that held by Idaho State University in conformity with the National Industrial Security Program.

BE IT FURTHER AGREED the Idaho State University shall ensure that classified information and/or special nuclear material in the custody of Idaho State University is

only disclosed to (i) employees who possess the appropriate access authorization (i.e., security clearance) and who require the classified information and/or special nuclear material to satisfy contractual obligations on a need-to-know basis, and/or (ii) another cleared contractor/subcontractor when access is necessary for the performance of tasks or services essential to the fulfillment of a prime contract or a subcontract. Furthermore, Idaho State University shall ensure that classified information and/or special nuclear material which Idaho State University received or generated under a contract/subcontract from one federal agency is not disclosed to any other federal agency unless specifically authorized by the agency that has classification jurisdiction over the classified information and/or special nuclear material.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

(SEAL)

\_\_\_\_\_  
Dr. Arthur D. Vailas  
President  
Idaho State University

AUTHORIZED by the STATE BOARD OF EDUCATION at a meeting of said Board, at which a quorum was present, duly called and held \_\_\_\_\_, 2006.

ATTEST: I, PAUL AGIDIUS, duly elected Secretary of the State Board of Education certify that the above-described action of said Board took place as set forth hereinabove.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**REPORT OF ACTIONS BY BOARD OF TRUSTEES OF  
COLLEGES AND/OR UNIVERSITIES**

On \_\_\_\_\_, 2006, with a quorum present, the following was voted on and approved at a meeting of the State Board of Education, acting as Trustees for Idaho State University, a University organized and existing in the State of Idaho.

Those persons occupying the following positions appointed by the State Board of Education shall be known as the Managerial Group, having the authority and responsibility for negotiating, execution, and administration of U.S. Government contracts as described in the National Industrial Security Program Operating Manual:

Dr. Arthur C. Vailas	Dr. Jerry Frank Harmon
President	Facility Security Office
Idaho State University	Idaho State University

The members of the Managerial Group and the members of the Managerial Group are cleared, or will be processed for clearance, to the level of Idaho State University's facility clearance. If uncleared, pending issuance of the requested access authorization, such individuals shall be excluded from all access and shall not participate in any decision or other matter pertaining to the protection of classified information and/or special nuclear material.

The said Managerial Group is hereby delegated all of the Board's duties and responsibilities pertaining to the protection of classified information and/or special nuclear material released to Idaho State University.

In the future, when any individual is appointed to the Managerial Group as an additional member or replacement member, such individual shall immediately be processed for an access authorization at the same level as Idaho State University's facility clearance. Pending issuance of this requested access authorization, such individual shall be excluded from all access and shall not participate in any decision or other matter pertaining to the protection of classified information and/or special nuclear material.

The following named officers and members of the State Board of Education shall not require, shall not have, and can be effectively excluded from access to all classified information and/or special nuclear material releases to Idaho State University and do not occupy positions that would enable them to affect adversely the policies or practices of Idaho State University's performance of classified contracts for the U.S. Government.

State Board of Education Members

<u>Name</u>	<u>Title</u>
Laird Stone	President
Milford Terrell	Vice President
Paul C. Agidius	Secretary

<u>Name</u>	<u>Title</u>
Blake Hall	Member
Dr. Marilyn Howard	Ex-Officio Member
Karen McGee	Member
Sue Thilo	Member
Roderic Lewis	Member

ATTEST: I, Paul C. Agidius, duly elected Secretary of the State Board of Education certify that the above-described action of said Board took place as set forth hereinabove.

(SEAL)

---

Paul C. Agidius  
Secretary  
State Board of Education

## **RESOLUTION FOR EXCLUSION OF GOVERNING ORGANIZATION**

I, \_\_\_\_\_, duly elected Secretary of the State Board of Education, a governing board organized under the Idaho Constitution and statutes in the State of Idaho, located at 650 W. State St., Boise, Idaho, do hereby certify that the following is a true and complete copy of a resolution passed at a meeting of the State Board of Education, at which a quorum was present, duly called and held \_\_\_\_\_, 2006.

RESOLVED that the State Board of Education, its officers and directors, acting as such, will not require and will not have access to classified information and/or special nuclear material in the custody of Idaho State University, one of the institutions of higher education under its governance; that the directors and officers of the State Board of Education do not, in their capacities as such directors and officers, occupy positions that would enable them to affect adversely the policies and practices of Idaho State University in its performance of classified contracts; and further that Idaho State University has been delegated authority to act independent of the State Board of Education in all matters which involve or relate to Idaho State University's responsibility to safeguard classified information and/or special nuclear material.

BE IT FURTHER RESOLVED that this action of the members of the State Board of Education is taken for the purpose of excluding the State Board of Education from the necessity of a Facility Clearance in conformity with the National Industrial Security Program.

BE IT FURTHER RESOLVED that the State Board of Education, through its duly authorized officers, shall immediately notify DOE of any changes in the extent and nature of FOCI which would affect the information in the Foreign Ownership, Control, or Influence submission most recently filed with DOE by Idaho State University pursuant to the National Industrial Security Program including, without limitation, any changes in the control of Idaho State University that must be reported by the State Board of Education to other U.S. Government agencies.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

(SEAL)

\_\_\_\_\_  
Signature

**THIS PAGE INTENTIONALLY LEFT BLANK**



## Attachment 3



### Department of Energy

Idaho Operations Office  
1955 Fremont Avenue  
Idaho Falls, Idaho 83415

April 19, 2006

Mr. Bradley Hall  
General Counsel  
Idaho State University  
Campus Box 8410  
Pocatello, Idaho 83209-8410

SUBJECT: Foreign Ownership, Control or Influence (FOCI) submittal for Idaho State University (OS/SD-06-100)

Dear Mr. Hall:

As per our conversation on April 17, 2006, I am forwarding to you a new FOCI package with instructions and some sample exclusion resolutions. Please review the package and the sample resolutions and contact me if you have any questions.

Please identify a Facility Security Officer on the Key Management Personnel listing. I recommend you identify Dr. Jerry Frank Harmon as your Facility Security Officer as he will need a Security Clearance.

I have enclosed two chapters from the Department of Energy Safeguards and Security Program Planning and Management manual. I have also enclosed the Foreign Ownership Control or Influence (FOCI) chapter and the Facility Clearance and Registration of Safeguards and Security Activities chapter. I have highlighted portions of both chapters that relate to Universities and Colleges.

Mailed the completed package to: Michael J. Arpin  
DOE Idaho Operations Office  
1955 Fremont Avenue, MS 1170  
Idaho Falls, Idaho 83415

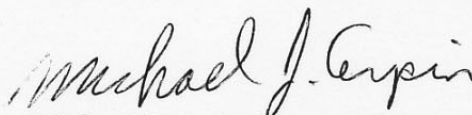
Bradley Hall

- 2 -

April 19, 2006

If you have any questions, please contact me at (208) 526-0494.

Sincerely,

A handwritten signature in dark ink, reading "Michael J. Arpin". The signature is fluid and cursive, with the first name "Michael" being the most prominent.

Michael J. Arpin, Program Manager  
Foreign Ownership Control or Influence,  
Security and Emergency Management Division

cc: Carl Friesen, DOE-ID, MS 1170 W/O Encl.  
Dee Ann Brown, DOE-ID, MS 1170 W/O Encl.

H

DOE M 470.4-1

Approved: 08-26-05  
Review: 08-26-07

# SAFEGUARDS AND SECURITY PROGRAM PLANNING AND MANAGEMENT

---



**U.S. DEPARTMENT OF ENERGY**  
Office of Security and Safety Performance Assurance

---

AVAILABLE ONLINE AT:  
[www.directives.doe.gov](http://www.directives.doe.gov)

INITIATED BY:  
Office of Security and Safety  
Performance Assurance

## **PART 2 - SAFEGUARDS AND SECURITY MANAGEMENT**

### **SECTION H - FOREIGN OWNERSHIP, CONTROL, OR INFLUENCE PROGRAM**

1. OBJECTIVE. To establish the Foreign Ownership, Control or Influence (FOCI) program requirements and criteria to facilitate the initial and continued facility clearance (FCL) eligibility of U.S. companies with foreign involvement.

## CHAPTER I - GENERAL FOCI PROGRAM INFORMATION

### 1. GENERAL REQUIREMENTS.

- a. Evaluation and adjudication of FOCI compose an essential and critical ongoing element of the FCL program. A contractor cannot be under FOCI to such a degree that granting or continuing an FCL would be inconsistent with U.S. national security interests. An FCL may not be granted until all relevant aspects of FOCI have been resolved and, if necessary, favorably adjudicated. If a company with an existing FCL is determined to be under FOCI, the FCL must be suspended or terminated unless security measures are taken to remove the possibility of unauthorized access or adverse impacts to classified contract performance.<sup>3</sup>
- b. The determination of whether a U.S. company is under FOCI, its eligibility for an FCL, and the security measures deemed necessary to negate FOCI impacts must be made on a case-by-case basis. The following factors must be considered in the aggregate to determine whether a company is under FOCI, is eligible for an FCL, and the protective measures required:
  - (1) foreign intelligence threat;
  - (2) risk of unauthorized technology transfer;
  - (3) type and sensitivity of classified information or matter, or special nuclear material (SNM);
  - (4) nature, source, and extent of FOCI, including identification of immediate, intermediate, and ultimate parent organizations;
  - (5) record of compliance with pertinent laws, regulations, and contracts; and
  - (6) nature of bilateral and multilateral security and information exchange agreements that may be relevant.
- c. Development of security measures to mitigate the impact of unacceptable FOCI must be based on the concept of risk management. DOE has the obligation to impose any security method, safeguard, or restriction it believes necessary to ensure that unauthorized access to classified information or matter, or SNM is effectively precluded and the performance of classified contracts is not adversely affected.
- d. Changed conditions, such as a change in ownership, indebtedness, or foreign intelligence threat, may justify certain adjustments to the security requirements under which a company is operating or require that a different FOCI mitigation

---

<sup>3</sup> Classified contract is defined as any contract, license, or other agreement requiring access authorizations.



method be used. A changed condition may result in a determination that a company is no longer considered to be under FOCI or, conversely, that a company is no longer eligible for an FCL.

2. APPLICABILITY.

- a. The entities<sup>4</sup> listed below are required to obtain FOCI determinations.
  - (1) Applicants, including industrial, educational, commercial, or any other entity, grantee, or licensee, including an individual, that have or anticipate executing a classified contract. This includes subcontractors of any tier, consulting firms, agents, grantees, and cooperative research and development agreement participants who require access authorizations.
  - (2) All tier parents located in the U.S., Puerto Rico, or a U.S. possession or trust territory
- b. A FOCI determination is not required for an individual performing work under a consulting agreement (e.g., an individual awarded a contract).<sup>5</sup> This does not include individuals contracting as a business.
- c. When the applicant is a local, state, or Federal agency or department, the contract must contain a security clause. The security clause must state that if the government agency or department subcontracts any work requiring access to classified information or matter by a commercial entity, its acquisition regulation, including FOCI policies, must be followed. If the government agency or department does not have its own FOCI policies or an agreement with the Secretary of Defense for industrial security services, DOE will render the FOCI determination.
- d. When contracts involve access to SNM, DOE will render the FOCI determination.
- e. Contractors with existing U.S. Government FCLs are identified in Safeguards and Security Information Management System (SSIMS) and the Department of Defense (DoD) Defense Security Service/Central Verification Activity System (DSS/CVA).
- f. No further FOCI review is required for an applicant holding an equal or higher U.S. Government FCL, based upon a favorable FOCI determination.
- g. Information submitted with a FOCI package is used for the sole purpose of evaluating FOCI and must be treated by DOE, to the extent permitted by law, as business/financial information submitted in confidence. The information must be protected as Official Use Only (OUO).

<sup>4</sup> The entities listed are referred to as "applicants" throughout this Section.

<sup>5</sup> The self-employed individual's or consultant's foreign involvement is determined through the background investigation conducted to determine the individual's eligibility for an access authorization.

- h. Personnel responsible for the FOCI program can successfully meet FOCI competencies through training courses offered at the National Training Center (NTC).
- 3. CONTRACT AWARD MUST NOT BE MADE PRIOR TO FCL ISSUANCE. The DOE Acquisition Regulation (DEAR) prohibits the award of a classified contract until an FCL has been granted. When an existing contract that does not require access authorizations is modified to require access authorizations, the contract modification cannot take effect until an FCL is granted. Contract award/modification cannot be made until:
  - a. all relevant aspects of FOCI have been resolved and, if necessary, are favorably adjudicated;
  - b. the signed DOE F 470.1, "Contract Security Classification Specification" (CSCS) is accepted by the cognizant security authority; and
  - c. the appropriate DEAR security clauses have been incorporated in the contract.
- 4. ELECTRONIC SUBMISSION/PROCESSING WEB SITE. The Department has an electronic system for applicants to submit FOCI information to DOE in an electronic format. To ensure confidentiality of the information submitted and stored on the system, the site is protected with 128-bit encryption.
  - a. Applicants may use this system for the submission of FOCI packages, including changes to update their FOCI information. The FOCI web site maybe accessed via an Internet browser at <https://foci.td.anl.gov>. Electronic signatures are not accepted; therefore a signed original SF 328, "Certificate Pertaining to Foreign Interests," executed in accordance with the instructions on the certification section of the SF 328, must be submitted to the DOE cognizant security authority.
  - b. Federal employees and supporting contractors should use the Electronic Submission Processing System website at <http://greylist.td.anl.gov>.

## CHAPTER II - FOCI ACTIVITIES

1. DETERMINING THE SECURITY REQUIREMENTS OF THE CLASSIFIED CONTRACT/AGREEMENT.
  - a. The procurement request originator (or other individual(s), as designated by line management) must identify and document, on the appropriate procurement form, the security requirements of the classified contract. If the procurement request requires access authorizations, a DOE F 470.1 CSCS<sup>6</sup> must be completed by the procurement request originator.
  - b. The procurement request originator submits the appropriate procurement form and DOE F 470.1 CSCS to the contracting officer. Upon receipt of these forms, the contracting officer must incorporate the appropriate security clauses in the solicitation. When the applicant is included in the competitive range, they will be required to complete the SF 328.
2. DETERMINING THE FCL STATUS OF THE APPLICANT. The contracting officer must identify the FCL status of all applicants within the competitive range and preliminary selection criteria for the pending contract. The contracting officer must then verify whether the applicant's FCL meets the appropriate level of the pending contract. Verification of existing FCLs must be obtained through SSIMS or DoD DSS/ CVA.
3. ACCEPTING A FOCI DETERMINATION RENDERED BY ANOTHER FEDERAL AGENCY. The DOE cognizant security authority may accept FOCI determinations granted by another Federal agency when the related requirements of Section I are met.
4. CLASSIFIED CONTRACT.
  - a. When the contracting officer determines that the applicant possesses an existing FCL at the same level required by the pending contract, the contracting officer must send a DOE F 470.1 CSCS to the DOE cognizant security authority for review and approval. Contract award cannot be made until the DOE F 470.1 CSCS is signed by the DOE cognizant security authority and returned to the contracting officer.
  - b. When the contracting officer determines that the applicant possesses an existing FCL but the pending contract requirements exceed the level of the current FCL, the contracting officer must send a DOE F 470.1 CSCS to the DOE cognizant security authority for review and approval. Contract award cannot be made until the contracting officer has received the signed DOE F 470.1 CSCS from the DOE cognizant security authority.

---

<sup>6</sup>If a DD F 254, DoD CSCS, has been used by the agency sponsoring the activity; it can be submitted instead of the DOE F 470.1 CSCS, provided it is annotated with the DOE facility code.



- c. When the contracting officer determines that the applicant does not possess an FCL based on a FOCI determination, the contracting officer must obtain a complete FOCI package. Appendix 5, FOCI Matrix, summarizes the documents and forms required to be completed and submitted by the applicant.
  - (1) When the applicant is owned by a parent organization(s), a separate FOCI package must be submitted for the applicant and each tier parent located in the U.S., Puerto Rico, or a U.S. possession or territory. Foreign tier parents do not need to submit a FOCI package, but each foreign tier parent must be identified in the FOCI submission(s), and details provided as to whether the foreign parent(s) is controlled by any foreign government or any entity that is controlled by a foreign government.
  - (2) When the applicant is a division or branch of a legal entity (i.e., part of but not a separate legal entity), the division/branch only needs to submit a listing of its key management personnel (KMP); and if applicable, representative of foreign interest statement(s), and authorizing resolutions<sup>7</sup> for the division/branch's KMP. The legal entity and, if applicable, its tier parents must submit a complete FOCI package.
- d. After obtaining the packages from the applicant, the contracting officer must review the submission(s) to ensure the package(s) is complete. When the package(s) is incomplete, the contracting officer must notify the applicant that the package cannot be submitted for a FOCI determination and must request a complete package. After obtaining the required FOCI documentation, the contracting officer forwards the FOCI package to the DOE cognizant security authority for processing.
- e. Contracting officers must provide written notice to the DOE cognizant security authority when:
  - (1) a notice of change has been submitted by the applicant on a FOCI package submitted for FOCI review;
  - (2) a requested FOCI review is no longer needed;
  - (3) a FOCI determination was rendered on an applicant that was not awarded the contract; and
  - (4) all work on a contract requiring access authorizations is within 30 days of the termination or completion. This notification must also be made when access authorizations are no longer required in performance of the contract. (Notification can be accomplished by using DOE F 470.1 CSCS.)

---

<sup>7</sup>Resolutions (adopted by the governing body) that list the express authority (i.e., duties and responsibilities) of the organization's KMP.

- f. When insufficient lead time is expected between selection and contract award for the processing of the FOCI determination, the contracting officer may request a preliminary review, not a final FOCI determination, of the SF 328 submissions of each applicant in the competitive range.
- g. A final FOCI determination can only be requested for the successful applicant. Procurement requesters must allow sufficient lead-time for the processing of the FOCI determination and FCL prior to award of the contract.

5. ADJUDICATION.

a. Adjudication Level.

- (1) The DOE cognizant security authority<sup>8</sup> renders the FOCI determination under the following conditions:
  - (a) the responses to the FOCI questions do not exceed the thresholds established by the Office of Security; and
  - (b) exclusion procedures are invoked when the applicant is controlled by a parent(s) either not requiring access authorizations or requiring a lower-level of access to classified information or matter.
- (2) If the FOCI exceeds established thresholds, the DOE cognizant security authority will forward the FOCI submission(s) to the Office of Security with:
  - (a) the justification for clearance or exclusion, including the nature of business and products or services to be furnished under the classified contract and the technologies involved; and
  - (b) the DOE cognizant security authority's analysis, including a clear statement of the reason why Office of Security adjudication is required. The Office of Security, in coordination with the Office of the General Counsel when appropriate, will provide a final FOCI determination to the DOE cognizant security authority.

- b. Counterintelligence (CI) Threat Assessment and Technology Transfer Risk Assessment. A counterintelligence threat assessment and technology transfer risk assessment must be obtained and considered prior to a final decision to grant an FCL to an applicant under FOCI or to restore an FCL previously suspended because of unacceptable FOCI. In addition, these assessments must be updated periodically under circumstances and at intervals considered appropriate by the Federal agency granting the FCL. In reviewing non-majority foreign ownership

---

<sup>8</sup>The cognizant security authority must identify KMPs requiring clearance in conjunction with the FCL.

or control packages, the DOE cognizant security authority must also identify information that may be of CI interest.

- (1) During FOCI adjudication, the DOE cognizant security authority must identify and forward any information that may be of CI interest to the local Office of Counterintelligence (OCI)/Office of Defense Nuclear Counter Intelligence (ODNCI) for further analysis. The local OCI/ODNCI must analyze the information and, if applicable, provide the FOCI DOE cognizant security authority with threat information relevant to the FOCI case. Local FOCI adjudication is not dependent on and should not be delayed pending feedback from the local OCI/ODNCI. However, if the local OCI/ODNCI provides relevant information, the DOE cognizant security authority must ensure that appropriate security countermeasures are established at the facility.
- (2) For FOCI packages requiring Office of Security adjudication, the DOE cognizant security authority will forward available CI information (i.e., local CI feedback) with the FOCI package. The DOE cognizant security authority should not delay submission pending local CI feedback. If additional CI information is expected, that should be noted in the transmittal to the Office of Security. The Office of Security must coordinate with the appropriate intelligence agency(ies), and forward available threat information with the FOCI adjudication through appropriate program channels to the DOE cognizant security authority.

NOTE: The DOE cognizant security authority is responsible for ensuring that the periodic CI threat assessment and technology transfer risk assessment updates are accomplished. These requests must be processed through the Office of Security.

c. Adverse Determinations.

- (1) Each FOCI package must be judged on its own merits, and final determination remains the responsibility of DOE. Any doubt as to whether unacceptable FOCI can be effectively mitigated (i.e., whether affording the applicant access to classified information or matter is clearly consistent with national security) will be resolved in favor of the national security.
- (2) An applicant that will not implement the security measures determined necessary by DOE to mitigate its foreign involvement to an acceptable level is ineligible for an initial FCL (including a FOCI determination).
- (3) Suspension, reinstatement, and termination of an FCL due to unacceptable FOCI are addressed in Section I.



- d. Schedule Requirements for Processing Determinations. The following schedule must be observed in processing FOCI determinations.
- (1) Within 15 working days of receipt of a FOCI submission from the contracting officer, the initial review and verification procedures must be accomplished.
  - (2) Within an additional 20 working days, one of the following actions must be taken.
    - (a) A FOCI determination must be rendered by the DOE cognizant security authority if FOCI thresholds are not exceeded.
    - (b) If required, additional information must be requested either verbally or in writing from the applicant.
    - (c) The FOCI package, which has been reviewed for completeness, must be forwarded to the Office of Security if established thresholds are exceeded. For packages forwarded to the Office of Security for action, the foregoing schedule must also be observed.
  - (3) If, for any reason, a FOCI determination has not been rendered within 90 working days of receipt, the following actions must be taken.
    - (a) The DOE cognizant security authority must either:
      - 1 provide written notification to the submitting contracting officer regarding the reason for the delay in processing/ completing the submission; or
      - 2 return the submission to the submitting contracting officer if the contractor has been non-responsive to the DOE cognizant security authority's request for additional information or implementation of required security measures. The DOE cognizant security authority should coordinate with the contracting officer for assistance in obtaining information from an unresponsive applicant.
    - (b) The Office of Security must either:
      - 1 provide written notification to the DOE cognizant security authority regarding the reason for the delay in processing/completing the submission; or
      - 2 return the submission to the DOE cognizant security authority if the contractor has been non-responsive to the Office of Security's request for additional information or implementation of required security measures. The DOE

cognizant security authority must coordinate with the contracting officer for assistance in obtaining information from an unresponsive applicant.

- e. Notifying the Requesting Contracting Officer. Upon completion of DOE's review of the applicant's FOCI, the DOE cognizant security authority must provide the contracting officer with written notification as to whether the contractor's FOCI will or will not prevent contract award. If the applicant is granted a FCL, the DOE cognizant security authority must sign and return the DOE F 470.1 CSCS to the contracting officer. Contract award can be made upon:
  - (1) receipt of the signed DOE F 470.1 CSCS; and
  - (2) inclusion, by the contracting officer, of the appropriate DEAR security clauses in the contract.

6. COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES.

- a. The Committee on Foreign Investment in the United States (CFIUS) is an interagency committee chaired by Treasury under section 721 of the Defense Production Act. Under the CFIUS voluntary process, potential foreign investors submit their proposed merger, acquisition, or takeover for review by executive branch agencies to determine if the President will, as provided by law, disallow the transaction in the interests of national security. By law, CFIUS must notify prospective foreign investors of the results of its review within 30 calendar days of the date of the filing. Therefore, it is imperative that the Department promptly review all cognizant security authority-referred CFIUS cases and, through approved channels, inform the CFIUS staff chair of its questions or concerns within 30 days of the date of the filing (optimally by day 16 of the 30-day review period).
- b. If the applicant is a cleared contractor, it is the responsibility of the Federal agency designated as the applicant's cognizant security authority<sup>9</sup> to do the following:
  - (1) identify all classified contracts and all cleared locations and obtain complete information regarding any contracts requiring access to proscribed information;
  - (2) obtain a shareholder agreement, letter of intent, and a revised SF 328 containing information about the acquisition;

---

<sup>9</sup>A cleared contractor may hold FCL granted by more than one agency. In those cases, each agency that granted FCL (based on a FOCI determination rendered by that agency) must fulfill the responsibility listed above.

- (3) have the contractor submit a proposed plan of action to address the FOCI issue if the contractor has not already done so; and
  - (4) through approved appropriate channels, promptly inform those departments/agencies responsible for the contracts and/or classified information or matter of the proposed transaction and the FOCI mitigation method proposed if consummation of the proposed transaction would require security measures to be imposed.<sup>10</sup>
- c. The CFIUS review and the industrial security review are carried out in two parallel but separate processes with different time constraints and considerations. When FOCI mitigation methods are required to resolve the industrial security concerns of a case under review by CFIUS, ideally there should be an agreement prior to the 30<sup>th</sup> day of the CFIUS review. When, however, the overall industrial security evaluation process is unable to be completed due to the situations listed below, the situation can be the basis for recommending that the DOE's position be an investigation of the proposed transaction by CFIUS to ensure that national security concerns are protected.
  - (1) Inability to reach agreement on the FOCI mitigation method, whether because of rejection of the FOCI mitigation action plan by the parties of the proposed transaction under CFIUS review or by a Federal agency or department, and/or failure to attain agreement regarding material terms of such an arrangement.
  - (2) Failure by the applicant company to comply with the FOCI reporting requirements (see Chapter III of this Section).

---

<sup>10</sup> If a National Interest Determination (NID) or Secretarial waiver is required, notification to the department/agency must include a request asking whether the department/agency will support a NID or Secretarial waiver, as applicable, based on the proposed FOCI mitigation plan.



### CHAPTER III - REPORTING REQUIREMENTS

1. FOCI CHANGES THAT OCCUR FOLLOWING SUBMISSION OF AN SF 328 AND BEFORE CONTRACT AWARD. When an applicant has submitted a comprehensive FOCI package to the contracting officer and changes have occurred in the FOCI of the company prior to contract award, the applicant must submit an updated SF 328 and associated documents to the contracting officer.
2. UPDATES. Contractors holding an FCL based upon a favorable FOCI determination must submit written reports of changed conditions and anticipated changes. Additionally, contractors are required to submit a new FOCI package at least once every 5 years.
  - a. Significant Changes. When changes have occurred in the extent and nature of FOCI that affect the information in an applicant's most recent FOCI submission(s), the applicant must provide written notification and supporting documentation relevant to the changes to the DOE cognizant security authority. Significant changes that warrant a new FOCI determination include the following:
    - (1) a new threshold or factor exists that did not exist when the previous determination was made (e.g., a "no" answer changes to "yes"), and any additional factors associated with the questions on the SF 328;
    - (2) a previously reported threshold or factor that was favorably adjudicated by the DOE cognizant security authority has increased to a level requiring a determination by the Office of Security;
    - (3) a previously reported financial threshold or factor that was favorably adjudicated has increased by 5 percent or more; or a shift has occurred of 5 percent or more by country location or end user (i.e., for revenue and/or net income) or lenders (i.e., indebtedness);
    - (4) a previously reported foreign ownership threshold or factor that was favorably adjudicated has increased to the extent that a FOCI mitigation method or a different FOCI mitigation method is required; and
    - (5) any changes in ownership or control. Notice of changes includes ownership or control events that are required to be reported to the Securities and Exchange Commission (SEC), the Federal Trade Commission, or the Department of Justice (DOJ). Notification of these changes must be made to the cognizant security authority no later than 5 working days after the event or action necessitating the notice.
  - b. Anticipated Changes. Anticipated changes are events that arise when the contractor or any of its tier parents enters into formal negotiations toward agreement, and in any event when the parties enter into a written memorandum of understanding (MOU), or, in the case of financing agreements, when written

application for financing is made. The contractor must provide the DOE cognizant security authority with written notification of anticipated actions including, those listed below.

- (1) An action to terminate business or operations of the contractor or any of its parents for any reason; e.g., entering into any transaction of merger, consolidation, or amalgamation with another company; conveying, selling, leasing, transferring, or otherwise disposing of all or a substantial part of its business or assets; making any material change that could have an adverse effect on the contractor organization's ability to perform its contractual obligations for DOE or other contractors of DOE.
- (2) Legal actions taken to initiate bankruptcy proceedings involving the contractor organization or any of its tier parents.
- (3) Imminent adjudication of or reorganization resulting from bankruptcy actions involving the contractor organization or any of its tier parents.
- (4) Entry by the contractor or its tier parents into negotiations with non-U.S. citizens that may reasonably be expected to require amendment of the SF 328, including but not limited to negotiations for the sale of securities to a non-U.S. citizen(s).

c. Other Reportable Changes.

- (1) Any change of operating name or address of the company or any of its cleared locations. The cognizant security authority must be notified at least 5 working days prior to the effective date of an address change.
- (2) Any change to the information previously submitted for KMP, including, as appropriate, the names of the individuals they are replacing. In addition, a statement including the following information must be provided to the DOE cognizant security authority.
  - (a) Date and place of birth, social security number, citizenship, and, if appropriate, personnel security clearance level and issuing agency.
  - (b) Whether they have been excluded from access to classified information or matter, or SNM.
  - (c) Whether they have been temporarily excluded from access to classified information or matter, or SNM pending the granting of their DOE access authorization.
  - (d) A new complete listing of KMP need only be submitted at the discretion of the contractor and/or when requested in writing by the DOE cognizant security authority.



- d. Submission of a New FOCI Package. A new FOCI package must be completed by the contractor or tier parent and submitted to the DOE cognizant security authority at least every 5 years or at the request of the cognizant security authority.

3. ANNUAL CERTIFICATION.

- a. Each contractor holding an FCL, based upon a favorable FOCI determination, must provide written annual (at least every 12 months) certification to the DOE cognizant security authority acknowledging that:
  - (1) no significant change has occurred in the extent and nature of FOCI that would affect the organization's answers to the questions provided in its SF 328;
  - (2) no changes have occurred in the organization's ownership or legal entity name; and
  - (3) no changes have occurred in the organization's KMP. In addition, when the contractor's governing body has invoked resolutions to process KMP for access authorizations and to exclude from the personnel clearance requirement certain members of its governing body and other officers and executive personnel, the contractor's certification must include statements as to whether:
    - (a) each of the organization's KMP, required to obtain and retain an access authorization, continues to hold the required access authorization;
    - (b) any changes have occurred in the positions held by any of the organizations uncleared KMP whereby the duties of such position(s) require the KMP, to be identified by name, to have access to classified information or matter, or SNM or to be involved in the protection of classified information or matter, or SNM;
    - (c) the invoked resolutions remain in full force and effect; and
    - (d) there were any acts of noncompliance with these security measures, whether inadvertent or intentional, with a description of steps that were taken to prevent such acts from recurring.
- b. Any contractor controlled by a parent organization(s) that has/have been excluded (by formal resolution) must provide written certification on an annual (at least every 12 months) basis to the DOE cognizant security authority acknowledging the continued effectiveness of the resolution. Additionally, the contractor must

obtain and provide to its DOE cognizant security authority written certification executed by an authorized official from each such excluded parent that:

- (1) no significant changes have occurred in the extent and nature of FOCI that would affect the organization's answers to the questions provided in its SF 328;
  - (2) no changes have occurred in the organization's ownership or legal entity name;
  - (3) no changes have occurred in the organization's KMP; and
  - (4) the exclusionary resolution invoked by the contractor's tier parent's governing body remains in full force and effect.
- c. Any contractor that has executed a Board Resolution to reduce FOCI in non-controlling foreign ownership situations (see paragraph 4.a., Chapter IV of this Section) must provide written certification on an annual (at least every 12 months) basis to its DOE cognizant security authority acknowledging the continued effectiveness of the resolution.
- d. At the end of each year of operation, the trustees, proxy holders, or outside directors, as appropriate, of those organizations operating under a DOE-approved Voting Trust Agreement, Proxy Agreement, Special Security Agreement, or Security Control Agreement<sup>11</sup> must submit to the DOE cognizant security authority an annual (at least every 12 months) implementation and compliance report. The annual implementation and compliance report must include:
- (1) a detailed description of the manner in which the company is carrying out its obligations under the arrangement;
  - (2) changes to security procedures, implemented or proposed, and the reasons for those changes;
  - (3) a detailed description of any acts of noncompliance, whether inadvertent or intentional, with a discussion of steps that were taken to prevent such acts from recurring;
  - (4) any changes or impending changes of senior management officials or key governing body members, including the reasons;
  - (5) any changes or impending changes in the organizational structure or ownership, including any acquisitions, mergers, or divestitures; and

---

<sup>11</sup> A contractor operating under one of these FOCI mitigation plans must also submit the applicable annual certifications mentioned in paragraphs 3.a., 3.b., and 3.c.

DOE M 470.4-1  
08-26-05

Part 2, Section H  
III-5

- (6) any other issues that could have a bearing on the effectiveness of the applicable FOCI mitigation agreement.

#### CHAPTER IV - FOCI MITIGATION ACTION PLANS

1. GENERAL. Foreign investment can play an important role in maintaining the vitality of the U.S. industrial base. Therefore, it is the policy of the U.S. Government to allow foreign investment consistent with the U.S. national security interests. The following FOCI policy for U.S. companies subject to an FCL is intended to facilitate foreign investment while ensuring that foreign firms cannot undermine U.S. security and export controls to gain unauthorized access to critical technology, classified information or matter, or SNM.
2. MITIGATION ACTION PLANS. The affected U.S. organization or its legal representatives may propose a plan to negate or reduce unacceptable FOCI; however, DOE reserves the right and has the obligation to impose any security method, safeguard, or restriction it believes necessary to ensure that unauthorized access to classified information or matter, or SNM is precluded.
  - a. In cases where the FOCI stems from foreign ownership, a plan must consist of one of the methods prescribed in paragraph 3. of this Chapter. Amendments to purchase and shareholder agreements may also serve to remove or mitigate FOCI concerns.
  - b. When factors not related to ownership are present, the plan must provide positive measures that ensure that the non-U.S. citizen can be effectively denied access to classified information or matter, or SNM and cannot otherwise adversely affect performance of classified contracts. Examples of such measures include:
    - (1) physical or organizational separation of the component performing the work requiring access authorizations;
    - (2) modification or termination of agreements with non-U.S. citizens;
    - (3) diversification or reduction of agreements with non-U.S. citizens;
    - (4) diversification or reduction of revenue from non-U.S. citizens;
    - (5) assignment of specific security duties and responsibilities to selected officials of the organization; and
    - (6) creation of special executive-level committees to consider and oversee classified information or matter, or SNM.
3. FOREIGN OWNERSHIP.
  - a. Secretarial Waiver Authority. A contract under a national security program may not be awarded to an entity controlled by a foreign government if it is necessary



for the entity to be given access to proscribed information<sup>12</sup> unless a waiver has been granted by the Secretary concerned (i.e., the Secretary of Energy or the Secretary of Defense).

- (1) 10 U.S.C. 2536 (b) (1) (A) allows the Secretary concerned to waive the prohibition on the award of contracts (including execution of a novation agreement) set forth in 10 U.S.C. 2536(a), if the Secretary determines that a waiver is essential to the national security interest of the United States. Requests for waivers under 10 U.S.C. 2536(b)(1)(A) must include the following:
  - (a) identification of the proposed awardee and description of the control by a foreign government;
  - (b) description of the procurement and performance requirements;
  - (c) description of why waiver is essential to the national security interests of the U.S.;
  - (d) availability of other U.S. companies with the capacity, capability, and technical expertise to satisfy acquisition, technology base, or industrial base requirements and the reasons any such company should be denied the contract;
  - (e) description of any alternative methods to accomplish the mission and the reasons why those alternative methods should not be utilized.
- (2) 10 U.S.C. 2536(b) (1) (B) allows the Secretary of Energy to waive the prohibition on the award of contracts (including execution of a novation agreement) set forth in 10 U.S.C. 2536(a) for environmental restoration, remediation, or waste management contracts at a DOE facility if the Secretary determines that a waiver will (i) advance the environmental restoration, remediation, or waste management objectives of DOE and (ii) will not harm the national security interest of the U.S. Also, the entity to which the contract is to be awarded is controlled by a foreign government with which the Secretary has executed an agreement to exchange Restricted Data (RD) under section 144c. of the Atomic Energy Act (42 U.S.C. 2164[c]). Requests for waivers under 10 U.S.C. 2536(b)(1)(B) must include the following:
  - (a) identification of the proposed awardee and description of the control by a foreign government;

<sup>12</sup>Proscribed information is defined as Top Secret (TS); communications security (COMSEC) information, except classified keys used to operate secure telephone units (STU IIIs); Restricted Data/Formerly Restricted Data as defined in the Atomic Energy Act; special access program (SAP) information; or sensitive compartmented information (SCI).

- (b) description of the procurement and performance requirements;
- (c) description of how the Department's environmental restoration, remediation, or waste management objectives will be advanced;
- (d) description of why the waiver will not harm the national security interests of the U.S.;
- (e) availability of other U.S. companies with the capacity, capability, and technical expertise to satisfy acquisition, technology base, or industrial base requirements and the reasons any such company should be denied the contract;
- (f) description of any alternative methods to accomplish the mission and the reasons why those alternative methods should not be utilized; and
- (g) evidence that the U.S. Federal government and the foreign government involved have entered into an agreement that authorizes the exchange of RD under section 144.c. of the Atomic Energy Act (42 U.S.C. 2164[c]).

If the Secretary decides to grant a waiver under 10 U.S.C. 2536(b) (1) (B) for an environmental restoration, remediation, or waste management contract, the Secretary must notify Congress of this decision. The contract may be awarded or the novation agreement executed only after the end of a 45-day period, beginning on the date notification is received by the Senate Committee on Armed Services and the House Committee on National Security.

- (3) Proposed Secretarial waivers under 10 U.S.C. 2536(b) must be:
  - (a) prepared by the contracting officer whose contract is involved;
  - (b) sponsored by the head of the contracting activity; and
  - (c) forwarded through the cognizant Departmental element to the Secretary for approval.

When the proscribed information is under the classification or control jurisdiction of another agency, the proposed secretarial waiver must be coordinated with the cognizant Federal agency through the Office of Security.

- b. Controlling Foreign Ownership. A controlling foreign ownership is one in which a non-U.S. citizen(s) owns a majority of the voting securities of the U.S. organization or, if less than 50 percent is foreign-owned, it can be reasonably determined that non-U.S. citizens or their representatives are in a position to

effectively control the business management of the U.S. organization. Where the FOCI stems from majority foreign ownership or control, a FOCI mitigation plan may consist of one of the methods listed below.

- (1) Voting Trust Agreement. Under this type of agreement, controlling foreign shareholders must transfer legal title of their stock to the trustees. The U.S. organization to be cleared must be organized, structured, and financed to operate as a viable business entity independent from the foreign shareholder(s). The Voting Trust Agreement does not impose any restrictions on the cleared U.S. organization's eligibility to have access to classified information or matter or to compete for classified contracts. The following requirements must be met.
  - (a) The Voting Trust Agreement must unequivocally provide for the exercise of all prerogatives of ownership by the trustees with complete freedom to act independently and without consultation with, interference by, or influence from foreign shareholders, but nothing herein prohibits the trustee(s) from consulting with the foreign shareholders, or vice versa, where otherwise consistent with U.S. laws, regulations, and the terms of the Voting Trust Agreement.
  - (b) There must be at least three trustees. These trustees must become members of the U.S. organization's governing body. In addition, the trustees must meet the following criteria.
    - 1 Be U.S. citizens residing within the limits of the U.S. and capable of assuming full responsibility for voting the share and exercising the management prerogatives relating thereto in such a way as to effectively insulate foreign shareholder(s) from the cleared U.S. organization.
    - 2 Be completely disinterested individuals with no prior involvement with the cleared U.S. organization, its foreign-owned tier parent(s), or any of its foreign-owned affiliate(s). These individuals must be approved by the Director, Office of Security.
    - 3 Be issued and be able to maintain an access authorization to the level of the FCL.
    - 4 Be advised by the DOE cognizant security authority of the duties and their responsibilities on behalf of DOE to insulate the cleared U.S. organization from the non-U.S. citizen(s), and indicate, in writing, their willingness to accept this responsibility.



- (c) Notwithstanding the foregoing, the Voting Trust Agreement may limit the trustees by requiring them to obtain approval from the foreign shareholder(s) with respect to the following:
- 1 the sale or disposal of the cleared U.S. organization's assets or a substantial part thereof;
  - 2 pledges, mortgages, or other encumbrances on the capital stock they hold in trust;
  - 3 corporate mergers, consolidations, or reorganizations;
  - 4 the dissolution of the cleared U.S. organization; and
  - 5 the filing of a bankruptcy petition.
- (2) Proxy Agreement. Under this arrangement, the voting rights of shares owned by controlling foreign shareholders are conveyed to proxy holders by an irrevocable Proxy Agreement. Legal title to the shares remains with the non-U.S. citizen(s). All other provisions of the Voting Trust Agreement, as they apply to trustees, including authorized limitations on the powers of the trustees, must apply to the proxy holders. The Proxy Agreement does not impose any restrictions on the cleared U.S. organization's eligibility to have access to classified information or matter or to compete for classified contracts. Conditions for consideration of use of a Proxy Agreement are the same as required for a Voting Trust Agreement.
- (3) Special Security Agreement. A Special Security Agreement may be considered when a U.S. organization is effectively owned or controlled by a non-U.S. citizen and the Federal Government has entered into a general security agreement with the foreign government involved.
- (a) The Special Security Agreement preserves the foreign shareholder's right to be represented on the governing body with a direct voice in the business and management of the company while denying unauthorized access to classified information or matter, or SNM by imposing substantial industrial security and export control measures within an institutionalized set of corporate practices and procedures. The Special Security Agreement requires the appointment of one or more outside directors who must be:
- 1 U.S. citizens residing within the U.S.;
  - 2 completely disinterested individuals with no prior involvement with the applicant company, the corporate body with which it is affiliated, or the non-U.S. citizen;





affiliates) and the cleared U.S. organization must be developed and implemented by the GSC. The visitation approval procedures must be approved by the cognizant Federal agency.

A chronological file of all documentation associated with meetings, visitations, and communications between the cleared contractor and the excluded foreign affiliates, together with appropriate visit approvals or disapprovals and reports, must be maintained by the FSO for review by the DOE cognizant security authority during the annual FOCI compliance meeting.

- (c) Technology Control Plan. The TCP developed and implemented by the company must be approved by the Federal agency clearing the company. The TCP must prescribe all security measures determined necessary to reasonably prevent the possibility of inadvertent access by non-U.S. citizen employees and visitors to information for which they are not authorized. The TCP must also prescribe measures designed to ensure that access by non-U.S. citizens is strictly limited to only that specific information for which appropriate Federal Government disclosure authorization has been obtained (e.g., an approved export license or Technical Assistance Agreement). The use of unique badging, escorts, segregated work areas, security training programs, or other measures must be documented in the TCP.
- (5) National Interest Determination (NID). A special authorization (i.e., a NID) is required prior to providing proscribed information to a company cleared under a Special Security Agreement and its cleared employees. One of the eligibility requirements for clearance under a Special Security Agreement is that the Federal Government must have entered into a general security agreement with the foreign government involved. To be eligible for access to proscribed information, the U.S. Federal Government and the foreign government involved must have entered into an agreement that authorizes the exchange of the applicable proscribed information.
  - (a) A NID requires the following:
    - 1 approval by the Secretary, Deputy Secretary, or cognizant Under Secretary. This approval may not be delegated;
    - 2 preparation and sponsorship of the Contracting Officer;
    - 3 coordination with the DOE cognizant security authority;
    - 4 program/project justification specific to that contract; and

- 5 compelling evidence that release of proscribed information under the Special Security Agreement advances the national security interests of the U.S.

(b) The request for a NID must include the following information:

- 1 the identification of the proposed awardee and a synopsis of its foreign ownership (include solicitation and other reference numbers to identify the action);
- 2 a general description of the procurement and performance requirements;
- 3 the identification of all national security interests involved and the ways in which award of the contract helps advance those interests;
- 4 the availability of any other U.S. company with the capacity, capability, and technical expertise to satisfy acquisition, technology base, or industrial base requirements and the reasons any such company should be denied the contract; and
- 5 a description of any alternate means available to satisfy the requirement, and the reasons alternative means are not acceptable.

c. Non-Controlling Foreign Ownership. A non-controlling foreign ownership is one in which non-U.S. citizen(s) owns less than a majority of the voting securities of the U.S. organization and/or is not in a position to effectively control the business management of the U.S. organization. Where the FOCI stems from non-controlling foreign ownership or control, a FOCI mitigation plan may consist of one of the methods listed below.

- (1) Board Resolution. When a non-U.S. citizen does not own voting stock sufficient to elect, or otherwise is not entitled to representation on the applicant company's governing body, a resolution(s) by the applicant's governing body will normally be adequate. The board resolution acknowledging foreign ownership must:
  - (a) identify the foreign shareholder and describe the type and number of foreign-owned shares;
  - (b) acknowledge the organization's obligations to comply with all security program and export control requirements;



- (c) certify that non-U.S. citizens will not require, will not have, and can be effectively precluded from, access to all classified information or matter, SNM, or hazardous material presenting a potential radiological, chemical, or biological sabotage threat entrusted to or held by the U.S. organization;
  - (d) certify that the non-U.S. citizens will not influence the organization's performance of contracts requiring access authorization(s); and
  - (e) provide for an annual (at least every 12 months) certification to the DOE cognizant security authority acknowledging the continued effectiveness of the resolution. In addition, the U.S. organization will be required to distribute to its directors and its principal officers copies of such resolutions and report in the corporate records the completion of such distribution. The U.S. organization must also ensure that the substance of the resolution(s) adopted by the governing body is brought to the attention of all of company personnel possessing or being processed for access authorizations.
- (2) Security Control Agreement. A Security Control Agreement may be considered when a U.S. organization is NOT effectively owned or controlled by a non-U.S. citizen. Contract limitations on access to classified information or matter, or SNM are not required under this arrangement. Likewise, there is no requirement that the Federal Government must have entered into a general security agreement with the foreign government involved.
- (a) For a Security Control Agreement to be used, the following information must be provided to the DOE cognizant security authority.
    - 1 Identification of any employees (current and former) of the non-U.S. citizens involved (including all entities that control, are under common control with, or are controlled by the non-U.S. citizens, collectively the "foreign affiliates") that will be transferred or become employees of the applicant seeking FCL.
    - 2 Written documentation certified by an authorized (and appropriate) official(s) of the former employing organization(s) that states whether the transferred (or former) employee of the foreign affiliate has or has not severed all ties, and/or has or has not been given any guarantee, written or verbal, regarding re-employment by the "foreign affiliates." This requirement only applies to employees who are U.S. citizens.

(b) The following are also requirements.

- 1 Appointment of one or more outside Directors who must meet the eligibility requirements set forth in paragraph 3.b. (1)(b), above.
- 2 Establishment of a GSC to oversee classified and export control matters. See paragraph 3.b. (4)(a) for further details concerning GSC establishment/responsibilities.
- 3 Development and implementation of a TCP that must be approved by the Federal agency clearing the company. See paragraph 3.b. (4)(c), above, for TCP requirements.

d. Limited FCL.

(1) A limited FCL may be granted to certain contractors who are controlled or owned by a foreign interest where FOCI mitigation is not able to be implemented (e.g., sole source). Access limitations are inherent with granting limited FCLs.

(a) A limited FCL may be granted upon satisfaction of the following criteria.

- 1 An agreement authorizing the exchange of the classified information or matter involved to the country from which the foreign ownership is derived.
- 2 Access to classified information or matter will be limited to performance on a contract, subcontract, or program involving the government of the country from which foreign ownership is derived.
- 3 Release of classified information or matter must be in conformity with the U.S. national disclosure policy.

(b) A limited FCL may also be granted when the criteria listed in paragraph 3.d. (1), above, cannot be satisfied, provided there exists a compelling need to do so consistent with national security interests.

(2) Each request for clearance under a limited FCL must be accompanied by a statement of compelling need from the government contracting activity (GCA). The GCA's compelling need statement must be signed by the Departmental element and include the following:

- (a) acknowledgment that the company will be under FOCI (i.e., FOCI will not be mitigated);
  - (b) acknowledgement that the GCA/Departmental element accept the risks inherent in the granting of an FCL where FOCI is not mitigated;
  - (c) a foreign disclosure determination (i.e., basis for determining that release of classified to the foreign government involved is in conformity with U.S. national disclosure policy).
- 4. ANNUAL COMPLIANCE MEETING. Representatives of the DOE cognizant security authority must meet annually (at least every 12 months) with senior management officials of organizations operating under a Voting Trust Agreement, Proxy Agreement, Special Security Agreement, or Security Control Agreement to review the effectiveness of the pertinent security arrangement and to establish a common understanding of the operating requirements and how they will be implemented within the cleared organization. For the DOE cognizant security authority to make an overall evaluation/analysis of the effectiveness of the security arrangement, the DOE cognizant security authority must obtain an evaluation, before the annual meeting, from other DOE security authorities with cognizance over divisions or subsidiaries under the umbrella of the parent/home office FOCI agreement. Under normal circumstances, the annual meeting should be held at the cleared facility. These reviews must include an examination of the following items.
  - a. Acts of compliance or noncompliance with the approved security arrangement, standard rules, and applicable laws and regulations.
  - b. Problems or impediments associated with the practical application or utility of the security arrangement.
  - c. Whether security controls, practices, or procedures warrant adjustment.
- 5. NON-COMPLIANCE WITH MITIGATION PLANS. When the DOE cognizant security authority determines that a cleared contractor or its tier parent is out of compliance with the approved FOCI mitigation plan, the DOE cognizant security authority must analyze and evaluate the overall impact to the protection of security interests. Actions to be taken by the DOE cognizant security authority include:
  - a. request for corrective action plan and implementation from the contractor;
  - b. recommendation to the DOE line management for FCL suspension; and
  - c. recommendation to DOE line management for FCL termination.The cognizant contracting officer must be notified of any actions taken.



SECTION H

APPENDIX 5 - FOCI MATRIX CHART

Sole Proprietorship	Privately-Owned Corporation	Publicly-Traded Corporation	Partnership 1. General 2. Limited 3. Limited Liability	Limited Liability Company	College/University
Completed SF 328, Certificate Pertaining to Foreign Interests  Form must be dated and signed by a person legally authorized to represent the business.	Completed SF 328, Certificate Pertaining to Foreign Interests  Form must be executed under the corporate seal, dated and signed by a person legally authorized to represent the business.	Completed SF 328, Certificate Pertaining to Foreign Interests  Form must be executed under corporation's seal, dated and signed by a person legally authorized to represent the business.	Completed SF 328, Certificate Pertaining to Foreign Interests  Form must be dated and signed by a person legally authorized to represent the partnership.	Completed SF 328, Certificate Pertaining to Foreign Interests  Form must be dated and signed by a person legally authorized to represent the business.	Completed SF 328, Certificate Pertaining to Foreign Interests  Form must be dated and signed by a person legally authorized to represent the college/university.
Summary FOCI Data Sheet	Summary FOCI Data Sheet	Summary FOCI Data Sheet	Summary FOCI Data Sheet	Summary FOCI Data Sheet	Summary FOCI Data Sheet
Representative of Foreign Interest Statement [when applicable]	Representative of Foreign Interest Statement [when applicable]	Representative of Foreign Interest Statement [when applicable]	Representative of Foreign Interest Statement [when applicable]	Representative of Foreign Interest Statement [when applicable]	Representative of Foreign Interest Statement [when applicable]
List of key management personnel <sup>13</sup>  In community property states, spousal information is also required on the KMP list. If single, so state.	List of Key Management Personnel  Stock ownership form (shareholder's form). If there is a Shareholders Agreement, a copy MUST be provided.	List of Key Management Personnel  Any authorizing resolutions of governing body that spell out authorities of the KMP.	List of Key Management Personnel  Stock ownership form (shareholders' form) MUST be provided if partnership has public stock.	List of Key Management Personnel  Any authorizing resolutions of the governing body that spell out the authorities of the KMP.	List of Key Management Personnel  Any authorizing resolutions of the governing body that spell out the authorities of the KMP.

<sup>13</sup> Formerly known as the Owners, Officers, Directors, and Executive Personnel (OODEP) List.

Part 2, Section H  
Appendix 5-2

DOE M 470.4-1  
08-26-05

Sole Proprietorship	Privately Owned Corporation	Publicly Traded Corporation	Partnership 1. General 2. Limited 3. Limited Liability	Limited Liability Company	College/University
State Registration to do business/Tax ID Number.	Certificate of Incorporation (also known as Corporate Charter).  Articles of Incorporation (with all amendments).	Certificate of Incorporation (also known as Corporate Charter).  Articles of incorporation (with all amendments).	1. <b>General</b> – Similar to a sole proprietorship; may only be able to provide Certificate of Fictitious Business Name. 2. <b>Limited</b> – Certificate of Limited Partnership. 3. <b>Limited Liability Partnership</b> - Certificate of Limited Liability Partnership.	Articles of Organization	College/university charter (similar to articles of incorporation).
	Bylaws (attested copy with all amendments).	Bylaws (attested copy with all amendments).	Partnership Agreement.	Operating agreement.	Charter (or similar document to company's bylaws).
Latest financial report or a copy of the 1040 for the previous year (including Schedule C). NOTE: The most recent IRS tax return may ONLY be submitted if the tax return includes the information required being included on a balance sheet and income statement, and the tax return is a copy of the entire return.	Consolidated financial information, including notes, for the most recently closed accounting year. (If audited report is not available, entity must certify to the unavailability of audited information.)  If company stock is not publicly traded but the company has publicly-traded debt, submit the Form 10-K filed with the Securities and Exchange Commission (SEC) for the company's most recently closed accounting year.	Consolidated annual report to shareholders for the most recently closed accounting year.  Form 10-K report, and all Form 10-Q reports for financial quarters filed (with the SEC) since the last annual report (Form 10-K).	If publicly traded, submit consolidated annual report to shareholders for most recently closed accounting year; also Form 10-K and Form 10-Q reports for financial quarters filed (with SEC) since the last annual report (Form 10-K).  If not publicly traded, submit latest consolidated annual report or audited financial information, including notes, for most recently closed accounting year. (If audited report is not available, entity must certify to the unavailability of audited information.)	Consolidated financial information, including notes, for the most recently closed accounting year. (If audited report is not available, entity must certify to the unavailability of audited information.)	Consolidated financial information, including notes, for the most recently closed accounting year. (If audited report is not available, entity must certify to the unavailability of audited information.)



Sole/Proprietorship	Privately Owned Corporation	Publicly Traded Corporation	Partnership 1. General 2. Limited 3. Limited Liability	Limited Liability Company	College/University
	Most recent annual stockholders and board meeting minutes that identify directors and officers of corporation and company's voting list. Include any authorizing resolutions of governing body that spell out authorities of the KMP.		If required by the partnership agreement: The most recent Annual Stockholders and Board meeting minutes identifying directors and officers and company's voting list.		Most recent annual board meeting minutes identifying governing body and officers of the entity, and entity's voting list.
<p>* FOCI determination is not required of self-employed individuals performing work under a consulting agreement.</p> <p>** If applicable, each tier parent of the bidder must submit a complete package (i.e., information shown above for the applicable form of business).</p> <p>*** A publicly-traded entity is not required to provide all identifying information on its owners as required on the KMP list unless those individuals are KMP of the U.S. organization. Instead, submit: (i) most recent Proxy Statement for annual meeting of Shareholders; and (ii) most recent copies of Schedules 13D's and/or 13G's received from any beneficial owner (foreign or domestic) who holds 5 percent or more of the U.S. organization securities.</p>					

**THIS PAGE INTENTIONALLY LEFT BLANK**

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

**Idaho Statutes**

TITLE 33  
EDUCATION  
CHAPTER 30  
IDAHO STATE UNIVERSITY

33-3003. BODY POLITIC AND CORPORATE -- BOARD OF TRUSTEES. The Idaho State University is hereby declared to be a body politic and corporate, with its own seal and having power to sue and be sued in its own name. The general supervision, government and control of the Idaho State University is vested in the state board of education, which shall act as the board of trustees of the Idaho State University.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**UNIVERSITY OF IDAHO**

**SUBJECT**

Introduction of a proposed wealth management program at the University of Idaho College of Business and Economics referred to as the Barker Wealth Management Program (Barker Program hereafter).

**APPLICABLE STATUTE, RULE, OR POLICY**

There are no policies directly applicable to this stage of the program.

**BACKGROUND**

The University is bringing this to the Board at this time to introduce an innovative, new program, which requires the initial establishment of a contractual relationship with a separate business entity that will be formed to meet the purposes of the program. The purpose of the Barker Program is to provide students and faculty with a laboratory for hands-on, real-time financial analysis and management through the prudent and effective use of options and futures. Mr. Barker is a UI alumnus and former Chair of the Chicago Board of Trade. He has agreed to provide a fund for students to trade using a separate outside entity that he will establish. The entity will be external to the University of Idaho and will enter into a contract with the University to govern the programmatic relationship and trading activity. This structure is necessary due to restrictions on the types of investments that can be made with University funds.

**DISCUSSION**

Students in the College of Business and Economics (CBE) currently have the opportunity to participate in programs that manage a portfolio of bonds and equities using funds donated to the UI Foundation by external supporters. This hands-on learning experience has provided our students with a competitive advantage in the marketplace and filled an important need for investors.

However, investment opportunities have increased dramatically along with effective strategies for creating and managing wealth. Options and futures contracts play an important role in these strategies, and our students currently do not have a program that provides them with an opportunity to experience the activities associated with this segment of our capital market system. The Barker Program, and more specifically, establishment of the separate business entity and the contractual relationship with UI, is an important first step in realizing this learning goal.

During the first year of operation, students and faculty will participate through directed study coursework. Students will develop strategies for trades that will be approved by a team of faculty and program advisors. The trades will be

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**UNIVERSITY OF IDAHO - continued**

executed with approval by faculty members and with authorization from the separate business entity, using funds held by the separate entity and provided by Mr. Barker and other potential donors. Any losses or gains that accrue from the trading activity will accrue solely to the separate business entity. The results of the trades will be reviewed by faculty and students and presented to an advisory board responsible for managing the activities of the supporting organization.

A faculty curriculum team will be charged with developing a more formal program of study during the 06-07 academic year. The team will investigate the potential for a certificate program as well as modifications to the existing Masters program in economics. These curriculum changes will go through the appropriate University and Board approvals as they are developed.

**IMPACT**

The Barker Program will enhance the experiential learning opportunities for undergraduate students in finance and economics in the CBE. We expect to have approximately 10 students working with 2 faculty members during the first year. In addition, faculty members have been invited to participate in internship experiences with trading companies in Chicago. One faculty member is participating this summer and another is scheduled to participate in the summer of 2007.

The program will also provide a rich environment for research on the effectiveness of various risk management strategies as well as the effectiveness of this approach for student learning outcomes.

Finally, income generated from the trading activities may be donated to the CBE by the supporting organization for programming and scholarships. We expect that the fund will grow with student success and intend to use any funds donated from the program to address new budget requirements that may arise as a result of the program.

**STAFF COMMENTS AND RECOMMENDATIONS**

Staff has requested additional information from the University of Idaho with respect to the financial aspects of this proposed venture and the timing of future agenda items to be brought to the Board.

**BOARD ACTION**

This item is for informational purposes only. Any action will be at the Board's discretion.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**UNIVERSITY OF IDAHO**

**SUBJECT**

Technical Assessment & Feasibility Study, Proposed UI Events Pavilion and ASUI Kibbie Activity Center Improvements.

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures; Section V.K.

**BACKGROUND**

This is an information item regarding a feasibility study of future development consistent with the University's Long Range Campus Development Plan (LRCDP).

**DISCUSSION**

The University of Idaho has initiated a technical assessment feasibility study for a proposed University of Idaho Events Pavilion and proposed improvements to the ASUI Kibbie Activity Center. The Events Pavilion may or may not be attached to the ASUI Kibbie Activity Center.

In 1995, the university completed a Sports/Recreation/Athletics/Special Events master plan (SRASE). The scope of the SRASE included all facilities and venues that support all campus recreation, general education, outdoor recreation, fields, athletics, and university event activities. The recommendations made by the SRASE master plan were incorporated into the Long Range Campus Development Plan.

Several of the recommendations of the SRASE, such as the construction of the Student Recreation Center, The restoration and renovation of the Arboretum Amphitheatre, and others, are now complete.

Included among the recommendations of the SRASE were a series of improvements to the ASUI Kibbie Activity Center to address code, life safety, disability access and expanded seating concerns, and a recommendation to explore the possibility of construction of an events pavilion that might or might not share concourses with the ASUI Kibbie Activity Center.

A footprint reservation for this possible events pavilion has been depicted in Illustrative Plan drawing included the university's LRCDP since 2000 (see attached, pages 4 & 5). That footprint reservation remains in the most current update of the Illustrative Plan dated May 2005 (also attached).

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**UNIVERSITY OF IDAHO - continued**

The current technical assessment and feasibility study will explore and update the 1995 SRASE/2000 LRDCP recommendation, identify and explore technical issues related to this recommendation, identify conceptual solutions and alternatives, develop order of magnitude initial project cost estimates associated with the identified alternatives and make recommendations regarding a preferred alternative for possible additional pre-design study and analysis.

The budget for this technical assessment and feasibility study effort is \$157,000  
The funding source for this effort is funds gifted for this express purpose.

**IMPACT**

Immediate fiscal impact of this effort is \$157,000.

The recommendations made in the 1995 SRASE and incorporated into the 2000 LRCDP documents will be either confirmed or revised.

Alternatives developed via the technical assessment and feasibility study process may range from a recommendation of no action up to and including a recommendation to pursue a capital project(s) of a scope yet to be determined. Should there be any recommendation of a capital project, the university will bring such project before the board for full discussion and authorization prior to proceeding.

**ATTACHMENTS**

1-Campus Development Maps

Page 3

**STAFF COMMENTS AND RECOMMENDATIONS**

Staff has requested additional information from the University, specifically how this proposed project fits within the university's strategic facilities and deferred maintenance plan.

**BOARD ACTION**

This item is for informational purposes only. Any action will be at the Board's discretion.



# Long-Range Campus Development Plan

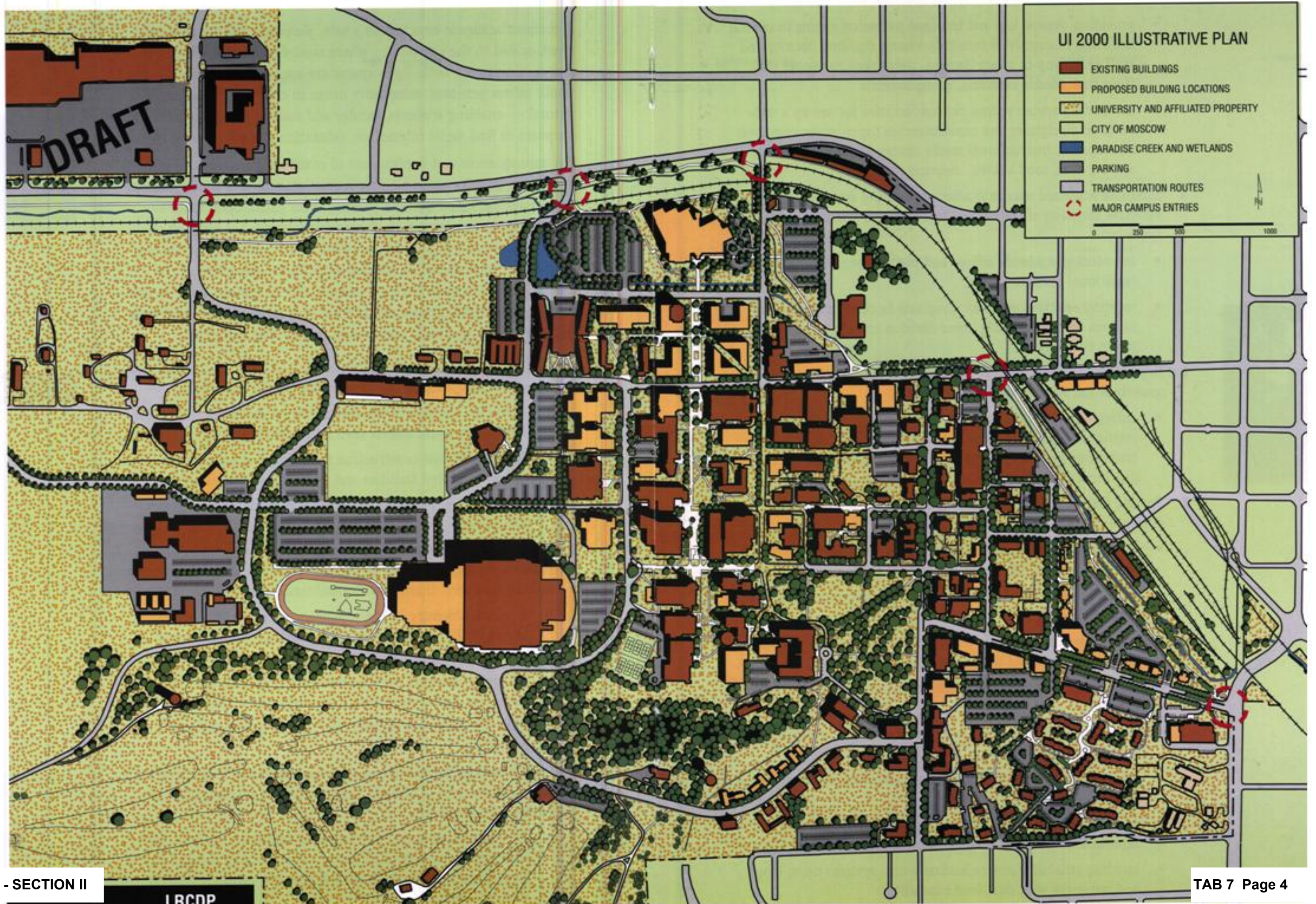
Update 2000

In support of  
the Strategic Plan

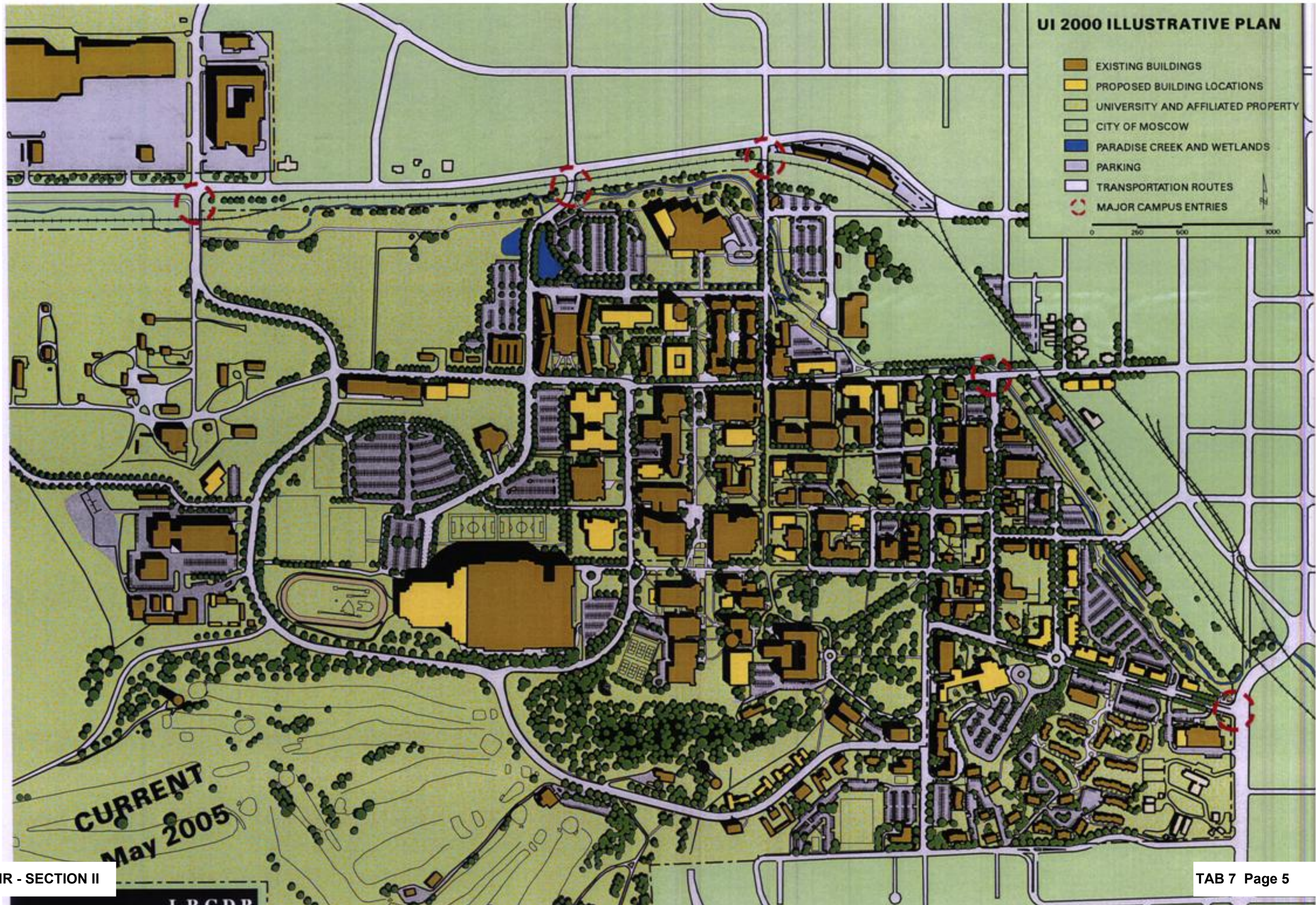


University of Idaho  
Tradition. Change. Excellence.











**THIS PAGE INTENTIONALLY LEFT BLANK**

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

**SECTION: V. FINANCIAL AFFAIRS**

**Subsection: K. Construction Projects**

April 2002

**K. Construction Projects**

**1. Major Project Approvals - Proposed Plans**

Without regard to the source of funding, before any institution, school or agency under the governance of the Board begin formal planning to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities, when the cost of the project is estimated to exceed five hundred thousand dollars (\$500,000), must first be submitted to the Board for its review and approval. All projects identified on the institutions', school's or agencies' six-year capital plan must receive Board approval.

**2. Project Approvals**

Without regard to the source of funding, proposals by any institution, school or agency under the governance of the Board to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities, when the cost of the project is estimated to be between two hundred fifty thousand dollars (\$250,000) and five hundred thousand dollars (\$500,000), must first be submitted to the executive director for review and approval. Without regard to the source of funding, proposals by any institution, school or agency under the governance of the Board to make capital improvements, either in the form of renovation or addition to or demolition of existing facilities or construction of new facilities, when the cost of the project is estimated to exceed five hundred thousand dollars (\$500,000), must first be submitted to the Board for its review and approval. Project cost must be detailed by major category (construction cost, architecture fees, contingency funds, and other). When a project is under the primary supervision of the Board of Regents or the Board and its institutions, school or agencies, a separate budget line for architects, engineers, or construction managers and engineering services must be identified for the project cost. Budgets for maintenance, repair, and upkeep of existing facilities must be submitted for Board review and approval as a part of the annual operating budget of the institution, school or agency.

**3. Fiscal Revisions to Previously Approved Projects**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

Project revisions that substantially alter the use of the project causing changes in project costs between two hundred fifty thousand dollars (\$250,000) and five hundred thousand dollars (\$500,000) must first be submitted to the executive director for review and approval. Changes in project costs of more than five hundred thousand dollars (\$500,000) must first be submitted to the Board for its review and approval. Requests must be supported by a revised detailed project budget and justification for changes.

**4. Project Acceptance**

Projects under the supervision of the Department of Administration are accepted by the Department on behalf of the Board and the state of Idaho. Projects under the supervision of an institution, school or agency are accepted by the institution, school or agency and the project architect. Projects under the supervision of the University of Idaho are accepted by the University on behalf of the Board of Regents.

**5. Statute and Code Compliance**

- a. All projects must be in compliance with Section 504 of the Rehabilitation Act of 1973 and must provide access to all persons. All projects must be in compliance with applicable state and local building and life-safety codes and applicable local land-use regulations as provided in Chapter 41, Title 39, and Section 67-6528, Idaho Code.
- b. In designing and implementing construction projects, due consideration must be given to energy conservation and long-term maintenance and operation savings versus short-term capital costs.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**UNIVERSITY OF IDAHO**

**SUBJECT**

Amending and restating the 1973 Master Ground Lease between the University of Idaho and Palouse Mall Associates.

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Section V.I.5.b.1.

**BACKGROUND**

In 1926 the Board of Regents of the University of Idaho acquired 248 acres of undeveloped land located less than a mile northwest of the center of the university buildings existing at that time. The acquired land was utilized for agricultural programs of the University. In 1973, as the property's commercial suitability increased and ongoing university agricultural operations could be easily accommodated on surrounding Regents' property, the University entered into a ground lease with the predecessor of Palouse Mall Associates. This ground lease accommodated the development of a regional shopping mall and private hotel/conference facility in Moscow on 44 acres of the previously undeveloped agricultural land owned by the Board of Regents.

The 1973 lease provided a term and option periods that extend until 2036. The lease also established a rent based primarily on Palouse Mall Associates paying the University a percentage of the gross rents earned from its subtenants. Palouse Mall Associates owns all of the buildings at the mall except the University Inn building (which is owned by Hagadone Hospitality). In years of high vacancy rates or low rents from retail and service tenants, the University's rent is diminished. The income stream remains relatively unpredictable from year to year. Over the past ten years the average annual rental income earned from the existing lease has been \$210,946/year. The range of rent incomes earned during this ten year period was \$183,184 in 1996 and in 2003 the rent income was \$236,905.

**DISCUSSION**

In order to secure additional financing and attract new national retail tenants Palouse Mall is seeking an extension of the remaining term. The University is supportive of this extension to the extent it provides an opportunity to update the lease drafted prior to development of the existing mall and to improve the predictability of the income stream for university budgeting. The current rent structure provides less incentive to Palouse Mall Associates to operate at a high level because their ground rent costs drop with poor retail occupancy.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**UNIVERSITY OF IDAHO - continued**

The proposed ground lease extends the term to 2066 with three ten-year options and fixes the rent amount to the current return on market value of the underlying unimproved property. The rent schedule establishes escalations in rent that average 2% annually for the term of the lease. The rent structure of the proposed ground lease also improves the rate of return for the University from the anticipated underlying land value after 2036 (the date of termination of the existing lease).

The lease provides options for Palouse Mall to expand the area of the mall (the "Lease Expansion" option) and it also provides the University with the option to terminate the mall's lease of the area under the University Inn and adjacent theater property (the "Lease Reduction" option), and thereby directly lease to the largest hotel/conferencing facility in the area.

**IMPACT**

Approval of this amended and restated ground lease will impose no costs on the University of Idaho. The University is providing land only without covering any development or maintenance costs. The rent schedule attached to the lease provides a fixed (though escalating) payment for the duration of the lease which starts at \$236,018/year for the first two years. That arrangement is comparable to the past performance of the existing lease, but with much greater security for the income stream to the University of Idaho.

**ATTACHMENTS**

1 – Amended Ground Lease	Page 3
2 – Preliminary Ground Use Plan	Page 59
3 – Plat Map	Page 61

**STAFF COMMENTS AND RECOMMENDATIONS**

Staff has reviewed this request with officials at the University of Idaho and believes the proposal to be in the best interests of the University and Regents/State Board of Education.

Staff recommends approval as requested.

**BOARD ACTION**

A motion by the Regents of the University of Idaho to approve an amended and restated ground lease with Palouse Mall Associates in substantial consistency with the draft submitted as part of this request, and to authorize the Vice President for Finance and Administration at the University of Idaho to execute the amended and restated ground lease documents.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_



**AMENDED AND RESTATED**  
**MASTER GROUND LEASE**

**EFFECTIVE DATE AS OF JULY 1, 2006**

**BETWEEN**

**THE REGENTS OF THE UNIVERSITY OF IDAHO**

**AND**

**PALOUSE MALL ASSOCIATES, LLC**

## **TABLE OF CONTENTS**

<b>RECITALS .....</b>	<b>4</b>
<b>ARTICLE I. AMENDED AND RESTATED MASTER GROUND LEASE.....</b>	<b>5</b>
1.1 PRIOR LEASE REPLACED .....	5
1.2 RELATE BACK.....	5
<b>ARTICLE II. PREMISES .....</b>	<b>5</b>
2.1 LEGAL DESCRIPTION OF LEASED PREMISES .....	5
2.2 TERM.....	5
2.3 OPTIONS TO EXTEND.....	5
2.4 LESSOR'S TITLE.....	6
2.5 COVENANT FOR QUIET ENJOYMENT .....	7
<b>ARTICLE III. RENTS.....</b>	<b>7</b>
3.1 BASE RENT .....	7
3.2 PAYMENT OF RENT .....	7
3.3 NET LEASE .....	8
3.4 RENT ADJUSTMENT .....	8
3.5 RENT UNDER EXPANSION OPTION.....	9
3.6 RENT UNDER REDUCTION OPTION .....	9
<b>ARTICLE IV. TAXES AND UTILITIES.....</b>	<b>10</b>
4.1 LESSEE TO PAY TAXES, ETC.....	10
4.2 PERSONAL PROPERTY TAXES .....	10
4.3 TIME OF PAYMENT OF TAXES AND RECEIPTS.....	10
4.4 LESSEE TO PAY FOR UTILITIES .....	11
<b>ARTICLE V. RETAIL SHOPPING CENTER USES.....</b>	<b>11</b>
5.1 RETAIL USE .....	11
5.2 PERMITTED OFFICE USE.....	11
5.3 COMPLIANCE WITH ALL LAWS .....	11
5.4 PROHIBITED USES .....	11
5.5 SUITABILITY.....	13
<b>ARTICLE VI. REPAIRS; ALTERATIONS, MAINTENANCE AND IMPROVEMENTS .....</b>	<b>13</b>
6.1 SHOPPING CENTER .....	13
6.2 LESSOR'S CONSENT .....	13
6.3 LESSEE MAY ENLARGE, ETC. ....	13
6.4 DELIVERY AT TERMINATION .....	13
6.5 OBSOLETE OR DESTROYED SHOPPING CENTER .....	14
6.6 MAINTENANCE .....	14
<b>ARTICLE VII. INSURANCE, RESTORATION AND INDEMNIFICATION.....</b>	<b>15</b>
7.1 GENERAL LIABILITY INSURANCE AND COMMERCIAL AUTO INSURANCE .....	15
7.2 PROPERTY INSURANCE.....	15
7.3 RENTAL INSURANCE AND ADDITIONAL INSURANCE.....	16
7.4 UMBRELLA/EXCESS COVERAGE .....	16
7.5 BLANKET COVERAGE .....	16
7.6 INSURANCE POLICIES - MORTGAGE CLAUSE .....	16
7.7 DAMAGE TO BUILDING NOT TO TERMINATE LEASE.....	17
7.8 REBUILDING AFTER DESTRUCTION.....	17
7.9 TERMINATION FOR FAILURE TO REBUILD .....	17
7.10 ADDITIONAL INSURANCE REQUIREMENTS .....	17
7.11 SUBSTANTIAL DAMAGE OR DESTRUCTION .....	18

7.12 INSPECTION.....	19
7.13 INDEMNIFICATION BY LESSEE.....	19
7.14 NON-LIABILITY OF LESSOR.....	20
<b>ARTICLE VIII. LEASEHOLD MORTGAGES.....</b>	<b>20</b>
8.1 MORTGAGE OF LEASEHOLD ESTATE.....	20
8.2 NOTICE TO AND CURING OF DEFAULT BY ENCUMBRANCE HOLDER .....	21
8.3 EFFECT OF LESSOR'S CURE OF LESSEE'S DEFAULT; EFFECT OF MORTGAGE ASSIGNMENT TO LESSOR ..	22
<b>ARTICLE IX. LESSOR'S RIGHT TO CURE LESSEE'S DEFAULT.....</b>	<b>22</b>
9.1 LESSOR MAY CURE LESSEE'S DEFAULT.....	22
9.2 LESSOR'S ADVANCES TO BEAR INTEREST .....	23
<b>ARTICLE X. ASSIGNMENT AND SUBLETTING.....</b>	<b>23</b>
10.1 ASSIGNMENT .....	23
10.2 SUBLEASE .....	24
10.3 CONSENT TO OCCUPANCY LEASES .....	25
10.4 NO CONTINUING CONSENT.....	27
10.5 LESSOR MAY ASSIGN .....	27
10.6 LESSEE'S RIGHT OF FIRST REFUSAL TO PURCHASE LEASED PREMISES.....	27
<b>ARTICLE XI. CONDEMNATION.....</b>	<b>28</b>
11.1 CONDEMNATION .....	28
11.2 PARTIAL CONDEMNATION .....	28
11.3 TEMPORARY TAKING .....	29
11.4 NEGOTIATIONS.....	29
11.5 TAKING AWARD .....	29
<b>ARTICLE XII. DEFAULT.....</b>	<b>29</b>
12.1 DEFAULT .....	29
12.2 PAYMENT BY LESSEE UPON RE-ENTRY.....	30
12.3 PAYMENT OF RENT RESERVED.....	30
12.4 RELETTING ON LESSEE'S BEHALF.....	30
12.5 NO ELECTION OF REMEDY.....	31
12.6 LESSOR MAY TERMINATE LEASE ON LESSEE'S BANKRUPTCY, ETC. ....	31
12.7 LESSOR'S RIGHT TO BUILDING, ETC. ....	31
12.8 ADDITIONAL LESSOR REMEDIES .....	31
12.9 LESSOR'S DEFAULT.....	31
<b>ARTICLE XIII. DISPUTES .....</b>	<b>32</b>
13.1 ARBITRATION POLICY .....	32
13.2 BINDING ARBITRATION.....	33
13.3 ARBITRATION PROCEDURES.....	33
13.4 HEARING LAW APPEAL LIMITED .....	33
<b>ARTICLE XIV. ENVIRONMENTAL MATTERS.....</b>	<b>34</b>
14.1 LESSEE'S OBLIGATIONS.....	34
14.2 COMPLIANCE WITH ENVIRONMENTAL LAWS .....	34
14.3 ENVIRONMENTAL NOTICES .....	34
14.4 DEFINITION OF HAZARDOUS SUBSTANCES.....	35
14.5 INDEMNIFICATION OF LESSOR.....	35
14.6 INDEMNIFICATION OF LESSEE .....	36
14.7 WITHHOLDING CONSENT TO PROPOSED TRANSFEREES.....	36
14.8 LESSOR ACCESS .....	37
14.9 ENVIRONMENTAL REPORTS.....	37
14.10 SUBTENANT LEASE COMPLIANCE .....	37
<b>ARTICLE XV. OPTION TO LEASE CONTIGUOUS LAND.....</b>	<b>37</b>

15.1 GRANT OF OPTION .....	37
15.2 EXERCISE .....	37
15.3 CONTINUOUS.....	38
15.4 RENT FOR EXERCISE LAND.....	38
15.5 ADDED TO LEASED PREMISES .....	38
15.6 MEMORANDUM OF EXERCISE LAND .....	38
15.7 EXPENSES.....	38
<b>ARTICLE XVI. LESSOR OPTION TO CANCEL LEASE FOR NON-CONTIGUOUS PARCELS .....</b>	<b>38</b>
16.1 GRANT OF OPTION .....	38
16.2 EXERCISE .....	39
16.3 RENT REDUCTION FOLLOWING LEASE CONTRACTION .....	39
16.4 MEMORANDUM OF EXERCISE LAND .....	39
16.5 EXPENSES.....	39
<b>ARTICLE XVII. MISCELLANEOUS.....</b>	<b>39</b>
17.1 ESTOPPEL CERTIFICATES.....	39
17.2 NOTICES.....	40
17.3 TIME IS OF ESSENCE .....	40
17.4 SHORT FORM; RECORDING .....	40
17.5 CAPTIONS.....	41
17.6 SEVERABILITY.....	41
17.7 BROKERS .....	41
17.9 ENTIRE AGREEMENT .....	41
17.10 NO CONTINUING WAIVER .....	41
17.11 BINDING .....	41
17.12 INTERPRETATION.....	41
17.13 SURVIVAL .....	42
17.14 GOVERNING LAW.....	42
17.15 NUMBER AND GENDER .....	42
17.16 FORCE MAJEURE .....	42
17.17 LESSOR'S REPRESENTATIVE .....	42
17.18 EQUAL OPPORTUNITY .....	42
17.19 REPRESENTATION .....	42

## AMENDED AND RESTATED MASTER GROUND LEASE

**THIS AMENDED AND RESTATED MASTER GROUND LEASE AGREEMENT** (collectively herein the "**Ground Lease**") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2006, and made effective as of July 1, 2006 ("**Effective Date**") by and between **THE REGENTS OF THE UNIVERSITY OF IDAHO**, a body politic, organized and existing under and by virtue of the Constitution and laws of the State of Idaho (collectively herein the "**Lessor**" or "**University of Idaho**") and **PALOUSE MALL ASSOCIATES, LLC**, a Washington Limited Liability Company qualified to do business in the State of Idaho (collectively herein the "**Lessee**" or "**Mall**").

### RECITALS:

**A. WHEREAS**, Lessor and the direct predecessor to the Mall entered into that Master Ground Lease dated July 24, 1973, as amended and assigned (the "**Prior Lease**"), for the real property generally located at 1815 W. Pullman Road, city of Moscow, Latah County, Idaho, and legally described on Exhibit "A" attached hereto (collectively the "**Leased Premises**"); and

**B. WHEREAS**, during the Term and in accordance with the purposes and provisions of that Prior Lease, the Lessee did, at its sole cost and expense, construct permanent improvements on the Leased Premises comprising a regional shopping center and did, on a continuous and ongoing basis, employ persons and agents on its behalf to negotiate and secure subleases for varying portions of the Leased Premises, which Subtenants operate both general and specific wholesale, retail and service businesses ("**Subtenants**"), all in the active pursuit of operating for a profit the business known and regarded as the "**Palouse Mall**"; and

**C. WHEREAS**, the Mall desires to amend the Prior Lease by this instrument to extend the Term thereof and further for additional options to extend the Term, and options to expand and/or reduce the area of the Leased Premises, all to facilitate its financing, subleasing, and otherwise to benefit its continued operation of the Palouse Mall; and

**D. WHEREAS**, the University of Idaho desires to amend the Prior Lease by this instrument to extend the Term and modify the payment of rent therein, all to facilitate its various general and specific programs and operations; and

**E. WHEREAS**, Lessor and Lessee desire to amend and restate the Prior Lease in its entirety, and have the provisions of this Ground Lease supersede in its entirety the provisions of said Prior Lease.

**NOW, THEREFORE**, in consideration of the mutual covenants, agreements and benefits to the parties and the respective promises and obligations presented by the terms hereof, the receipt and sufficiency of which is hereby acknowledged, the parties acknowledge and agree as follows:

**ARTICLE I.**  
**AMENDED AND RESTATED MASTER GROUND LEASE**

**1.1 Prior Lease Replaced.** As detailed within the Recitals, the Lessor and Lessee do hereby acknowledge and agree to amend and restate the Prior Lease for the Leased Premises to the effect that the provisions of this Ground Lease shall supersede and replace said Prior Lease in its entirety.

**1.2 Relate Back.** Notwithstanding the foregoing, this-Ground Lease shall not be regarded as a new tenancy, but instead and for the full Term hereof, including all extensions, the Lessee's interest in the Leased Premises shall relate back to the inception of the Prior Lease and that Memorandum of Lease recorded October 2, 1974 as Document Number 272175 in the records of the County Recorder, Latah County, Idaho.

**ARTICLE II.**  
**PREMISES**

**2.1 Legal Description of Leased Premises.** In consideration of the full and timely performance by Lessee of all the terms, conditions, covenants and provisions of this Ground Lease by it to be kept and performed, Lessor does hereby lease to Lessee, and Lessee does hereby lease from Lessor the Leased Premises. As used in this Ground Lease, the Leased Premises shall mean both (i) the land described on attached Exhibit "A" and all easements and other rights appurtenant to it, and (ii) the Shopping Center (as defined in Article VI). Notwithstanding the foregoing, the Leased Premises may be expanded under an option provision as provided in Article XV of this Ground Lease. The Leased Premises may be reduced under another option provision as provided in Article XVI of this Ground Lease.

**2.2 Term.** Lessee shall have and hold said Leased Premises for a Term commencing on the Effective Date of this Ground Lease and extending until and including June 30, 2066, (collectively the "**Term**" including Options to Extend). In no event shall the Term extend beyond June 30, 2096.

**2.3 Options to Extend.** Provided this Ground Lease is in good standing in all respects at the time of exercise and as of the start of the option term, with consideration given to the full extent of all cure periods set forth in Section 12.1 Lessee shall have the option to extend the Term of this Ground Lease with respect to the Leased Premises upon the same terms and conditions as those herein specified (subject to increases in Rent) for an additional period of ten (10) years from the end of such Term by giving Lessor written notice of Lessee's exercise of said option at least six (6) months before the end of such Term, and if Lessee gives such notice, this Ground Lease shall be so extended as to the Leased Premises automatically without execution of an extension or renewal of Ground Lease.

If Lessee has exercised the preceding option to extend, Lessee shall, provided this Ground Lease is in good standing in all respects at the time of exercise

and as of the start of the option term, with consideration given to the full extent of all cure periods set forth in Section 12.1, have the option to further extend the Term of this Ground Lease with respect to the Leased Premises upon the same terms and conditions as those herein specified (subject to increases in Rent) for two (2) additional consecutive periods of ten (10) years each from the end of the next preceding additional period, each by giving Lessor written notice of Lessee's exercise of said option at least six (6) months before the next preceding option period ends, and if Lessee gives such notice, this Ground Lease shall be so extended with respect to the Leased Premises without execution of an extension or renewal of this Ground Lease.

For purposes of this Ground Lease, any leasehold mortgage voluntarily granted by Lessee or holder of any other encumbrance voluntarily granted by Lessee shall hereinafter be referred to as a "**Leasehold Encumbrancer**". In the event a Leasehold Encumbrancer, which has notified Lessor pursuant to Section 8.2(a) has not been paid in full prior to the end of the Term of this Ground Lease, as extended, then such Leasehold Encumbrancer shall have the right to exercise in the name of the Lessee one or more of the options to extend the Term of this Ground Lease set forth in the immediately preceding paragraphs, providing that at the time of such exercise, and as of the start of the option term, with consideration to all cure periods set forth in Section 12.1 and subject to the rights of a Leasehold Encumbrancer, this Ground Lease is in good standing in all respects. Such Leasehold Encumbrancer shall have the right to exercise said option upon four (4) months written notice prior to the expiration of the Term or expiration of the option period, as the case may be. In no event shall this Section extend the Term beyond June 30, 2096.

**2.4 Lessor's Title.** As of the Effective Date of this Ground Lease, Lessor is vested with valid and merchantable fee title in the Leased Premises, and has sole and full right, power and authority to enter into this Ground Lease for the Leased Premises.

Lessor shall have the right to mortgage, hypothecate or borrow against Landlord's interest in this Ground Lease and the Leased Premises ("**Mortgage**"), which Mortgage shall be superior in title to Lessee's interests in this Ground Lease. The lender shall agree that, if no default exists under this Ground Lease: (a) Lessee will not be made a party in any action or proceeding to foreclose the Mortgage; (b) Lessee will not be evicted or removed from the Leased Premises nor will its possession or right to possession of the Leased Premises under this Ground Lease for the Term (including any and all extensions or renewals) be terminated or disturbed or in any way interfered with by any action taken by the lender to enforce any rights or remedies under the Mortgage; and (c) the lender, upon succeeding to Lessor's interest in the Leased Premises, will fully recognize this Ground Lease, with Lessee as its direct tenant under this Ground Lease for the full Term (including any and all extensions or renewals), and will be bound by and perform all of the obligations of Lessor set forth in this Ground Lease as if said person were originally named therein as the Lessor hereunder.

Lessee, at its sole cost and expense, may cause to be obtained a Preliminary Commitment for Leasehold Title Insurance Policy to be finalized and issued to Lessee herein insuring clear fee title to the Leased Premises in the Lessor and Lessor's right and authority to enter into this Ground Lease. Should the application for such Title



Insurance be denied, or should the Preliminary Title report show material defects or exceptions to Lessor's title superior to Lessee's or otherwise unacceptable to Lessee, the Lessor agrees to cooperate with Lessee to promptly cure all such defects or exceptions.

Lessee agrees that, if the interest of Lessor in the Leased Premises shall be transferred to and owned by a lender by reason of foreclosure or other proceeding brought by it under any present or future lien against Lessor's interest in the Leased Premises, or by any other manner, Lessee shall be bound to the lender under all of the terms, covenants, conditions and agreements set forth in this Ground Lease for the balance of the Term remaining (including any and all extensions or renewals) with the same force and effect as if the lender were originally named therein as the Lessor hereunder, and Lessee does hereby agree to attorn to the lender as its Lessor hereunder so as to establish direct privity of estate and contract between the lender and Lessee, said attornment to be effective and self-operative without the execution of any further instruments on the part of either of the parties hereto immediately upon the lender succeeding to the interest of Lessor in the Leased Premises.

The lender must agree that upon foreclosure of the Mortgage, the lender shall be bound by each and every term, covenant, condition and agreement contained in this Ground Lease, and each of said terms, covenants, conditions and agreements shall inure to the benefit of and be enforceable by Lessee, its successors and assigns, including, without limitation, any Leasehold Encumbrancer, its successors and assigns. The lender must agree that in the event of a conflict, whether in the express provisions or by reason of variation in inclusion of provisions, between the Mortgage and this Ground Lease, the provisions of this Ground Lease shall govern for all purposes.

**2.5 Covenant for Quiet Enjoyment.** Lessee shall have the peaceful possession and enjoyment of the Leased Premises against disturbances of any persons whatsoever as to title or possession, acting by, through or under Lessor, but not otherwise, and Lessor shall obtain prior to the funding of any Mortgage from the lender a fully executed Subordination, Nondisturbance and Attornment Agreement substantially in the form attached hereto as Exhibit "B". Lessee shall and will upon fully observing and performing all of its obligations under the terms, conditions, covenants and provisions of this Ground Lease, quietly and peaceably possess and enjoy said Leased Premises for and during said Term, as extended, unless this Ground Lease be sooner terminated under and in accordance with any of the provisions contained in this Ground Lease.

### **ARTICLE III.** **RENTS**

**3.1 Base Rent.** Lessee shall pay to Lessor as base rent for the Leased Premises the amounts set forth on attached Exhibit "C" ("**Rent**").

**3.2 Payment of Rent.** Commencing with the Effective Date, Lessee shall pay Lessor the annual Rent in equal monthly installments in advance on the first business day of each and every calendar month during the Term of this Ground Lease at such

place as Lessor may designate in writing. The annual Rents shall be in the amounts and for the periods set forth on attached Exhibit "C".

**3.3 Net Lease.** Rent payable under this Ground Lease shall be net to Lessor so as to yield to Lessor the full Rent specified in this Ground Lease during the full Term of this Ground Lease; and pursuant to the provisions of Article IV, all costs, expenses and obligations of every kind and nature whatsoever, foreseen or unforeseen, in relation to the Leased Premises shall be paid by Lessee or other third persons, provided that Lessor shall pay all obligations and liabilities it has directly incurred with respect to the Leased Premises, except those which Lessee is obligated to pay pursuant to this Ground Lease or against which Lessee has agreed to indemnify the Lessor. Lessee shall pay without notice, abatement, deduction or setoff the Rent due under this Ground Lease, and all taxes, assessments and utility charges, costs, expenses and other payments which Lessee in any of the provisions of this Ground Lease agrees or is required to pay, with all of such amounts being additional Rent under this Ground Lease (whether or not specifically denominated as such).

**3.4 Rent Adjustment.**

(a) Upon written notice to Lessor, the Lessee shall have the unilateral option in its sole discretion, to adjust the Rent in accordance with this Section 3.4 due under this Ground Lease effective as of July 1, 2036, and effective as of the beginning of any exercised renewal option to extend ("**Rent Adjustment Option**"). Within thirty (30) days after Lessor's receipt of written notice exercising Lessee's Rent Adjustment Option, Lessor and Lessee shall each appoint an independent appraiser who shall be a member of the Appraisal Institute (or substitute organization which certifies and trains appraisers), with a current and proper Idaho appraisal license, with at least three (3) years experience in appraising commercial real property in Ada, Latah, Kootenai or Bonner Counties, Idaho, or Spokane or Whitman County, Washington.

(b) The appointed appraisers shall diligently proceed to appraise the market value of the Leased Premises (exclusive of the land covered under the Reduction Option, identified in Article XVI, if that option has been exercised and inclusive of the Option Land if the Lease Expansion Option has been exercised pursuant to Article XV) as unimproved commercial land designated for its then current use as of July 1, 2036 or July 1 of any exercised renewal option term, as applicable. Furthermore, the existence of any leases on the Leased Premises (including this Ground Lease), the improvements thereon, any cost to demolish or remove the same, any default or breach of this Ground Lease by Lessee, or the existence of any unremediated Hazardous Substances (as defined in Paragraph 14.4) which Lessee is obligated to indemnify Lessor against pursuant to Paragraph 14.5, shall not be taken into consideration when determining the market value of Leased Premises. For purposes of this Paragraph 3.4, market value shall mean the amount at which Leased Premises would change hands between a willing buyer and a willing seller, neither being under a compulsion to buy or sell and both having reasonable knowledge of the relevant facts.

If the value of the two appraisals is within 10% of the lower estimate, the arithmetic average of the two appraised values will determine the market value of the Leased Premises. If the difference in value is more than ten percent (10%) of the lower estimate, and the parties cannot thereafter agree upon the market value of the Leased Premises, the two appraisers shall together appoint a similarly qualified third appraiser within twenty (20) days after written demand is made by either party. The selected third appraiser shall develop an independent opinion of value for the Leased Premises, based only in part on a review of the two prior appraisals, but also on the independent work of the third appraiser to establish the definitive and binding market value of the Leased Premises for purposes of this Paragraph 3.4. Each party agrees to pay its respective appraiser's fee plus one-half of the third appraiser's fee.

After the market value of the Leased Premises has been so established, the Rent will be set at 8.5% per annum of the land value as established pursuant to this paragraph 3.4. Rent in all subsequent five-year periods will increase 10% over the Rent in the previous period, similar to the schedule shown in the Rent Schedule shown in Exhibit "C". If Lessee elects not to exercise a Rent Adjustment Option for one period, that failure to exercise the option will not prohibit Lessee from exercising a Rent Adjustment Option for a later period.

**3.5 Rent Under Expansion Option.** If Lessee elects to exercise its Expansion Option under Article XV of this Ground Lease, the additional Rent will be determined in accordance with the provisions of Paragraph 15.4 of this Ground Lease. The Rent for the Exercise Land (as defined in Paragraph 15.2) will be construed as, added to and payable with the Rent. The additional Rent for the Exercise Land will increase by 10% every five years on the same adjustment dates as the Rent for the Leased Premises, except that, if the Lessee does not exercise the Rent Adjustment Option effective July 1, 2036, the Rent for the Exercise Land will increase by 10% in years 31-35 over the amount of Rent for the Exercise Land in years 26-30, not 25% as is the case with the Rent for the Leased Premises.

**3.6 Rent Under Reduction Option.** If Lessor elects to exercise its Reduction Option under Paragraph 16.1 of this Ground Lease, the annual Rent for the Leased Premises will be reduced by \$226,707.50 per annum on the exercise date of the Reduction Option (prorated on a per diem basis over the fiscal year of July 1 to June 30 if Lessor's Election is effective on any date other than July 1).

**For example:** If Lessor elects to exercise its reduction Option hereunder at January 31, 2008, when annual rent is \$236,018, the Net Annual Rent would be \$9,310.50, which would increase by 10% for Years 3 through 5, and thereafter in accordance with the annual escalations given in Exhibit "C". The date of the first payment of the reduced Rent would be February 1, 2008.

This reduction in the Rent will continue until June 30, 2036. If Lessee does not exercise its Rent Adjustment Option in 2036, the Rent in 2036 will revert to 84% of the amounts shown in Exhibit "C" of this Ground Lease for years 31-36, and 84% of the amounts shown in Exhibit "C" in all subsequent adjustment periods. If the Lessee exercises its Rent Adjustment Option, the Rent will be determined by the provisions of Paragraph 3.4.

#### **ARTICLE IV.** **TAXES AND UTILITIES**

**4.1 Lessee to Pay Taxes, etc.** Lessee shall pay all taxes, charges and assessments of every kind and nature which during the Term of this Ground Lease are levied, assessed or imposed upon the Leased Premises, including all installments of taxes and assessments now or hereafter levied or assessed upon said Leased Premises. Nothing in this Section 4.1 is intended nor shall it be construed to obligate Lessee to pay any of Lessor's income tax, profits tax, or similar charge. Should there be enacted during the Term of this Lease any law, statute or ordinance levying any tax (other than Federal or State income or profits taxes) upon rents or the income from real estate or rental property, or increasing any such tax, Lessee shall reimburse Lessor monthly at the same time as Rent is due for the actual amount of all such taxes paid by Lessor.

**4.2 Personal Property Taxes.** Lessee shall pay all personal property taxes levied against Lessee's personal property of any kind or nature located on the Leased Premises.

**4.3 Time of Payment of Taxes and Receipts.** Lessee shall pay all said taxes, charges and assessments due hereunder in each and every instance as the same become payable and before any fine, penalty, interest or costs under the laws from time to time in force may be added thereto for nonpayment. Lessee shall deliver to Lessor receipts (or duplicate receipts) showing the full and prompt payment of all such taxes, charges and assessments within thirty (30) days after the date the taxes, charges and assessments were due. Lessee shall not be required to pay, discharge or remove any said tax, charge or assessment, except to the extent a payment of the tax, charge or assessment is required to be paid under protest in order to contest the tax, charge or assessment, if Lessee shall satisfy the following provisions and shall proceed to contest or to protest any such tax, charge or assessment by proper administrative or legal proceeding which shall operate to prevent or stay the collection thereof and to prevent the sale of the Leased Premises or any part thereof to satisfy the same. Lessee shall, not less than five days before any said tax, charge or assessment shall become delinquent, give notice to Lessor of Lessee's intention to contest or to protest the same and shall indemnify Lessor against any loss, costs, charge or expense resulting from Lessee's failure to make full payment of said tax, charge or assessment being protested or contested, upon a final decision or award. Lessor does hereby authorize Lessee to undertake such contest, and Lessor shall not oppose Lessee's efforts. Lessee shall prosecute the protest or contest diligently and in good faith until a final decision or award is rendered, and shall promptly pay the amount, if any, required to be paid by the final decision or award. Any such contest or protest may be brought in the name of

Lessee; provided, however, that if any such proceeding be brought by Lessee, Lessee does hereby indemnify and agrees to save Lessor harmless against any and all loss, costs or expenses which may be imposed upon or incurred by Lessor in connection with the protest or contest, including, without limitation, reasonable attorneys' fees and expenses.

**4.4 Lessee to Pay for Utilities.** Lessee shall fully and promptly pay or cause to be paid all utility charges for all services furnished to or upon said Leased Premises during the full Term of this Ground Lease, including, without limitation, water, gas, electricity, sewage disposal and telephone, and shall pay or cause to be paid all installations, connection and hook-up charges for said services.

## **ARTICLE V.** **RETAIL SHOPPING CENTER USES**

**5.1 Retail Use.** Lessee agrees that it will operate the Leased Premises as a retail shopping center, and Lessee agrees that its business therein is and shall remain retail in character and similar with the tenant mix of retail, theater, office, service and professional tenants found at shopping centers in Idaho, Washington, Oregon, and Montana ("**Retail Centers**"). Notwithstanding the generality of the foregoing, it is specifically acknowledged and agreed that the portion of the Leased Premises presently comprising the space leased to the University Inn and Theaters shall be regarded as an acceptable use by the Lessor, including any normal maturation of such use, such as for convention center or expanded hospitality services.

**5.2 Permitted Office Use.** Notwithstanding anything to the contrary contained herein, professional and office uses shall be permitted within the Leased Premises including, but not limited to, a shopping center management office, professional offices, and office use typically found in Retail Centers, such as travel agencies, real estate brokers, financial institutions, title companies, insurance agencies and medical and/or dental clinics ("**Office Use**"), provided that such Office Use does not exceed in the aggregate, twenty percent (20.00%) of the total leasable floor area of the Leased Premises (excluding that space presently comprising the University Inn and Theaters).

**5.3 Compliance with all Laws.** The Leased Premises are being leased under this Ground Lease so that Lessee may operate the Shopping Center and related free-standing buildings located on the Leased Premises, including that presently leased to the University Inn, as the Palouse Mall. Lessee may use the Leased Premises or any portion thereof for any use or purpose not in violation of this Ground Lease, or of any law, regulation or ordinance of the United States, State of Idaho, or any political or governmental subdivision thereof. Lessee shall comply fully with all covenants, restrictions, laws, ordinances, rules and regulations applicable to the Leased Premises.

**5.4 Prohibited Uses.** The parties agree that the Leased Premises is to be operated as a vibrant retail center. To that end, it is further agreed that there are certain types of activities that detract from what would be regarded as proper for such a retail center, and the parties do hereby wish by this Section to identify such activities as

prohibited uses. Accordingly, notwithstanding the otherwise retail character of such use, the Lessee shall not after the Effective Date hereof sublease all or any portion of the Leased Premises to any subtenant or use or permit the Leased Premises to be used for any of the following:

(a) Predominantly as catering to 'adults only' activities, such as an adult book or adult video store; a store selling erotic or sex toys; a strip club; or other establishment with nude entertainers. For purposes of this Paragraph 5.4(a), the Term "predominantly" is intended to focus and be relative to such subtenant's primary business orientation, advertising and product that is regarded as offensive to the greater Moscow, Idaho community, but in no event composing more than one of the following: (i) five percent (5%) of such subtenant's gross receipts from sales at, shipped from or advertised in conjunction with the Leased Premises in any calendar year, or (ii) greater than five percent (5%) of its inventory by wholesale value, or (iii) greater than five percent (5%) of its square footage. For purposes of this Paragraph 5.4(a), an "adult book" or "adult video" is one which can only be sold in the state of Idaho to persons over 18 years of age.

(b) Predominantly for use as a training or educational facility for programs then offered by the University of Idaho. The foregoing sentence shall not prohibit the occasional "how to" or otherwise instructional demonstration offered without charge in order to promote the sale of retail goods sold from the Leased Premises. For purposes of this Paragraph 5.4(b), the phrase "training or educational facility" shall include, without limitation, a beauty school, barber college, reading room, place of instruction or any other operation catering predominantly to students or trainees as opposed to customers. For purposes of this Paragraph 5.4(b), the term "predominantly" shall mean greater than thirty percent (30%) of the facility's gross receipts at, shipped from or advertised in conjunction with the Leased Premises in any calendar month are from tuition (or similar fees) charged to the students or trainees.

(c) For the renting, leasing or selling of or displaying for the purpose of renting, leasing or selling any boat, motor vehicle or trailer. The foregoing sentence shall not prohibit a boat, motor vehicle or trailer show (during which time a boat motor vehicle or trailer may be rented, leased or sold) which is located on the Leased Premises for seven (7) or fewer days in any calendar month period.

(d) For the warehousing or storage of properties to other than the subtenants of the Leased Premises or for the holding of equipment and sundry used for the operation of the Shopping Center.

(e) For a use featuring a vehicle drive up or drive through customer service the location, parking or drive lanes of such would conflict with or adversely affect contiguous properties to the Leased Premises.

(f) For industrial purposes.

**5.5 Suitability.** Lessee and Lessor acknowledge that representations or warranties regarding or relating to the Leased Premises may have been made in the past. Notwithstanding those past representations or warranties, Lessor and Lessee acknowledge and agree that all representations and warranties, oral or written, with regard or relating to the Leased Premises are set forth in this Ground Lease, and that no other representation or warranty with respect or relating to the Leased Premises, including, without limitation, with respect to the suitability of the Leased Premises for the conduct of Lessee's business, with respect to the permitted uses of the Leased Premises, or with respect to any zoning restrictions or limitation on the Leased Premises, shall be binding upon Lessor or Lessee. Lessor has not agreed to undertake any modification, alteration or improvement to the Leased Premises. To the best of Lessee's knowledge, the Leased Premises are at the Effective Date in satisfactory condition.

## **ARTICLE VI.** **REPAIRS; ALTERATIONS, MAINTENANCE AND IMPROVEMENTS**

**6.1 Shopping Center.** As used in this Ground Lease, the term "**Shopping Center**" shall mean all buildings, structures and other improvements on the Leased Premises including, without limitation, all boilers, elevators, escalators, equipment, fixtures, parking lots, landscaping, walkways, passageways, alleys, signs and common areas, as the same now exist or as the same may be subsequently expanded, remodeled and replaced, and for the Term hereof the same shall be construed as owned by and the vested property of the Lessee.

**6.2 Lessor's Consent.** Nothing in this Ground Lease shall be construed as (i) Lessor's appointment of Lessee as Lessor's agent to contract for or perform any construction on the Leased Premises, or (ii) requiring the Lessee to obtain Lessor's consent to any construction on the Leased Premises as long as the use to which the constructed improvements are to be placed is permitted under this Ground Lease.

**6.3 Lessee May Enlarge, etc.** So long as the permitted use of the Leased Premises is not changed, Lessee at any time or times during the Term of this Ground Lease, at its sole expense, may (i) expand the Shopping Center, (ii) construct additional related buildings or structures on the Leased Premises for use by Subtenants or for support of the Shopping Center and shall, in either instance, be deemed a part of the Shopping Center, or (iii) remodel any of the same.

**6.4 Delivery at Termination.** Lessee covenants and agrees that at the termination of this Ground Lease, by expiration of its Term or upon its earlier termination, that it will deliver possession of the Leased Premises to Lessor. Lessee covenants and agrees that at the termination of this Ground Lease, by expiration of its Term or upon its earlier termination, that it will deliver valid and merchantable title to the Shopping Center to Lessor, free and clear of any leases, subleases, and any encumbrances, liens or restrictions created by or arising from Lessee.



**6.5 Obsolete or Destroyed Shopping Center.** In the event that, during the Term of this Ground Lease, the Shopping Center or any portion of the Shopping Center becomes functionally, economically or physically obsolete or has been subjected to such ordinary wear and tear as to make it advisable to demolish and replace it, and Lessee decides to construct a replacement Shopping Center or such other buildings, structures or improvements consistent with the use for the Leased Premises, Lessee shall have the right, but not the obligation, upon all of the following conditions being first met, to so rebuild or replace:

- (a) Lessee shall give Lessor notice of the intended demolition and rebuilding not less than six months prior to the commencement thereof.
- (b) Lessee shall not, at the time of such notice or prior to the commencement of construction, be in default under this Ground Lease or to any Leasehold Encumbrancer.
- (c) In such rebuilding, Lessee shall complete such work in a good workmanlike manner.
- (d) There shall be no abatement of Rent or any other amount payable under this Ground Lease during the period of demolition and rebuilding.
- (e) Lessee shall have the right to retain or dispose of all salvage in its sole discretion.
- (f) Any rebuilding shall be commenced not later than one year following the commencement of demolition and shall be completed not more than eighteen (18) months following the commencement of construction.
- (g) The rebuilt structure or structures shall have a value at least equal to the value of any structure or structures that were demolished.

**6.6 Maintenance.** Lessee, at Lessee's sole cost and expense, shall at all times maintain the Leased Premises and Shopping Center in a commercial reasonably clean condition and repair, and in conformity with all applicable government regulations and shall save the Shopping Center from waste, reasonable wear and tear excepted. Not in limitation of the foregoing, the Lessee shall:

- (a) maintain, repair and replace, when necessary all traffic directional signs, markers and lines;
- (b) perform all landscaping, irrigation, maintenance, design, care, drainage, planting construction and development obligations applicable to the Buffer, as such term and such obligations are defined and established in that certain Agreement regarding Palouse Mall Buffering as a condition of Zoning District Change From Agriculture/Forestry (AF) Zoning District to Motor Business (MB) Zoning District by and between Lessor, Lessee and the City of Moscow, Idaho; and

(c) maintain, repair and replace, when necessary, all storm drains, detention and drainage facilities, sewers and other utility lines and facilities not dedicated to the public or conveyed, operated or maintained by any public or private utility when such are necessary for the protection of the buildings and improvements located on the Shopping Center or for the protection of lands contiguous to the Leased Premises.

## **ARTICLE VII.** **INSURANCE, RESTORATION** **AND INDEMNIFICATION**

**7.1 General Liability Insurance and Commercial Auto Insurance.** At all times during the Term of this Ground Lease, Lessee, at its sole expense, shall maintain in full force and effect commercial general liability insurance in the amount of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate for bodily or personal injury or death to persons and damage to property for acts occurring within or on the Leased Premises. Aggregate limit shall apply separately to the Leased Premises and shall not be less than \$2,000,000. With respect to claims arising from within or on the Leased Premises and except to the extent that any such claim arises out of Lessor's acts or omissions, the commercial general liability ("CGL") insurance policy or policies shall be primary and noncontributing with any insurance maintained by Lessor. CGL insurance shall be written on standard ISO occurrence form (or a substitute providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract including the tort liability of another assumed in a business contract. Lessee shall maintain, as appropriate, Commercial Auto insurance with a Combined Single Limit of \$1,000,000; Underinsured and Uninsured Motorists limit of \$1,000,000; Comprehensive; Collision; and a Medical Payments limit of \$10,000. Coverage shall include Non-Owned and Hired Car coverage. Lessee shall further provide in each of its contracts for services that its subcontractor(s) shall keep and maintain, as applicable, the insurance described in this Section 7.1.

**7.2 Property Insurance.** At all times during the Term of this Ground Lease, Lessee, at its sole expense, shall maintain in full force and effect special form insurance, including demolition and increased cost of construction coverage, in the amount of not less than 100% of the full replacement cost of the Shopping Center except for standard exclusions from coverage, such as for the value of excavations, underground utilities, foundations and footings, and exclusive of Subtenants' fixtures, furnishings and equipment. The Shopping Center replacement cost shall be revalued annually, and, if required, the special form insurance shall be adjusted so that 100% of the full replacement cost of the Shopping Center is the base coverage.

In case of a loss or damage not subject to Section 7.11 from any of the hazards covered by insurance, any and all proceeds of such insurance shall be made payable to Lessee and any Leasehold Encumbrancer. The Lessee shall disburse the insurance proceeds to the full extent required to repair, restore or rebuild the Shopping Center to

at least as good a condition as existed before such loss or damage. The Lessee shall use the proceeds only in a manner so as to assure no construction lien will be filed against all or any part of the Leased Premises. Any such repairing, restoring or rebuilding shall be done in a good workmanlike manner. Except as otherwise provided in Section 7.11, if the costs to repair, restore or rebuild the Shopping Center as required by this Section 7.2 exceed the net amount of the insurance policy proceeds, Lessee shall nevertheless be required to repair, restore or rebuild utilizing its own funds. Lessee shall make the first payments for such repair, restoration or rebuilding, and the insurance proceeds shall be applied toward the last payments due for such repair, restoration or rebuilding. If the net amount of the insurance policy proceeds exceeds the costs to repair, restore or rebuild the Shopping Center as required by this Section 7.2, and Lessee rebuilds according to Section 7.2, the Lessee may retain such excess.

**7.3 Rental Insurance and Workers Compensation Insurance.** Lessee, at its sole discretion and expense, shall maintain Business Income Coverage in an amount sufficient to meet all of its obligations associated with leasing and operating the Leased Premises for a period of six (6) months from the date of any casualty or loss covered by the special form insurance, including, but not limited to, obligations to pay the base rent and the additional rent under this Ground Lease and to pay the principal and interest due on any leasehold mortgage. Lessee shall further, at all times during the term hereof and at its own cost and expense procure and continue in force workmen's compensation insurance as required by law on non-exempt employees and further provide in each of its contracts for services that such subcontractor shall keep and maintain such workman's compensation insurance coverage for itself and each of its subcontractors. Coverage shall include Worker's Compensation at statutory limits, and Employers Liability at a limit of not less than \$100,000 each accident, \$500,000 policy limit and \$100,000 each employee.

**7.4 Umbrella/Excess Coverage.** In addition to the other insurance required in this Ground Lease, Lessee shall at all times maintain in full force and effect either an excess umbrella policy providing insurance in excess of the limits specified in this Ground Lease for liability risks and name Lessor as a named insured. The limits of the excess or umbrella policy shall be in such amounts as are commercially reasonable from time to time, but in no event less than a combined single limit of \$5,000,000. Lessor shall have the right to require Lessee to increase the limits of insurance set forth in this Article VII as may be commercially reasonable and consistent with similarly situated retail centers in Idaho.

**7.5 Blanket Coverage.** The insurance coverages required by this Article VII may be provided under Lessee's blanket policies, provided all such coverages expressly afford coverage to the Leased Premises and to Lessee and shall meet the requirements of this Article VII.

**7.6 Insurance Policies - Mortgage Clause.** During the existence of any interest by a Leasehold Encumbrancer, Lessee shall have the right to have any or all of the insurance policies required to be taken out in accordance with this Ground Lease endorsed to include the Leasehold Encumbrancer under the leasehold mortgage as an

additional insured and loss payee, as its interests may appear, subject to the other terms of this Ground Lease.

**7.7 Damage to Building Not to Terminate Lease.** Except as otherwise provided in Section 7.11, should all or any part of the Leased Premises be damaged or destroyed by any cause, such damage or destruction shall neither effect a cancellation of this Ground Lease, nor effect any reduction or abatement of Rent, or other amounts due to Lessor under this Ground Lease, nor release Lessee from liability for the full performance of all of the covenants of this Ground Lease.

**7.8 Rebuilding after Destruction.** Except as otherwise provided in Section 7.11, if a part of the Leased Premises shall be damaged or destroyed by fire or other casualty, whether or not covered by the insurance policies required by this Ground Lease and whether or not the insurance proceeds are sufficient fully to repair, restore and rebuild the Leased Premises, Lessee, as soon as practical after the date of such injury or destruction, shall commence to repair, restore or rebuild the Leased Premises to their condition prior to the injury or destruction, and shall complete the repair, restoration and rebuilding as rapidly as possible, but in any event not later than eighteen (18) months after such injury or destruction. All such repair, restoration and rebuilding shall be done in a good workmanlike manner.

**7.9 Termination for Failure to Rebuild.** Except as otherwise provided in Section 7.11, if Lessee shall not commence to repair, restore or rebuild the Leased Premises injured or destroyed as soon as practical and complete the same as provided in Section 7.8, and subject to additional time provided to the Leasehold Encumbrancer pursuant to 8.2(b), if any Leasehold Encumbrancer shall refuse or fail to do so in conformity with this Ground Lease, then Lessor may, but shall not be required to, proceed in the manner provided in Article XII, and any and all proceeds of the insurance policies shall be used as provided in Section 7.2.

**7.10 Additional Insurance Requirements.** All insurance policies Lessee is required to obtain pursuant to this Article VII shall be issued only by responsible insurers, properly licensed and admitted in the State of Idaho, which insurers have sufficient financial reserves to cover the risks for the amounts of insurance required by this Article VII. An insurance company shall be deemed to be responsible under this Section 7.10 if it has a rating of A-VII or better, by A.M. Best. Lessee shall cause to be issued to Lessor upon request, and in any event at least annually, appropriate certificates of insurance evidencing Lessee's compliance with the terms of this Article VII. If the forms of policies, endorsements, certificates or evidence of insurance required by this Article VII are superseded or no longer available, Lessor will have the right to require other equivalent or better forms. The limits of such insurance shall not limit the liability of Lessee. All insurance policies Lessee obtains as required in this Article VII shall include the following:

- (a) a provision or endorsement that the policy or policies will not be cancelled or reduced in amounts or coverages without at least thirty (30) days prior written notice by the insurer to Lessor and any Leasehold Encumbrancer;

(b) except for Workers Compensation and Employer's Liability, the policy or policies shall name the Lessor and any Leasehold Encumbrancer as an additional insureds and/or loss payees, as appropriate;

(c) the policy or policies shall provide that an act or omission of one of the insureds or additional insureds which would void or otherwise reduce coverage shall not reduce or void the coverage as to the other insureds or additional insureds;

(d) the policy or policies shall contain waivers of subrogation; and

(e) the policy or policies shall contain a "severability of interest" or "separation of insureds" clause.

Failure of Lessor to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Lessor to identify a deficiency from evidence that is provided shall not be construed as a waiver of Lessee's obligation to maintain such insurance. Failure to maintain the required insurance shall be deemed a material default of this Ground Lease subject to notice and opportunity to cure as set forth in this Ground Lease. By requiring insurance herein, Lessor does not represent that coverage and limits will necessarily be adequate to protect Lessor, and such coverage and limits shall not be deemed as a limitation on Lessee's liability under the indemnities granted to Lessor in this Ground Lease.

#### **7.11 Substantial Damage or Destruction.**

(a) Notwithstanding the preceding provisions of this Article VII, if during the Term of this Ground Lease, the Shopping Center shall be substantially damaged or destroyed by fire or other casualty and if Lessee, in its sole discretion, determines it is economically unfeasible to repair, restore or rebuild the Shopping Center, or at the time of the casualty the Shopping Center is economically or functionally obsolete, then Lessee may do either of the following:

(i) Terminate this Ground Lease, after having demolished and removed from the Leased Premises any detritus remaining from the Shopping Center, graded the damaged portion of the Leased Premises to the level of the adjoining property and in such a manner as not to adversely affect the drainage of the Shopping Center or any portion thereof, and cover the area with a one inch asphalt dust cap ("**Remediation**"). Should Lessee exercise this option (i), any insurance proceeds shall first be applied towards the cost of demolition, removal, grading and capping with any remaining proceeds to be first paid to discharge any Leasehold Encumbrancer, with any remainder escrowed until Lessor accepts in writing the Remediation, and then paid to the Lessor; or

(ii) Replace the Shopping Center with an improvement other than one that is substantially in the condition of the Shopping Center at the

time of such substantial damage or destruction, so long as such improvement meets the uses for the Leased Premises, and has a leasable square footage of at least eighty percent (80%) of the leasable square footage of the Shopping Center being replaced. Should Lessee exercise this option (ii), any insurance proceeds shall first be applied towards the cost of designing and constructing the improvement, with any remaining proceeds to be paid to Lessee. All design and construction shall be done in a good workmanlike manner.

Lessee shall notify Lessor of its election under either (i) or (ii) by written notice to Lessor within ninety (90) days of the substantial damage or destruction. If Lessee fails to give any notice within the ninety (90) day period, then this Section 7.11 shall not apply, and Lessee shall proceed to fulfill its obligations under the other provisions of this Article VII.

(b) If the Shopping Center shall be substantially damaged or destroyed by fire or other casualty within the last ten (10) years of the then current Term of this Ground Lease, as extended, notwithstanding the continued economic feasibility of a Shopping Center, the Lessee may proceed in its sole discretion, pursuant to Section 7.11(a)(i) by notice to Lessor given within ninety (90) days of the substantial damage or destruction, to terminate this Ground Lease and all insurance proceeds shall first be paid to any Leasehold Encumbrancer and the balance to Lessor.

(c) The terms "substantially damaged or destroyed" or "substantial damage or destruction" as used in this Article VII, shall mean that the Shopping Center or a portion thereof has been damaged or destroyed to the extent that the cost of restoration of the Shopping Center will exceed twenty-five percent (25%) of the total replacement cost of the Shopping Center.

**7.12 Inspection.** During the Term of this Ground Lease, upon forty-eight (48) hours prior written notice, Lessee shall permit Lessor at all times to enter upon and for the purposes of inspection of the Leased Premises and the Shopping Center, subject only to the limitations resulting from the rights of Subtenants.

**7.13 Indemnification by Lessee.** Lessee agrees to protect, defend, indemnify and save harmless Lessor against and from any and all claims by or on behalf of any person, firm, corporation or governmental authority arising from the occupation, use, possession, conduct or management of or from any work or thing whatsoever done in and on the Leased Premises. Lessee shall further protect, defend, indemnify and save Lessor harmless against and from any and all claims arising from any condition on, within or about the Leased Premises constructed by Lessee, its predecessor, any Subtenants or other third persons upon the Leased Premises or adjoining the Leased Premises which are under the control of Lessee after the date of this Ground Lease and until the expiration of the Term of this Ground Lease; or arising from any breach or default on the part of Lessee in the performance of any covenant or agreement on the part of Lessee to be performed pursuant to the terms of this Ground Lease; or arising from any act or negligence of Lessee, or any of its agents, contractors, servants,

employees, invitees, licensees or Subtenants; or arising from any accident, injury or damages whatsoever caused to any person, firm or corporation, including any subtenant or Lessee, in or about the Leased Premises occurring after the date of this Ground Lease and until the expiration of the Term of this Ground Lease; and from and against all costs, expenses and liabilities incurred in connection with any such claim, action or proceeding brought thereon including, without limitation, reasonable attorneys' fees and costs. Lessor shall promptly notify the University of Idaho, Attn: Risk Management Officer, P.O. Box 443162, Moscow, Idaho 83844-3162, of any such claim of which it has knowledge and shall cooperate fully with the University of Idaho or its representatives in the defense of the same.

**7.14 Non-liability of Lessor.** Excluding liability arising out of Lessor's acts or omissions, which are subject to any applicable limits of liability specified in Idaho Code § 6-901 through 6-929, known as the Idaho Tort Claims Act, Lessee further covenants and agrees that Lessor shall not be responsible or liable to Lessee, or any person, firm or corporation claiming by, through or under Lessee for or by reason of any defect in or on the Leased Premises or the Shopping Center and Lessee agrees to protect, defend, indemnify, and save harmless Lessor against such claims, costs, expenses and liabilities, including, without limitation, reasonable attorneys' fees and costs, incurred in connection with any such defect or claim from any person, firm or corporation claiming by, through or under Lessee for or by reason of any such defect.

## **ARTICLE VIII.** **LEASEHOLD MORTGAGES**

**8.1 Mortgage of Leasehold Estate.** Without the consent of the Lessor, the Lessee shall have the right at any time and from time to time to convey or encumber by mortgage, deed of trust, or other encumbrance in the nature thereof, as security for any bona fide debt, its interest in this Ground Lease and its interest in the Leased Premises, including any improvements thereon, created under this Ground Lease. The holder of any such mortgage, deed of trust, or other encumbrance in the nature thereof, is sometimes referred to in this Ground Lease as the "**leasehold mortgagee**" or as set forth in Section 2.3 and subject to the additional requirements therein, "**Leasehold Encumbrancer**". Such mortgage, deed of trust, or other encumbrance shall, however, be a leasehold mortgage only, it being acknowledged and agreed that Lessee has no right to mortgage or encumber the fee title to the Leased Premises.

Upon request of any Leasehold Encumbrancer at any time, the Lessor and Lessee will each furnish within twenty (20) calendar days to such Leasehold Encumbrancer a certificate to the effect that this Ground Lease is in full force and effect and that neither party is in default in the performance of any provision hereof.

So long as any encumbrance described in this Paragraph shall remain in force, this Ground Lease may not be modified or voluntarily terminated by Lessor and Lessee without the prior written permission of the Leasehold Encumbrancer.

Without the consent of the Lessor, any such Leasehold Encumbrancer may assign or transfer its interest in this Ground Lease to any assignee or nominee who may



hold and exercise all rights of the Leasehold Encumbrancer upon any foreclosure of this mortgage, and such assignment shall thereafter relieve the Leasehold Encumbrancer or similar encumbrancer from liability for further obligations under the provisions of this Ground Lease.

Lessor and Lessee agree to make such changes or amendments in this Ground Lease as may reasonably be requested by any Leasehold Encumbrancer, so long as the economic issues contained herein are not materially altered as between the Lessor and Lessee.

## **8.2 Notice to and curing of Default by Encumbrance Holder.**

(a) Should any Leasehold Encumbrancer furnish the Lessor with a copy of the instrument encumbering Lessee's interest in this Ground Lease and explicitly requests any notice given under this Ground Lease be delivered to the Leasehold Encumbrancer, so long as such encumbrance shall continue in force, Lessor thereafter shall mail, by registered or certified mail, to such Leasehold Encumbrancer, at the same time as notice is given to Lessee, a duplicate copy of any notice which Lessor may from time to time give to or serve upon Lessee under or pursuant to the terms and provisions of this Ground Lease. Such Leasehold Encumbrancer shall advise Lessor in writing of its proper mailing address and any change thereof.

(b) So long as any mortgage or deed of trust shall continue in force, the Leasehold Encumbrancer may at its option, within sixty (60) days after expiration of the time provided in this Ground Lease within which Lessee may cure such default, make any payment or commence and proceed diligently to do any other act or thing required of Lessee by the terms of this Ground Lease or which may be necessary and proper to be done in the observance of the covenants and conditions of this Ground Lease, and all payments so made and all things so done and performed by any such Leasehold Encumbrancer shall cure any default and prevent a forfeiture of the rights of such Leasehold Encumbrancer (having cured the default of Lessee) under the terms of this Ground Lease. Any such mortgage or deed of trust may be so conditioned as to provide that as between the Leasehold Encumbrancer and Lessee, said Leasehold Encumbrancer, on curing such default or defaults, shall be subrogated to any or all of the rights of the Lessee under the terms and provisions of this Ground Lease. The Leasehold Encumbrancer, upon acquisition of Lessee's interest in the Ground Lease and cure of Lessee's defaults may request the Lessor to execute a new Ground Lease in substantially the same form as the existing Ground Lease as a replacement Ground Lease all as provided in Section 10.3(b)(i) for the remainder of the Term. The Leasehold Encumbrancer, upon acquisition of the Lessee's interest in this Ground Lease, shall assume and be obligated to perform all terms and provisions of this Ground Lease and shall continue to be so obligated so long as such Leasehold Encumbrancer shall remain owner of the leasehold estate; but its liability is limited to the extent of its interest in the leasehold estate, and provided however, that in such circumstance the Leasehold Encumbrancer shall not be required to comply with the prior

consent requirements of Section 10.1, and that upon the sale or assignment by the Leasehold Encumbrancer of the leasehold estate to a bona fide purchaser, and the assumption of the terms of this Ground Lease by said purchaser or assignee in writing, a copy of which shall be furnished to Lessor, the Leasehold Encumbrancer shall be released of all personal liability accruing hereunder from and after the date of such sale.

### **8.3 Effect of Lessor's Cure of Lessee's Default; Effect of Mortgage Assignment to Lessor.**

(a) In the event that Lessor shall, on behalf of or for the account of Lessee, cure any default which shall exist under a leasehold mortgage, such cure shall not automatically cure the default existing under this Ground Lease which shall exist by virtue of the leasehold mortgage default; and said default existing under this Ground Lease shall only be cured at such time as Lessee shall pay to Lessor all costs and expenses incurred by Lessor to cure the leasehold mortgage default, including, without limitation, all reasonable attorneys' fees.

(b) Neither the assignment to Lessor of the mortgagee's interest under a leasehold mortgage nor the subrogation of Lessor to the mortgagee's rights (either by statutory procedure or otherwise) shall merge said mortgagee's interest into the fee estate, or otherwise affect the validity of the leasehold mortgage, until the same be satisfied or discharged by Lessor (or other party holding both the mortgagee's and the fee interest); and upon such assignment, Lessor shall be subrogated to all of the mortgagee's rights against Lessee.

## **ARTICLE IX.**

### **LESSOR'S RIGHT TO CURE LESSEE'S DEFAULT**

**9.1 Lessor May Cure Lessee's Default.** In the event Lessee shall fail or neglect at the times and as provided in this Ground Lease to pay any tax, charge or assessment against the Leased Premises or any fine, penalty or interest thereon, or to pay any judgment or lien against the Leased Premises for labor or material furnished to the Leased Premises, or to provide and pay for any insurance, or to pay any amounts due a Leasehold Encumbrancer, or to make any other payment which it is the obligation of Lessee to pay under the terms of this Ground Lease, when due and payable, and not later than ten (10) days following notice from Lessor to Lessee and to any Leasehold Encumbrancer that any said payment is due (except that no such notice shall be required with respect to Lessee's failure to pay for any insurance required by this Ground Lease), then in addition to all other remedies provided by this Ground Lease or as now or hereafter provided by law, Lessor may, at its option, and subject to the limitations contained in this Ground Lease with respect to protests and contests of taxes and liens, pay any such judgment, tax, charge or assessment, procure such insurance and pay the premiums therefore, and pay any other amount required by this Ground Lease to be paid by Lessee. The amount or amounts so paid together with interest thereon at the Applicable Rate, as defined in Section 9.2, from the date of Lessor's payment until repaid, shall thereupon be immediately due and payable by Lessee to

Lessor, as additional rent under this Ground Lease. The amounts paid by Lessor to cure or obtain or seek enforcement of the cure of any default in a leasehold mortgage, and all costs and expenses incurred by Lessor in connection with said cure, including reasonable attorneys' fees and costs and interest thereon at the Applicable Rate, as defined in Section 9.2, from the date of Lessor's payment until repaid, shall be immediately due and payable by Lessee to Lessor, as additional rent under this Ground Lease.

**9.2 Lessor's Advances to Bear Interest.** Lessee will pay to Lessor interest at the Applicable Rate on every payment of every kind which Lessee is obligated to pay to Lessor under the terms of this Ground Lease from the date when such payment shall become due and payable until the same is paid. The "**Applicable Rate**" shall equal 2% plus the prime rate of interest as published in the "Money Rates" section of The Wall Street Journal for the day upon which such payment became due or the next business day if the day upon which such payment becomes due is not a business day.

## **ARTICLE X.** **ASSIGNMENT AND SUBLETTING**

**10.1 Assignment.** Except as otherwise provided in Article VIII, which gives the Leasehold Encumbrancer the right to freely assign its interest in the Ground Lease, Lessee shall not assign, voluntarily or involuntarily, whether by merger, consolidation, dissolution, operation of law, or any other manner, this Ground Lease without Lessor's prior written consent, which consent may not be unreasonably withheld, delayed or conditioned, provided that each of the following conditions are satisfied: (i) Lessee shall not be in default under any of the terms and conditions of this Ground Lease at the time of the proposed assignment; (ii) the assignee shall occupy the Leased Property and conduct its business therein in accordance with Shopping Center's Uses as set forth in Article V above; (iii) the net worth of the proposed assignee as of the date of such assignment and after giving consideration to the financial affect of the assignment, will be equal to or exceed five (5) times the aggregate of the prior sixty (60) months rent paid by Lessee to Lessor hereunder [**for example: if the purchase price for assignment of the Ground Lease and Shopping Center is \$30,000,000, and five times the aggregate of 60 months' rent is \$5,000,000, and such assignee obtains financing at 70% of the purchase price, the resulting \$9,000,000 of net worth will exceed the net worth required hereunder by \$4,000,000**]; (iv) substantial experience in the operation of shopping centers like the Shopping Center; (v) the use of the Leased Premises by the proposed assignee will not violate or create any potential violation of any laws; (vi) Lessee shall provide to Lessor an executed counterpart of such proposed assignment and any pertinent information requested by Lessor concerning the proposed assignee, (hereinafter referred to as "**Transferee**"), including current, financial statements, (including statements of cash flow and notes to financial statements), of the Transferee(prepared or reviewed by a certified accountant)( for the three (3) most current fiscal years with additional updated statements covering the most recent months), and (vii) that the Transferee will assume at Closing all of Lessee's obligations under this Ground Lease and will agree to perform and observe all the terms, covenants and conditions in this Ground Lease on Lessee's part to be performed.

Requirement (iv) of the preceding sentence may be satisfied by the existence at the time of request for consent to sale, assignment, conveyance or transfer of a binding and enforceable written agreement of reasonable duration under which a party having such substantial experience shall operate the Leased Premises on behalf of the proposed assignee, provided Lessor shall be furnished with a copy of the executed agreement. Unless Lessor shall expressly object to such assignment in writing within forty-five (45) days after receipt by Lessor of notice of the forgoing assignment and pertinent information, which notice contains an express statement that if an express objection is not made within forty-five (45) days after receipt Lessor's consent shall be deemed given, Lessor's consent to such assignment, transfer or conveyance shall automatically be deemed to have been given by Lessor, and the Transferee shall become the Lessee herein upon such assignment. Notwithstanding any assignment, Lessee shall continue to be bound and obligated by the terms, conditions, covenants and provisions of this Ground Lease until the assignee shall execute and deliver to Lessor an instrument by the terms and provisions of which such assignee shall assume and agree to be bound by and to perform all of the terms, conditions, covenants and obligations of the Lessee under this Ground Lease. Upon the execution and delivery of such instrument, the Lessee shall be relieved and discharged of and from all obligations under this Ground Lease accruing from and after the date of execution of the instrument. Unless otherwise assumed by the assignee and such assumption is enforceable by Lessor, no assignment of this Ground Lease shall release, waive or discharge Lessee from any liability or obligation arising from or accruing prior to the date any assignee assumes and agrees to be bound by and to perform all of the terms, conditions, covenants and obligations of the Lessee under this Ground Lease. Lessor's consent to one assignment shall not waive Lessee's obligation to obtain Lessor's consent or Lessor's right to object to any future assignment. In the event Lessee shall request Lessor's consent to an assignment of this Ground Lease, Lessee shall pay to Lessor an administrative fee of One Thousand Dollars (\$1,000.00) (increased over time according to the schedule and rate for percentage increases for Rent set forth on Exhibit "C"), which shall be due and payable regardless of whether such proposed assignment is consummated by Lessee.

**10.2 Sublease.** Lessee shall not sublease all or any portion of the Leased Premises except with the Lessor's consent, which consent shall not be withheld upon the prior satisfaction of the following:

- (a) If the sublease is in a standard form of sublease approved between the parties, and such sublease otherwise complies with this Ground Lease, then, in that event, the Lessee shall provide Lessor with ten (10) business days written notice of the subtenancy ("**Notice of Subtenancy**"), including the subtenants trade name, description of the subtenant's business within the portion of the Shopping Center and the merchandise to be sold or service provided, together with a full and complete copy of the sublease agreement. The failure of the Lessor to provide written notice to the Lessee of an objection to the sublease within ten (10) business days of said Notice of Subtenancy shall automatically be deemed as a Lessor's consent to such subtenancy provided that the Notice of Subtenancy included an express statement that if an objection to the sublease is

not made within ten (10) business days of said Notice of Subtenancy, Lessor's consent to the subtenancy shall automatically be deemed given;

(b) If the sublease contains provisions that are materially different than the standard form sublease approved between the parties, then, in that event, the Lessee shall provide Lessor with twenty (20) business days written notice of the subtenancy ("**Notice of Subtenancy**"), including the subtenants trade name, description of the subtenant's business within the portion of the Shopping Center and the merchandise to be sold or service provided, together with a full and complete copy of the sublease agreement. The failure of Lessor to provide written notice to the Lessee of an objection to the sublease within twenty (20) business days of said Notice of Subtenancy shall automatically be deemed as a Lessor's consent to such subtenancy provided that the Notice of Subtenancy included an express statement that if an objection to the sublease is not made within twenty (20) business days of said Notice of Subtenancy, Lessor's consent of the subtenancy shall automatically be deemed given;

(c) Lessor's consent may only be withheld based solely upon reasonable objections to the subtenant's intended use and the failure of such sublease to contain the provisions and prohibitions as contained in Subparagraph 10.2(d) below.

(d) Notwithstanding Lessor's consent to the sublease, every sublease of the Leased Premises shall have the following provisions: (i) that the subtenant shall possess and occupy the subleased premises and conduct its business therein in accordance with this Ground Lease; (ii) a fair market rent; (iii) provides for commercially standard terms, reasonably consistent with that of the other subtenants; (iv) no obligation of Lessor to indemnify, defend or hold harmless the sublessee if Lessor obtains possession of the Leased Premises subject to the sublease; (v) no term longer than the Term of this Ground Lease or a term which runs into an option term which is not contingent on Lessee exercising its option to extend the Term of this Ground Lease; (vi) no obligation of Lessor to cure any default of Lessee if Lessor obtains possession of the Leased Premises subject to the sublease; and (vii) no exclusive use restriction which is effective on property other than the Leased Premises.

**10.3 Consent to Subtenant Leases.** Not in limitation of the foregoing, Lessee may continue to sublet all or any part or portion of the Leased Premises to any sublessee(s) existing on the Effective Date and to any Subtenants it deems acceptable in the future for any period or periods within the Term of this Ground Lease under subleases ("**Subtenant Lease(s)**") subject to the following terms and conditions:

(a) All Subtenant Leases shall be and are hereby made subject to all of the covenants, agreements and conditions of this Ground Lease, and Lessor hereby reaffirms Lessee's authority to sublease any part or portion of the Leased Premises;

(b) (i) In the event of any termination of this Ground Lease for any reason whatsoever prior to the expiration of the Term of any Subtenant Lease, then all terms, provisions, covenants and agreements of the Subtenant Lease shall survive the termination of this Ground Lease and, provided that there are no uncured defaults under the Subtenant Leases, the Subtenant Lease (subject to the right of any leasehold mortgagee to enter into a replacement lease with Lessor) shall continue in force and effect in accordance with and subject to all of its terms, provisions, agreements and covenants as a direct lease with the Lessor, as lessor, and such Subtenant, as lessee. Subject to any leasehold mortgagee's interest, the Subtenant will agree to promptly attorn to Lessor and to recognize Lessor as the lessor under the Subtenant Lease. Subject to clause (ii) below, Lessor shall, in such event, agree to undertake all of the rights, obligations and duties of Lessee in and under the Subtenant Lease and thereafter shall be entitled to collect all rents and payments due and payable under the Subtenant Lease, including the right to collect any sums being due and payable thereunder prior to the termination or expiration of this Ground Lease which are accrued and unpaid by the Subtenant Lessee on the date of the termination of this Ground Lease.

(ii) Notwithstanding anything contained in clause (i) above to the contrary, Lessor shall not be liable in any way or to any extent to any Subtenant under any Subtenant Lease:

(A) for any act or default of the Lessee, under the Subtenant Lease, and Subtenant shall have no right to assert the same or any damages arising therefrom as an offset or defense against Lessor;

(B) for the commencement or completion of any construction or any contribution toward construction upon the Leased Premises by Lessee or the Subtenant Lessee or on any other property or any expansion or rehabilitation of existing improvements on the Leased Premises, except as may be required under the terms of the Subtenant Leases in the case of damage or destruction for which the Lessor (as the Lessee's successor) is required to carry insurance and in such instance only to the extent Lessor's insurance provider covers such claim;

(C) for the repayment of any obligations Lessee may owe to the Subtenants, except that the Lessor agrees (i) to honor Subtenant's prepayment of rent for the month in which this Ground Lease is terminated, (ii) in addition to clause (i), to honor the Subtenant's prepayment of not to exceed one month's rent, and (iii) to repay the Subtenants at the times required by the Subtenant Leases any security deposits, damage deposits or other monies provided such security deposits, damage deposits and monies are, at the time of the termination of this Ground Lease, segregated into a separate account(s) and Lessor succeeds to the Lessee's interest in the separate account(s) free of any claims or encumbrances of others, other than the Subtenants;

(D) for any disturbance of the Subtenant's quiet possession by the Lessee, under the Subtenant Lease; and

(E) for any indemnity, defense or hold harmless obligation imposed on Lessor as Lessee's successor.

**10.4 No Continuing Consent.** Except as to the rights of the Leasehold Encumbrancer pursuant to Article VIII, the consent by Lessor to any one sale, assignment, conveyance or transfer of this Ground Lease or Lessee's interest under this Ground Lease shall apply only to the specific transaction thereby authorized; and the consent shall not be construed as a waiver of the duty of Lessee, or any immediate or remote purchaser, assignee, grantee or transferee, to obtain Lessor's consent to any other or subsequent sale, assignment, conveyance or transfer.

**10.5 Lessor May Assign.** Subject to Section 10.6, Lessor's right to sell, convey, assign or transfer the Leased Premises, subject to this Ground Lease, or its interest in this Ground Lease is and shall remain unqualified. Upon any said sale, conveyance, assignment or transfer, Lessor shall thereupon be entirely relieved of all obligations of the Lessor under this Ground Lease and shall not be subject to any liability resulting from any act or omission or event occurring after the assignment, sale, transfer or conveyance. The preceding two sentences shall apply to a sale, conveyance, assignment or transfer of all of Lessor's interest in the Leased Premises or in this Ground Lease or in both. Lessor may mortgage or otherwise encumber or sell, convey, assign or transfer all or any portion of its interest in this Ground Lease or the Leased Premises provided such mortgage, encumbrance or sale, conveyance, assignment or transfer is expressly made subject to this Ground Lease, and Subtenant Leases, and the rights of any holder of any Leasehold Encumbrancer, and provided further that any mortgagee, assignee or transferee agrees to execute with the Lessee, Subtenant or Leasehold Encumbrancer, as the case may be, the Subordination, Nondisturbance and Attornment Agreements substantially in the form as attached hereto as Exhibit "B".

**10.6 Lessee's Right of First Refusal to Purchase Leased Premises.** In the event that at any time during the Term hereof, Lessor shall receive from any third party a bona fide offer to purchase all or any portion of the Leased Premises at a price and terms acceptable to Lessor, Lessor shall give written notice of such purchaser's price and terms to Lessee ("**Notice**") and Lessee shall have thereafter a sixty (60) day exclusive right and option to purchase the Leased Premises at the same, or better price and terms as given in the Notice. Lessee may exercise such option if at all, by timely giving Lessor notice of its exercise within the sixty (60) day period. If Lessee shall fail to exercise such option within such sixty (60) day period, Lessor shall thereafter be free to sell the Leased Premises to such third party on the same terms and conditions as set forth in the Notice. If the Leased Premises is not sold by the Lessor within one (1) year thereafter to the same third party (or affiliate of such third party) and on the same price and terms as given in the Notice, then the right of first refusal option herein shall be restored. In the event of any sale by Lessor to a third party hereunder, the Leased Premises shall thereafter remain subject to this right of first refusal for any subsequent sale of the Leased Premises by the Lessor's transferee.

## **ARTICLE XI.** **CONDEMNATION**

**11.1 Condemnation.** In the event that, during the Term of this Ground Lease, the entire Leased Premises shall be subjected to a Taking (as defined below), or in the event that a sufficient portion of the Leased Premises or rights appurtenant thereto are subjected to a Taking so as to make it economically unfeasible to continue to operate the remaining portion as permitted by this Ground Lease (as reasonably determined by Lessee), this Ground Lease shall terminate on the date that title shall vest in the condemning authority, and all rent and other sums payable under this Ground Lease shall be prorated to that date. Upon the occurrence of a Taking, the entire condemnation award shall be apportioned between the Lessor and Lessee as the Lessor and Lessee may agree; provided that if the court awards separate damages or compensation to Lessor and Lessee, the court's division of the award shall be binding on Lessor and Lessee under this Ground Lease. If the Lessor and Lessee are unable to agree upon the apportionment within thirty (30) days after either party has requested a determination of the apportionment, the apportionment of the award between Lessor and Lessee shall be by arbitration as provided in Article XIII, taking into account all facts and circumstances bearing upon the value of Lessor's and Lessee's interest including, without limitation, the Lessee's ownership of the Shopping Center during the Term of this Ground Lease and Lessor's ownership of the Shopping Center at the end of the Term of this Ground Lease. A "**Taking**" shall mean the exercise of the power of eminent domain or an inverse condemnation which gives rise to an assessment of damages under any federal, state or local law, rule or regulation and shall include a conveyance by deed in lieu of condemnation.

**11.2 Partial Condemnation.** In the event that, during the Term of this Ground Lease, less than the entire Leased Premises shall be subjected to a Taking, and it is economically feasible to continue to operate the remaining portion as permitted by this Ground Lease, this Ground Lease shall not terminate but shall continue in full force and effect for the remainder of the Term, subject to the provisions of this Section 11.2. In that event, Lessee shall be required to repair, restore and replace the Leased Premises, to the fullest extent possible, to its utility and value immediately prior to the Taking; and Lessee shall so repair, restore and replace, using its own funds if the condemnation award (or aggregate awards) is insufficient. All restoration and replacement shall be done in a good workmanlike manner. Upon the occurrence of a Taking, the entire condemnation award shall be apportioned between the Lessor and Lessee as the Lessor and Lessee may agree; provided that if the court awards separate damages or compensation to Lessor and Lessee, the court's division of the award shall be binding on Lessor and Lessee under this Ground Lease. If the Lessor and Lessee are unable to agree upon any apportionment within thirty (30) days after either party has requested a determination of the apportionment, the apportionment of the award between the Lessor and Lessee shall be by arbitration as provided in Article XIII, taking into account all facts and circumstances bearing upon the value of Lessor's and Lessee's interest as would be considered by the appraisers under Section 3.4(b).



Also in such event and immediately after the Taking, each installment of Rent shall be equitably adjusted to the amount upon which the Lessor and Lessee agree. If the Lessor and Lessee are unable to agree upon the installment of Rent after such Taking, then the Rent will be determined by arbitration as provided in Article XIII, taking into account all facts and circumstances bearing upon the percentage by which the fair market value of the Leased Premises immediately after the Taking is reduced from the fair market value of the Leased Premises on the date of such Taking and a manner as would be considered by the appraisers under Section 3.4(b).

**11.3 Temporary Taking.** In the event of a temporary Taking, the duration of which is only during the Term of this Ground Lease or which extends into an option term which has been exercised by Lessee, this Ground Lease shall continue in full force and effect without reduction or abatement of any Rent or other amounts payable under this Ground Lease. In that event, Lessee shall be entitled to receive the entire amount of any compensation made with respect to any such temporary Taking and, if such temporary Taking results in physical damage to any of the Leased Premises, Lessee shall repair such physical damage, and if the amount of such compensation is not sufficient, Lessee shall provide the additional funds required. All repairs shall be done in a good workmanlike manner.

**11.4 Negotiations.** Both the Lessor and Lessee shall be authorized to negotiate through their representatives regarding any condemnation award, except that only the Lessee shall be entitled to negotiate a condemnation award in the case of a temporary Taking under Section 11.3.

**11.5 Taking Award.** Lessor and Lessee agree to reasonably cooperate in the defense or prosecution of any Taking claim.

## **ARTICLE XII.** **DEFAULT**

**12.1 Default.** An event of default shall exist under this Ground Lease if Lessee shall violate, fail to perform or if Lessee shall be in breach of: (i) a covenant to pay Rent, or any other amount due under this Ground Lease or (ii) any other term, condition, covenant or provision of this Ground Lease and, in either of the cases described in clause (i) or (ii), Lessee shall fail to pay or cure such violation, nonperformance or breach within thirty (30) days (or fifteen (15) days if the default can be cured by the payment of money) after being given notice by Lessor or the mortgagee, as the case may be, of such violation, nonperformance or breach; provided, however, if payment of money is not the only cure required (the money portion of the cure shall be remedied within fifteen (15) days), and if the cure which is other than the payment of money cannot reasonably be completed in thirty (30) days and Lessee, within the thirty (30) day period, initiates such cure and proceeds continuously and diligently therewith, then no event of default shall exist unless such default is not cured by the end of such reasonable period needed to cure. As a reimbursement of its costs in sending notices of monetary default, Lessor shall be entitled to a five percent (5%) fee of each installment of Rent for each default notice properly sent. Subject to the rights of a Leasehold Encumbrancer, upon an event of default, Lessor may, without

further notice to Lessee, either (i) re-enter the Leased Premises and terminate Lessee's right to possession thereof, without terminating this Ground Lease or (ii) reenter the Leased Premises and terminate both Lessee's right to possession of the Leased Premises and this Ground Lease. Such re-entry may be effected without further notice to Lessee and without the need for a writ, order, judgment or decree of any court or the need for any court or judicial proceeding (any rights to which Lessee hereby expressly waives); and upon such re-entry Lessor shall have the right, subject to then existing non-disturbance agreements with Subtenants, to remove all persons and personal property from the Leased Premises. Lessor may, at its sole discretion, store any of Lessee's personal property so removed, at the sole cost and expense of Lessee.

**12.2 Payment by Lessee upon Re-entry.** Upon such re-entry whether or not Lessor shall terminate this Ground Lease, Lessee shall pay to Lessor upon demand (i) all Rent, and any other amount due to Lessor at the time of such re-entry, and (ii) all costs and expenses incurred by Lessor to effect such re-entry, including, without limitation, reasonable attorneys' fees and expenses and the costs to repair the Leased Premises (hereinafter, the amounts described in clauses (i) and (ii) shall be collectively referred to as "**Reentry Costs**"). No such re-entry shall be deemed a termination of this Ground Lease unless Lessor notifies Lessee and each Leasehold Encumbrancer that this Ground Lease is terminated; and any such termination shall be effective only as of the date set forth in such notice.

**12.3 Payment of Rent Reserved.** If Lessor, following the re-entry, shall terminate this Ground Lease by notice, or if this Ground Lease shall be terminated by a writ, order, judgment or decree of any court of competent jurisdiction, Lessee shall pay to Lessor upon demand, in addition to the Re-entry Costs, Rent and other amounts owed by Lessee under this Ground Lease for the period between the re-entry and the termination, plus all damages the Lessor has suffered by reason of the Lessee's failure to comply with its obligations under this Ground Lease.

**12.4 Reletting on Lessee's Behalf.** Following any re-entry, Lessor may, if it does not terminate this Ground Lease, relet all or any part of the Leased Premises (which is not subject to the rights of a subtenant lease entitled to non-disturbance) for the account of Lessee for such term or terms (whether longer or shorter than the unexpired Term of this Ground Lease), at such rent and upon such conditions and covenants as Lessor, in its sole discretion, may deem advisable. Upon each such reletting, all rents received by Lessor, including any rents received by Lessor from any Subtenants, shall be applied to the following obligations of Lessee to the extent not then satisfied: first, to Re-entry Costs; second, to any costs and expenses incurred by Lessor in reletting the Leased Premises or part of the Leased Premises, including, without limitation, the costs of reasonable brokers' and attorneys' fees and remodeling costs; third, to the payments of base rent and additional rent unpaid and due to Lessor at the time of such reletting; fourth, to any other unpaid amount then due to Lessor; and the balance, if any, shall be held by Lessor and applied in payment of Rent, and other amounts due to Lessor under this Ground Lease as the same shall become due under this Ground Lease. If the base rent received upon such reletting during any calendar month shall be less than the Rent and other amounts Lessee is to pay to Lessor under

this Ground Lease, Lessee shall pay the deficiency to Lessor, such deficiency being calculated and paid monthly.

**12.5 No Election of Remedy.** No remedy provided to either party under this Ground Lease shall be deemed an exclusive remedy and the election by either party of any such remedy shall not bar it from pursuing any other remedy, for damages or otherwise, whether available to it under this Ground Lease or existing at law or in equity.

**12.6 Lessor May Terminate Lease on Lessee's Bankruptcy, etc.** In the event any of Lessee's interest under this Ground Lease be assigned by operation of law, or an event of the bankruptcy, receivership, insolvency, voluntary or involuntary liquidation or winding up of the affairs of Lessee, any general assignment or arrangement for the benefit of creditors, or in event of any corporate reorganizations or arrangements under the bankruptcy or insolvency laws of the United States of any State involving the interest of Lessee under this Ground Lease, Lessor may, immediately and without notice of any kind, terminate and cancel this Ground Lease, provided, however, Lessor shall have no right to terminate and cancel this Ground Lease pursuant to this Section 12.6 without the consent of any Leasehold Encumbrancer so long as a leasehold mortgage shall exist and so long as there shall be no default under this Ground Lease in the payment of Rent or any other amounts due under this Ground Lease.

**12.7 Lessor's Right to Building, etc.** Lessee shall be the owner of the Shopping Center, which ownership shall be inseparable from the leasehold estate, provided, however, Lessee shall not, without Lessor's prior consent as hereinbefore provided, remove or demolish any portion of the Shopping Center except as permitted by Section 6.5 and provided, further, at the expiration of the Term of this Ground Lease, and after all extensions thereof, or at any earlier termination of this Ground Lease, or at the termination of Lessee's right to possession of the Leased Premises (regardless of any Lease termination), the Shopping Center shall become the sole property of Lessor, and, upon Lessor's request Lessee will execute, acknowledge and deliver to Lessor a grant deed covering the Shopping Center, suitable for recording.

**12.8 Additional Lessor Remedies.** In addition to all of the other rights and remedies of Lessor set forth in this Ground Lease, upon any event of default by Lessee and subject to the rights of any Leasehold Encumbrancer to any rents of the Subtenants (provided there are no defaults under this Ground Lease that can be cured by the payment of money), Lessor shall be entitled to (i) all of the rents, issues, and profits due or to become due from Subtenants and others and all other income and payments of any kind due or payable from Subtenants and others for use, possession or occupancy of all or any part of the Leased Premises (all of which Lessee hereby presently assigns to Lessor, even though Lessor's right of collection shall not arise until the time specified in this Section 12.8); and (ii) the appointment of a receiver for the Leased Premises and for said rents, issues, profits, income and payments. Lessor shall be entitled to the appointment of a receiver immediately upon an event of default, without further notice to Lessee, regardless of any statute or rule of law, which Lessee hereby waives to the extent it may lawfully do so, and Lessee hereby agrees that such receiver may be appointed by any court of competent jurisdiction prior to or after Lessor's re-entry to or

repossession of the Leased Premises by Lessor, upon an application therefor. The receiver shall be required to apply the rent, profits, income and payments first, to the expenses of receivership; second, to all maintenance costs, real estate taxes and special assessments, and insurance premiums not paid by Subtenants; third, to Re-entry Costs; and fourth, to the amounts as set forth in Section 12.4. Notwithstanding the foregoing right to the appointment of a receiver, set forth in clause (ii) of the first sentence of this Section 12.8, Lessor may, at its election, enforce its right in clause (i) of the first sentence of this Section 12.8 directly by collection from Subtenants or other obligors, with or without any court or judicial action (which action Lessee waives to the extent it may lawfully do so), at the time that Lessor shall commence an action to terminate this Ground Lease and/or to terminate Lessee's right to possession of the Leased Premises. In the event Lessor shall directly enforce its right set forth in clause (i) of the first sentence of this Section 12.8, it shall apply all sums collected in the same order as required to be applied by a receiver. Lessor's right pursuant to clauses (i) and (ii) of the first sentence of this Section 12.8 shall be subject to the rights of any Leasehold Encumbrancer.

**12.9 Lessor's Default.** An event of default shall exist under this Ground Lease if Lessor shall violate, fail to perform or if Lessor shall be in breach of any term, condition, covenant or provision of this Ground Lease and, in such a case Lessor shall fail to pay or cure such violation, nonperformance or breach within thirty (30) days after being given notice by Lessee or the mortgagee, as the case may be, of such violation, nonperformance or breach; provided, however, if payment of money is not the only cure required (the money portion of the cure shall be remedied within thirty (30) days), and if the cure which is other than the payment of money cannot reasonably be completed in thirty (30) days and Lessor, within the thirty (30) day period, initiates such cure and proceeds continuously and diligently therewith, then no event of default shall exist unless such default is not cured by the end of such reasonable period needed to cure.

### **ARTICLE XIII.** **DISPUTES**

**13.1 Arbitration Policy.** Except for the exercise by Lessor of its statutory remedies for an event of a monetary default (including without limitation, Idaho Code Title 6, Chapter 3), if a dispute arises, Lessor and Lessee agree to resolve all disputes by the following alternate dispute resolution process:

- (a) Lessor and Lessee agree to seek a fair and prompt negotiated resolution, but if this is not successful,
- (b) the dispute shall be resolved by binding arbitration, provided that during this process and at the request of either Lessor or Lessee made not later than ten (10) days after the initial arbitration demand, Lessor and Lessee agree to attempt to resolve any dispute by nonbinding third-party intervention including mediation or evaluation or both (but without delaying the arbitration hearing date).

**13.2 Binding Arbitration.** Any claim between Lessor and Lessee, including, but not limited to, those arising out of or relating to this Ground Lease and any claim based on or arising from an alleged tort, shall be determined by binding arbitration, pursuant to the contract arbitration rules, commenced in accordance with arbitration procedures outlined by the American Arbitration Association ("**AAA**"). There shall be one (1) arbitrator agreed upon by Lessor and Lessee, or if Lessor and Lessee cannot agree on the arbitrator within ten (10) days of the arbitration demand, the arbitrator shall be selected in accordance with the rules of the AAA. The arbitrator shall be an appraiser who is a member of the American Institute of Appraisers if the dispute involves the highest and best use of the Leased Premises or the value of Lessor's or Lessee's interest in the Leased Premises and, otherwise, the arbitrator shall be a person qualified to determine the dispute. Whether a claim is covered by this Ground Lease shall be determined by the arbitrator. All statutes of limitations and governmental immunities, including, if applicable, the Idaho Tort Claims Act) which would otherwise be applicable shall apply to any arbitration proceeding under this Ground Lease.

**13.3 Arbitration Procedures.** There shall be no discovery or dispositive motion practice except that the arbitrator shall authorize such discovery as may be shown to be necessary to ensure a fair hearing, and no such discovery shall extend the time limits contained in this Ground Lease, unless the arbitrator otherwise determines. The arbitrator shall not be bound by the rules of evidence or of civil procedure, but rather may consider such writings and oral presentations as reasonable business people would use in the conduct of their day-to-day affairs, and may require the parties to submit some or all of their case by written declaration or such other manner of presentation as the arbitrator may determine to be appropriate. Lessor and Lessee shall permit live testimony and cross-examination to the extent necessary to ensure a fair hearing on material issues.

**13.4 Hearing Law Appeal Limited.** The arbitrator shall take such steps as may be necessary to hold a private hearing in a neutral location in Moscow, Idaho (unless otherwise determined by the arbitrator) within sixty (60) days of the initial demand for arbitration and to conclude the hearing within three (3) days; and the arbitrator's written decision shall be made not later than fourteen (14) calendar days after the hearing. The parties have included these time limits in order to expedite the proceeding, but they are not jurisdictional, and the arbitrator may for good cause afford or permit reasonable extensions or delays, which shall not affect the validity of the award. The written decision shall contain a brief statement of the claim(s) determined and the award made on each claim. In making the decision and award, the arbitrator shall apply the substantive law of the State of Idaho. The arbitrator may not award punitive, treble, or exemplary damages. Absent fraud, collusion or willful misconduct by the arbitrator, the award shall be final and binding, and judgment may be entered in any court having jurisdiction thereof. The arbitrator may award injunctive relief or any other remedy available from a judge, including the joinder of parties or consolidation of this arbitration with any other involving common issues of law or fact or which may promote judicial economy, and shall award reasonable attorneys' fees and costs to the prevailing party.

**ARTICLE XIV.**  
**ENVIRONMENTAL MATTERS**

**14.1 Lessee's Obligations.** Lessee and Lessee's agents, employees, contractors, licensees, sublessees and invitees shall not manufacture, store, treat, dispose, handle, release or otherwise use any Hazardous Substances, as defined in Section 14.4 below, in, on, under or about the Leased Premises. Notwithstanding the preceding sentence, Lessee, its agents, employees, contractors, licensees, Subtenants and invitees may store, handle, or otherwise use any such Hazardous Substances in, on or about the Leased Premises as long as (i) such storage, handling or use is in compliance with all Hazardous Substances Laws, and (ii) such Hazardous Substances are disposed of off the Leased Premises in compliance with such laws, and (iii) the storage, handling or use of such Hazardous Substances by any of the aforementioned parties is considered to be normal and customary for its particular industry or activities associated with its business on the Leased Premises.

**14.2 Compliance with Environmental Laws.** Lessee shall comply with all local, state, and federal laws, ordinances, regulations, orders and any other requirements (collectively, "**Hazardous Substances Laws**") relating to industrial hygiene, environmental protection, or the use, analysis, generation, manufacture, storage, treatment, disposal, handling, release, other usage or transportation of any Hazardous Substances.

**14.3 Environmental Notices.** If at any time Lessee or Lessor shall become aware, or have reasonable cause to believe, that any Hazardous Substance has come to be located in, on, under or about the Leased Premises, Lessee or Lessor, as the case may be, shall, immediately upon discovering such presence or suspected presence of the Hazardous Substance, give notice of that condition to the other party. In addition, Lessee or Lessor, as the case may be, shall immediately give notice to the other party of (a) any enforcement, cleanup, removal, or other governmental or regulatory action instituted, completed, or threatened pursuant to any Hazardous Substances Laws, (b) any claim made or threatened by any person against the Lessee or Lessor, as the case may be, or the Leased Premises, relating to damage, contribution, cost recovery, compensation, loss, or injury resulting from or claimed to result from any Hazardous Substances, and (c) any reports made by or to any local, state, or federal environmental agency arising out of or in connection with any Hazardous Substances on, about or pertaining to the Leased Premises located below, in, on, under or about the Leased Premises or removed from the Leased Premises including any complaints, notices, warnings, or asserted violations in connection therewith. Lessee or Lessor, as the case may be, shall also supply to the other party as promptly as possible, and in any event within twenty (20) business days after the Lessee or Lessor, as the case may be, first receives or sends the same, copies of all action documents, claims, reports, complaints, notices, warnings, or asserted violations relating in any way to the Leased Premises or the use thereof. Lessee shall promptly deliver to Lessor copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Substances removed from the Leased Premises. From time to time students, researchers, professors, employees and contractors of Lessor study the surface and subsurface conditions of Moscow, Idaho and its surrounding

communities, and issue reports, studies and documents or other materials based on those studies (“**Studies**”). Notwithstanding this Article 14 to the contrary, Lessor shall not be obligated to give Lessee notice of any Hazardous Substances reported in such Studies unless the real estate officer within the office of Finance and Administration of the University of Idaho becomes aware of Studies which relate to the Leased Premises.

**14.4 Definition of Hazardous Substances.** As used in this Agreement, the term "**Hazardous Substance**" means any hazardous or toxic substances, chemical materials or wastes, hydrocarbons, petroleum or petroleum containing substances, explosives, fertilizers, insecticides, asbestos, including, but not limited to, those substances, materials and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. 172.101) or by the Environmental Protection Agency as hazardous substances (40 C.F.R. Part 302) and amendments thereto, or such substances, materials and wastes which are now or which hereafter become subject to regulation, investigation or remediation under any applicable local, state or federal law, including any statute, regulation, ordinance, order, action, policy, or common law.

**14.5 Indemnification of Lessor.** Lessee shall indemnify, defend (by counsel acceptable to Lessor), protect, and hold harmless Lessor, and each of Lessor's trustees, partners, employees, agents, attorneys, successors, and assigns, from and against any and all claims, liabilities, penalties, fines, judgments, forfeitures, losses (including, without limitation, diminution in the value of the Leased Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Leased Premises), costs, or expenses (including attorneys' fees, consultant fees, and expert fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (a) any use, analysis, storage, transportation, disposal, release, threatened release, discharge, presence (provided such Hazardous Substances were not caused by Lessor or whose source is property owned or controlled by Lessor) or generation of Hazardous Substances, in, on, under, about, or from the Leased Premises, or (b) any failure to comply with any Hazardous Substances Law relating to the Leased Premises. Lessee's obligations under this Section 14.5 shall include, without limitation, and whether foreseeable or unforeseeable, any and all costs incurred in connection with any investigation of site conditions, and any and all costs of any required or necessary repair, cleanup, remediation, detoxification, or decontamination of the Leased Premises (including without limitation, the soil and ground water on or under the Leased Premises, and the preparation and implementation of any closure, remedial action, or other required plans in connection therewith). Lessee's duty to indemnify Lessor under this Section 14.5, includes but is not limited to, proceedings or actions commenced by any person (including any federal, state, or local governmental agency or entity), before any court or administration agency. Lessee shall indemnify Lessor under this Section 14.5 for and against all expenses incurred by Lessor as they become due and not waiting for the ultimate outcome of the litigation or administrative proceeding. Lessee's obligations under this Section 14.5 shall survive the expiration or earlier termination of the Term of the Lease.

**14.6 Indemnification of Lessee.** Subject to applicable limits of liability specified in Idaho Code § 6-901 through 6-929, known as the Idaho Tort Claims Act, Lessor shall indemnify, defend (by counsel acceptable to Lessee), protect, and hold harmless Lessee, and each of Lessee's partners, employees, agents, attorneys, successors, and assigns, from and against any and all claims, liabilities, penalties, fines, judgments, forfeitures, losses (including, without limitation, diminution in the value of the Leased Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Leased Premises), costs, or expenses (including attorneys' fees, consultant fees, and expert fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly prior to the Effective Date with respect to the Leased Premise and from any contiguous property to the Leased Premises by and under the control of Lessor at anytime, by (a) Lessor's use, analysis, storage, transportation, disposal, release, threatened release, discharge, or generation of Hazardous Substances, in, on, under, about, or from the Leased Premises, or (b) failure to comply with any Hazardous Substances Law relating to the Leased Premises, provided that in any of the cases mentioned in (a) or (b) the use, analysis, storage, transportation, disposal, release, threatened release, discharge, generation or failure to comply. Lessor's obligations under this Section 14.6 shall include, without limitation, and whether foreseeable or unforeseeable, any and all costs incurred in connection with any investigation of site conditions, and any and all costs of any required or necessary repair, cleanup, remediation, detoxification, or decontamination of the Leased Premises (including without limitation, the soil and ground water on or under the Leased Premises, and the preparation and implementation of any closure, remedial action, or other required plans in connection therewith). Lessor's duty to indemnify Lessee under this Section 14.6, includes but is not limited to, proceedings or actions commenced by any person (including any federal, state, or local governmental agency or entity), before any court or administration agency. Lessor shall indemnify Lessee under this Section 14.6 for and against all expenses incurred by Lessee as they become due and not waiting for the ultimate outcome of the litigation or administrative proceeding. Lessor's obligations under this Section 14.6 shall survive the expiration or earlier termination of the Term of the Lease. Lessor's liability coverage is provided through a self-funded liability program administered by the State of Idaho Office of Insurance Management. Currently, the limits of liability, and this indemnification are \$500,000 Combined Single Limits, which amount is the Lessor's limit of liability under the Idaho Tort Claims Act.

**14.7 Withholding Consent to Proposed Transferees.** Notwithstanding that consent requirement contained in Article X herein, Lessee acknowledges and agrees that it shall not be unreasonable for Lessor to withhold its consent to any proposed assignment or transfer of Lessee's interest in this Ground Lease and that it will not enter into an Subtenant Lease if (a) the anticipated use of the Leased Premises by the proposed assignee, Subtenant Lessee, or transferee (collectively, a "Transferee") involves the manufacture, storage, treatment, disposal, handling, release or other use of Hazardous Substances other than in the manner permitted by Section 14.1; (b) the proposed Transferee has been required by any prior lessor, lender, or governmental authority to make remedial action in connection with Hazardous Substances contaminating a property; or (c) the proposed Transferee is subject to an enforcement



order issued by any governmental authority in connection with the manufacture, storage, treatment, disposal, handling, release or other use of a Hazardous Substance.

**14.8 Lessor Access.** If Lessee fails or refuses for ten (10) days after notice from Lessor to comply with any Hazardous Substances Law, Lessor shall have the right, in addition to any other rights or remedies it may have pursuant to this Ground Lease or under any law, to comply with said Hazardous Substances Law for and on behalf of Lessee at the cost and expense of Lessee and, for that purpose, to enter onto the Leased Premises for the purpose of making tests, samples and surveys and to perform such other acts as may be required in the discretion of the Lessor. All costs and expenses of the Lessor in connection with Lessor's performance of Lessee's obligations shall be reimbursed by Lessee to Lessor promptly upon receipt of a bill therefore, shall be in addition to any rent due under this Ground Lease and shall bear interest at the Applicable Rate, as defined in Section 9.3, from the date of Lessor's payment until repaid.

**14.9 Environmental Reports.** Except as provided in Section 14.3, no more than ten (10) business days after receipt, each party hereto shall deliver to the other all environmental reports concerning all or any part of the Leased Premises which it causes to be prepared or which are prepared by others and delivered to any party or its members or those providing financing to the Lessee or Lessor.

**14.10 Subtenant Lease Compliance.** Lessee shall use its best efforts to assure that the Subtenants comply with all of the terms and conditions of this Article XIV and the comparable terms and conditions of any Subtenant Lease.

## **ARTICLE XV.**

### **OPTION TO LEASE CONTIGUOUS LAND**

**15.1 Grant of Option.** For valuable consideration, including that given under this Ground Lease, the receipt and sufficiency of which is hereby acknowledged, the Lessor does hereby grant to Lessee a five (5) year Option ("**Lease Expansion Option**") to lease all or a portion of that seven and sixty-five one-hundredths acres (7.65 total acres) of land contiguous to the northern edge of the Leased Premises, as legally described in the Site Plan Depiction attached hereto as Exhibit "D" ("**Option Land**"), subject to Lessor hereby reserving unto itself, its successors, assigns and invitees, a continued private right of ingress, egress and utilities over, through, under and across the existing road traversing the Option Land for the use, operation, maintenance and replacement of a dairy or any other University of Idaho purpose.

**15.2 Exercise.** At any time on or before June 30, 2011, Lessee may exercise this Lease Expansion Option, if at all, for all or any portion of the Option Land ("**Exercise Land**"), in no more than three (3) exercise installments for contiguous properties to the Leased Premises substantially for the areas of the three (3) parcels of land as depicted on Exhibit "D", by giving Lessor written notice of its exercise ("**Notice**"), which Notice shall contain the following:

- (a) legal description of the Exercise Land and its square footage of area,
- (b) effective date that the Exercise Land shall become a part of the Leased Premises herein, which date shall be not more than sixty (60) days after the date of the Notice, and
- (c) The first monthly installment of additional rent payable to Lessor for the Exercise Land.

**15.3 Continuous.** This Lease Expansion Option shall be continuous for all of the Option Land, and may be exercised by the Lessee in phases throughout its term.

**15.4 Rent for Exercise Land.** The annual increase in Rent for the entire Exercised Land, and if the effective date given in the Notice is on or before June 30, 2008, is Fifty-Six Thousand Six Hundred Forty-Nine and 78/100ths Dollars (\$56,649.78). The annual increase in Rent if the effective date given in the Notice is after June 30, 2008, is Sixty-Two Thousand Three Hundred Fourteen and 76/100ths Dollars (\$62,314.76). The annual increase in Rent for the exercise on portions of the Exercise Land shall be computed on a pro-rata basis, based on square footage. The annual rent payable to Lessor for any Exercise Land shall (i) be paid in advance in monthly installments commencing on the effective date, and (ii) be in addition to the Rent otherwise payable.

**15.5 Added to Leased Premises.** Upon the effective date given in the Notice, Lessor and Lessee shall regard the Exercise Land as a part of the Leased Premises and for the Term herein, without further written amendment to the Ground Lease, and the parties shall thereafter be bound with respect to such Exercise Land under the Ground Lease as fully as if such were made a part of the Leased Premises as of the Effective Date.

**15.6 Memorandum of Exercise Land.** On or after the effective date given in the Notice, either party may request of the other party to execute and deliver a short form of modification of lease in recordable form denoting the addition of such Exercise Land to the Leased Premises herein.

**15.7 Expenses.** All expenses relating to the survey and site plan with respect to any Exercise Land shall be the sole responsibility of the Lessee.

## **ARTICLE XVI.**

### **LESSOR OPTION TO CANCEL LEASE FOR NON-CONTIGUOUS PARCELS**

**16.1 Grant of Option.** For valuable consideration, including that given under this Ground Lease, the receipt and sufficiency of which is hereby acknowledged, Lessee does hereby grant to Lessor a two (2) year Option from the Effective Date ("**Lease Reduction Option**") to cancel this Ground Lease as it applies to both of the parcels comprising seven and five hundred-fifty three one-thousandths acres (7.535)

acres (328,225 total square feet) of land east of North Farm Road as legally described in the Site Plan Depiction attached hereto as Exhibit "E" ("**Option Reduction Land**").

**16.2 Exercise.** Lessor may exercise this Lease Reduction Option, if at all, for all but not less than all of the Option Reduction Land, by giving Lessor written notice of its exercise ("**Notice**"), which Notice shall contain the effective date that the Option Reduction Land shall no longer be a part of the Leased Premises herein, which date shall be not more than sixty (60) days after the date of the Notice and contain the legal description for the parcel within the Option Reduction Land exercised.

**16.3 Rent Reduction Following Lease Contraction.** The annual rent payable to Lessor for the Leased Premises herein shall be reduced following the exercise of the Lease Reduction Option in accordance with the provisions of Paragraph 3.6 herein.

**16.4 Memorandum of Exercise Land.** On or after the effective date given in the Notice, either party may request of the other party to execute and deliver a short form of modification of lease in recordable form denoting the contraction of such Option Reduction Land to the Leased Premises herein.

**16.5 Expenses.** All expenses relating to the survey and site plan with respect to any Option Reduction Land shall be the sole responsibility of the Lessor.

## **ARTICLE XVII.** **MISCELLANEOUS**

**17.1 Estoppel Certificates.** Lessor and Lessee each agree at anytime and from time to time, during the Term of this Ground Lease, upon not less than twenty (20) days' prior written request by the other party or by any actual or prospective Leasehold Encumbrancer, to execute and deliver to the requesting party, in recordable form, a certificate, setting forth the following items:

- (a) A statement that this Ground Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as modified, and stating the modifications);
- (b) A statement of the dates to which the rent and any other amounts have been paid in advance, if any;
- (c) A statement as to whether any default exists under this Ground Lease to the knowledge of the party making the statement, or whether any notice of default has been served by said party; and
- (d) A statement of any other reasonable matters within the knowledge of the certifying party.

It is the intention of the parties that any such statement delivered pursuant to this Section 17.1 may be relied upon by any prospective purchaser of Lessor's fee or

remainder interest in the Leased Premises, by any prospective or actual Leasehold Encumbrancer, by any actual or prospective assignee or transferee of Lessee's interest under this Ground Lease, or by any actual or prospective Subtenant of the Leased Premises. The costs of preparation and recording of the certificate shall be borne solely by the requesting party.

**17.2 Notices.** All notices, requests or demands required or permitted under this Ground Lease, including a Notice of Exercise or other Notice, shall be in writing and shall be deemed given when personally delivered to the Lessor or to the Lessee (and any Leasehold Encumbrancer, if applicable, pursuant to Section 8.2), or when mailed first class, postage prepaid, registered or certified mail with return receipt card required or on the day of receipt when given by a reputable overnight courier service such as Federal Express or Airborne Express at the following addresses:

Lessor:	University of Idaho Vice President for Finance and Administration Moscow, Idaho 83844-3162 Attention: Real Estate Officer
Lessee:	Palouse Mall Associates, LLC 24010 N. McCoy Road Athol, ID 83801 Attention: Madeline Edgren
Copy to:	Daniel B. DeRuyter Douglas, Eden, Phillips, DeRuyter & Stanyer, P.S. 422 W. Riverside, Ste. 909 Spokane, WA 99201

Either party may, by a notice given in the manner set forth in this Section 17.2, change its address under this Ground Lease. In the event Lessor, Lessee or Leasehold Encumbrancer cannot be found at its address, or at its then current address under this Ground Lease, notice shall be deemed given as provided in the preceding sentence when mailed or couriered in the aforesaid manner to its last known address.

**17.3 Time is of Essence.** Whenever any payment is to be made under this Ground Lease by Lessee at or within a specified time, or, subject to Section 17.16, whenever any act not involving the payment of money is to be done under this Ground Lease by either party at or within a stated time, time is of the essence.

**17.4 Short Form; Recording.** Each party hereto covenants that it shall, upon the written request of the other party, execute and deliver to the other an acceptable short form of lease in recordable form or short form denoting the options contained in Articles XV and XVI. Preparation and recording shall be done by the requesting party and the charges therefore shall be paid by the requesting party. Each party agrees that it will not record this Ground Lease, and the tenancy relates back to the inception of the Prior Lease.

**17.5 Captions.** The captions and headings herein are for convenience and reference only and do not limit or construe the provisions of this Ground Lease.

**17.6 Severability.** If any term, condition, covenant, agreement or provision of this Ground Lease, or the application thereof to any circumstance shall, to any extent, be held by a court of competent jurisdiction or by any authorized governmental authority to be invalid, void or unenforceable, the remainder of this Ground Lease shall not be affected by such holding, and the remaining terms, conditions, covenants, agreements and provisions hereof shall continue in full force and effect.

**17.7 Brokers.** Each of the parties represents, warrants and covenants to the other that there are no claims for brokerage commissions, finder's fees or like fees or commissions in connection with the execution of this Ground Lease. Each party shall indemnify and hold the other harmless in the event of any said claim, demand or action, cause of action or charge against the other by any broker or other party retained, or alleged to have been retained, by the other and shall hold the other harmless from all other liabilities arising from any said claim, demand, action, cause of action or charge, including, without limitation, reasonable attorneys' fees incurred by the other in connection therewith.

**17.8 No Partnership, etc.** The parties to this Ground Lease are neither joint venturers, partners, nor principal and agent; and their relationship is solely that of lessor and lessee.

**17.9 Entire Agreement.** Except as set forth in this Ground Lease, this Ground Lease represents the entire agreement between Lessor and Lessee, and there are no agreements, understandings or undertakings. All prior negotiations and writings between Lessor and Lessee and their representatives, attorneys, brokers and agents are superseded by this Ground Lease. This Ground Lease may not be amended, modified or supplemented except by a writing, executed by the party (including any Leasehold Encumbrancer) against whom such amendment, modification or supplement is sought to be enforced, and in conformity with Section 8.1.

**17.10 No Continuing Waiver.** No waiver of any term, condition, covenant, provision or remedy hereunder or delay in the enforcement of any remedy under this Ground Lease in any one instance shall be deemed to be (i) a waiver of any other term, condition, covenant, provision or remedy in such instance or (ii) of such waived or delayed term, condition, covenant, provision or remedy in any other instance.

**17.11 Binding.** All of the terms, conditions, covenants, agreements and provisions of this Ground Lease shall be construed as covenants running with the land and shall inure to the benefit of and be binding upon Lessor and Lessee and upon their respective personal representatives, heirs, successors and permitted assigns for the Term.

**17.12 Interpretation.** The language in all parts of this Ground Lease shall in all cases be construed as a whole according to its fair meaning and not strictly for nor against either Lessor or Lessee, and the construction of this Ground Lease and any of

its various provisions shall be unaffected by any claim, whether or not justified, that it has been prepared, wholly or in substantial part, by or on behalf of Lessor or Lessee.

**17.13 Survival.** The termination of this Ground Lease whether by expiration of its Term or otherwise shall not terminate Lessee's obligation to pay and perform any accrued obligations it owed to Lessor at the time of such termination.

**17.14 Governing Law.** This Ground Lease shall be governed by and construed in accordance with the laws of the State of Idaho, with venue for any action concerning the Leased Premises or this Ground Lease being Moscow, Idaho.

**17.15 Number and Gender.** Whenever the singular or masculine or neuter is used in this Ground Lease, the same will be construed to mean the plural or feminine or body corporate where the context of this Ground Lease so requires.

**17.16 Force Majeure.** The time within which either Lessor or Lessee shall be required to perform any act under this Ground Lease, other than a payment of money in satisfaction of Lessee's obligations under this Ground Lease, shall be extended by a period of time equal to the number of days during which performance of such act is delayed unavoidably by strikes, walkouts, acts of God, governmental restrictions, failure or inability to secure materials or labor by reason of priority or similar regulations or order of any governmental or regulatory body, war, civil disturbance, fire, unavoidable casualties or any other cause beyond the reasonable control of the Lessee or Lessor, excluding, however, the inability or failure of Lessee to obtain any financing which may be necessary to carry out its obligations under this Ground Lease, provided that each party shall be required to promptly notify the other of a condition of force majeure on which it relies as soon as reasonably practical after the notifying party learns of the condition of force majeure and provided further the party invoking this Section 17.16 shall exercise reasonable diligence in an effort to remove or overcome or terminate the condition of force majeure as soon as reasonably possible.

**17.17 Lessor's Representative.** Lessor does hereby appoint its Vice President for Finance and Administration as its authorized agent in all matters of and relating to this Ground Lease, including, but not limited to the Lessor's consent for subleases, assignment, easements, nondisturbance, subordination and attornment.

**17.18 Equal Opportunity.** Both parties agree not to discriminate against any employee or applicant for employment with respect to tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, sex, color, religion, national origin, disability, ancestry or status as a Vietnam veteran.

**17.19 Representation.** Daniel B. DeRuyter of Douglas, Eden, Phillips, DeRuyter & Stanyer, P.S. has represented the Lessee, and Timothy W. Tyree of Hawley Troxell Ennis & Hawley LLP, has represented the Lessor, in the preparation of this Ground Lease. The Lessor and Lessee have mutually contributed to the negotiation, preparation and drafting of the terms and conditions contained herein. In the event any ambiguities arise with respect to any provision contained herein, the

parties acknowledge and agree that such ambiguity shall not be construed against either drafter of this Ground Lease.

IN WITNESS WHEREOF, the Lessor and Lessee have executed this instrument to be executed as of the date first above written.

UNIVERSITY OF IDAHO

PALOUSE MALL ASSOCIATES, LLC

By: \_\_\_\_\_  
\_\_\_\_\_

BY: \_\_\_\_\_  
MADELINE McCARTHY EDGREN,  
Manager

"Lessor"

"Lessee"

### **List of Exhibits**

- Exhibit "A" - Legal Description
- Exhibit "B" - Subordination, Nondisturbance and Attornment Agreement
- Exhibit "C" Rent Schedule
- Exhibit "D" Option Land
- Exhibit "E" Option Reduction Land



## EXHIBIT A

### LEGAL DESCRIPTION

Situate in the County of Latah, State of Idaho, to wit:

#### Parcel I

That portion of the Southeast Quarter (SE $\frac{1}{4}$ ) of Section 12, Township 39 North, Range 6 W.B.M., described as follows:

Beginning at the Southeast corner of said Section 12, thence N. 0°04'30" W. along the East section line, 1284.40 feet to a point on the North right of way line of the Moscow-Pullman Highway; thence S. 88°51'00" W. along said right of way line, 487 feet to the True Point of Beginning; thence continuing along said right of way line, S. 88°51'00" W. 2103.84 feet; thence N. 0°20'00" E. 785.08 feet; thence N. 88°31'00" E. 1486.95 feet; thence S. 0°00'00" E. 34.01 feet; thence N. 88°31'00" E. 604 feet; thence S. 0°38'45" E. 763 feet to the True Point of Beginning.

#### Parcel II

That portion of the Southeast Quarter (SE $\frac{1}{4}$ ) of Section 12, Township 39 North, Range 6, W.B.M. described as follows:

Beginning at the Southeast corner of said Section 12; thence N. 0°04'30" W. along the East line of said Section 12, 1884.70 feet to the True Point of Beginning; thence S. 89°05'35" W. 412.97 feet; thence N. 00°38'45" W. 161.50 feet; thence N. 88°31'00" E. 414.66 feet; thence S. 00°04'30" E. along the East line of said Section 12, 165.69 feet to the True Point of Beginning.

#### Parcel III

That portion of the Southeast Quarter (SE $\frac{1}{4}$ ) of Section 12, Township 39 North, Range 6, W.B.M. described as follows:

Beginning at the Southeast corner of said Section 12; thence N. 0°04'30" W. along the East section line, 1284.40 feet to the point on the North right of way line of the Moscow-Pullman Highway and the True Point of Beginning; thence S. 88°51'00" W. along said right of way line, 407 feet; thence N. 0°38'45" W. 601.97 feet; thence N. 89°05'35" E. 412.97 feet to the East line of said Section 12; thence S. 0°04'30" E. along said East line, 600.30 feet to the True Point of Beginning.

**EXHIBIT "B"**

RECORDING REQUESTED BY,  
AND WHEN RECORDED  
RETURN TO:

Palouse Mall Associates, LLC  
c/o Daniel B. DeRuyter  
West 422 Riverside, Suite 909  
Spokane, WA 99201

Loan No. \_\_\_\_\_

**SUBORDINATION, NONDISTURBANCE,  
AND ATTORNMENT AGREEMENT**

THIS AGREEMENT (the "Agreement") made and entered into this\_\_\_\_ day of \_\_\_\_\_, by and among PALOUSE MALL ASSOCIATES, LLC, a Washington limited liability company ("Lessee"), \_\_\_\_\_ ("Lender"), and **THE REGENTS OF THE UNIVERSITY OF IDAHO**, a body politic, organized and existing under and by virtue of the Constitution and laws of the State of Idaho ("Borrower").

**RECITALS:**

A. Lender has agreed to make or has made a Deed of Trust loan ("Loan") to Borrower in the amount of (\$\_\_\_\_\_), to be secured by a Deed of Trust (the "Deed of Trust") on the real property (the "Premises") legally described in Exhibit A attached hereto; and

B. Lessee is the present lessee under a lease dated \_\_\_\_\_, of the Premises (said lease including amendments, if any, being referred to as the "Lease"); and

C. Lender requires that Lessee subordinate the Lease and its interest in the Premises in all respects to the lien of the Deed of Trust and that Lessee attorn to Lender, and acknowledge that the Lease is in full force and effect; and

D. In return, Lender is agreeable to not disturbing Lessee's possession of the portion of the Premises covered by the Lease (the "Leased Premises"), so long as Lessee is not in default under the Lease.

NOW, THEREFORE, the parties hereby agree as follows:

1. Subordination. So long as Lessee's occupancy is not disturbed as provided in Section 2 below, the rights of Lessee in, to, and under the Lease, and the Leased Premises are hereby subjected and subordinated, and shall remain in all respects and for all purposes subject and subordinate, to the lien of the Deed of Trust, and to any and all renewals, modifications, and extensions thereof, and any and all other instruments held by Lender as security for the Loan.

2. Lessee Not to be Disturbed. So long as Lessee is not in default (beyond any period given Lessee by the terms of the Lease to cure such default) in the payment of rent or additional rent or in the performance of or compliance with any of the terms, covenants, or conditions of the Lease on Lessee's part to be performed or complied with, (a) Lessee's possession of the Leased Premises, or any extension or renewal rights therefor in the Lease, shall not be diminished or interfered with by Lender, and Lessee's occupancy of the Leased Premises shall not be disturbed by Lender during the term of the Lease or any such extensions or renewals thereof, and (b) Lender will not join Lessee as a party defendant in any action or proceeding foreclosing the Deed of Trust unless such joinder is necessary to foreclose the Deed of Trust and then only for such purpose and not for the purpose of terminating the Lease.

3. Lessee to Attorn to Lender. If Lender shall become the owner of the Leased Premises, or the Leased Premises shall be sold by reason of foreclosure or other proceedings brought to enforce the Deed of Trust, or the Leased Premises shall be transferred by deed in lieu of foreclosure, the Lease shall continue in full force and effect as a direct lease between the then owner of the Leased Premises and Lessee, and Lessee hereby attorns to Lender or any other such owner as its lessor, said attornment to be effective and self-operative without the execution of any further instruments; provided, however, that Lender or such other owner shall not be

(a) liable for any act or omission of any prior lessor (including Borrower as lessor), except that Lessee shall retain all rights and remedies available to Lessee at law or pursuant to the Lease; or

(b) subject to any offsets or defenses which Lessee might have against such prior lessor except to the extent such defenses arise out of acts or omissions of Lender or such other owner, and provided further, that nothing herein shall limit Lessee's defenses for Lender's or such other owner's responsibilities under the Lease during the time Lender or such other owner holds title to, or has possession of, the Leased Premises, for breach of the covenant of quiet enjoyment under the Lease by or through Lender, and any offsets or defenses which arise therefrom; or

(c) bound by any prepayment of rent or additional rent which Lessee might have paid, except as otherwise expressly required by the terms of the Lease; or

(d) except as expressly provided by the terms of the Lease, bound by

any material amendment or modification of the Lease or by any waiver or forbearance on the part of any such prior lessor made or given without the written consent of Lender or any subsequent holder of the Deed of Trust, which consent shall not be unduly withheld or delayed; or

(e) bound to return any security or other deposit paid by Lessee to Lessor unless Lender or such other owner has actually received that security deposit.

Lessee shall be under no obligation to pay rent to Lender or any such other owner until Lessee receives written notice from Lender or any such other owner that it has succeeded to Borrower's interest under the Lease.

4. Purchase Option. Any option or rights contained in the Lease, or otherwise, to acquire any or all of the Leased Premises are hereby made subject and subordinate to the rights of Lender under the Deed of Trust and any acquisition of any or all of the Leased Premises made by Lessee during the term of the Deed of Trust shall be made subordinate and subject to the Deed of Trust.

5. Lender's Option to Cure Borrower's Default. Lessee agrees that Borrower shall not be in default under the Lease unless written notice specifying such default is given to Lender. Lessee agrees that Lender shall have the right to cure such default on behalf of Borrower within sixty (60) days after the expiration of Lessor's applicable cure period. Lessee further agrees not to invoke any of its remedies under the Lease until said sixty (60) days have elapsed, or during any period that Lender is proceeding to cure such default with due diligence, or is diligently taking steps to obtain the right to enter the Leased Premises and cure the default. Notwithstanding the foregoing, nothing herein shall preclude Lessee from maintaining or repairing the Leased Premises pursuant to Sections 6.1(d) and 7.2 of the Lease.

6. Assignment of Lease. Lessee acknowledges that Borrower's interest has been assigned to Lender as security under the Deed of Trust. Neither this assignment nor any receipt or collection of rents pursuant to this assignment shall cause Lender to have any duty, liability, or obligation under the Lease, or any extension or renewal thereof, unless and until Lender becomes owner of the Leased Premises and then subject to the limitations set forth in Section 3 above. In addition, except as expressly provided in the Lease, unless the written consent of Lender is first obtained, no cancellation, surrender, or modification may be made of the Lease and no rental shall be paid other than as now provided in the Lease.

7. Deed of Trust, Condemnation, Casualty. Lender agrees that the Deed of Trust shall not cover or encumber and shall not be construed as subjecting in any manner to the lien thereof any of Lessee's improvements or trade fixtures, furniture, equipment or other personal property at any time placed or installed in the Leased Premises. In the event the Leased Premises or any part thereof shall be taken for public purposes by condemnation or transfer in lieu thereof or the same are damaged or destroyed, the rights of the parties to any condemnation award or insurance proceeds shall be determined and controlled by the applicable provisions of the Lease.

8      Rental Payment. Until such time as Lessee is otherwise notified in writing by Lender, it shall make all rental payments under the Lease to Borrower as provided therein. Borrower hereby releases and discharges Lessee of and from any liability to Borrower resulting from Lessee's payment to Lender in accordance with any such written notice.

9.      Successors and Assigns. This Agreement and each and every covenant, agreement, and other provision hereof shall be binding upon and shall inure to the benefit of the parties hereto, and their heirs, administrators, representatives, successors, and assigns.

10.     Effectiveness of Agreement. This Agreement shall become effective upon the execution and delivery by and to each party hereto.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed as of the date first above.

**LENDER:**

\_\_\_\_\_  
a(n)  
\_\_\_\_\_

\_\_\_\_\_  
By:

\_\_\_\_\_  
Title:  
\_\_\_\_\_

**BORROWER**

\_\_\_\_\_  
a(n)  
\_\_\_\_\_

\_\_\_\_\_  
By:

\_\_\_\_\_  
Title:  
\_\_\_\_\_

**LESSEE**

\_\_\_\_\_  
a(n)  
\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

[Acknowledgment page(s) follow(s)]

[Acknowledgment of Lender]

State of                    )  
                                  ) ss  
County of                )

On \_\_\_\_\_, 2006, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

(seal)

[Acknowledgment of Borrower]

State of                    )  
                                  ) ss  
County of                )

On \_\_\_\_\_, 2006, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

(seal)



[Acknowledgment of Lessee]

State of                    )  
                                  ) ss  
County of                )

On \_\_\_\_\_, 2006, before me, \_\_\_\_\_, a  
Notary Public in and for said County and State, personally appeared  
\_\_\_\_\_ personally known to me to be the person(s) whose name(s)  
is/are subscribed to the within instrument and acknowledged to me that he/she/they  
executed same in his/her/their authorized capacity(ies), and that by his/her/their  
signature(s) on the instrument the person(s), or the entity upon behalf of which the  
person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

(seal)

**EXHIBIT A  
TO  
SUBORDINATION, NONDISTURBANCE,  
AND ATTORNMENMENT AGREEMENT**

**LEGAL DESCRIPTION OF THE PREMISES**

Situate in the County of Latah, State of Idaho, to wit:

**Parcel I**

That portion of the Southeast Quarter (SE<sup>1</sup>/<sub>4</sub>) of Section 12, Township 39 North, Range 6 W.B.M., described as follows:

Beginning at the Southeast corner of said Section 12, thence N. 0°04'30" W. along the East section line, 1284.40 feet to a point on the North right of way line of the Moscow-Pullman Highway; thence S. 88°51'00" W. along said right of way line, 487 feet to the True Point of Beginning; thence continuing along said right of way line, S. 88°51'00" W. 2103.84 feet; thence N. 0°20'00" E. 785.08 feet; thence N. 88°31'00" E. 1486.95 feet; thence S. 0°00'00" E. 34.01 feet; thence N. 88°31'00" E. 604 feet; thence S. 0°38'45" E. 763 feet to the True Point of Beginning.

**Parcel II**

That portion of the Southeast Quarter (SE<sup>1</sup>/<sub>4</sub>) of Section 12, Township 39 North, Range 6, W.B.M. described as follows:

Beginning at the Southeast corner of said Section 12; thence N. 0°04'30" W. along the East line of said Section 12, 1884.70 feet to the True Point of Beginning; thence S. 89°05'35" W. 412.97 feet; thence N. 00°38'45" W. 161.50 feet; thence N. 88°31'00" E. 414.66 feet; thence S. 00°04'30" E. along the East line of said Section 12, 165.69 feet to the True Point of Beginning.

**Parcel III**

That portion of the Southeast Quarter (SE<sup>1</sup>/<sub>4</sub>) of Section 12, Township 39 North, Range 6, W.B.M. described as follows:

Beginning at the Southeast corner of said Section 12; thence N. 0°04'30" W. along the East section line, 1284.40 feet to the point on the North right of way line of the Moscow-Pullman Highway and the True Point of Beginning; thence S. 88°51'00" W. along said right of way line, 407 feet; thence N. 0°38'45" W. 601.97 feet; thence N. 89°05'35" E. 412.97 feet to the East line of said Section 12; thence S. 0°04'30" E. along said East line, 600.30 feet to the True Point of Beginning.

**EXHIBIT "C"**  
**Rent Schedule**

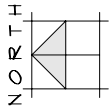
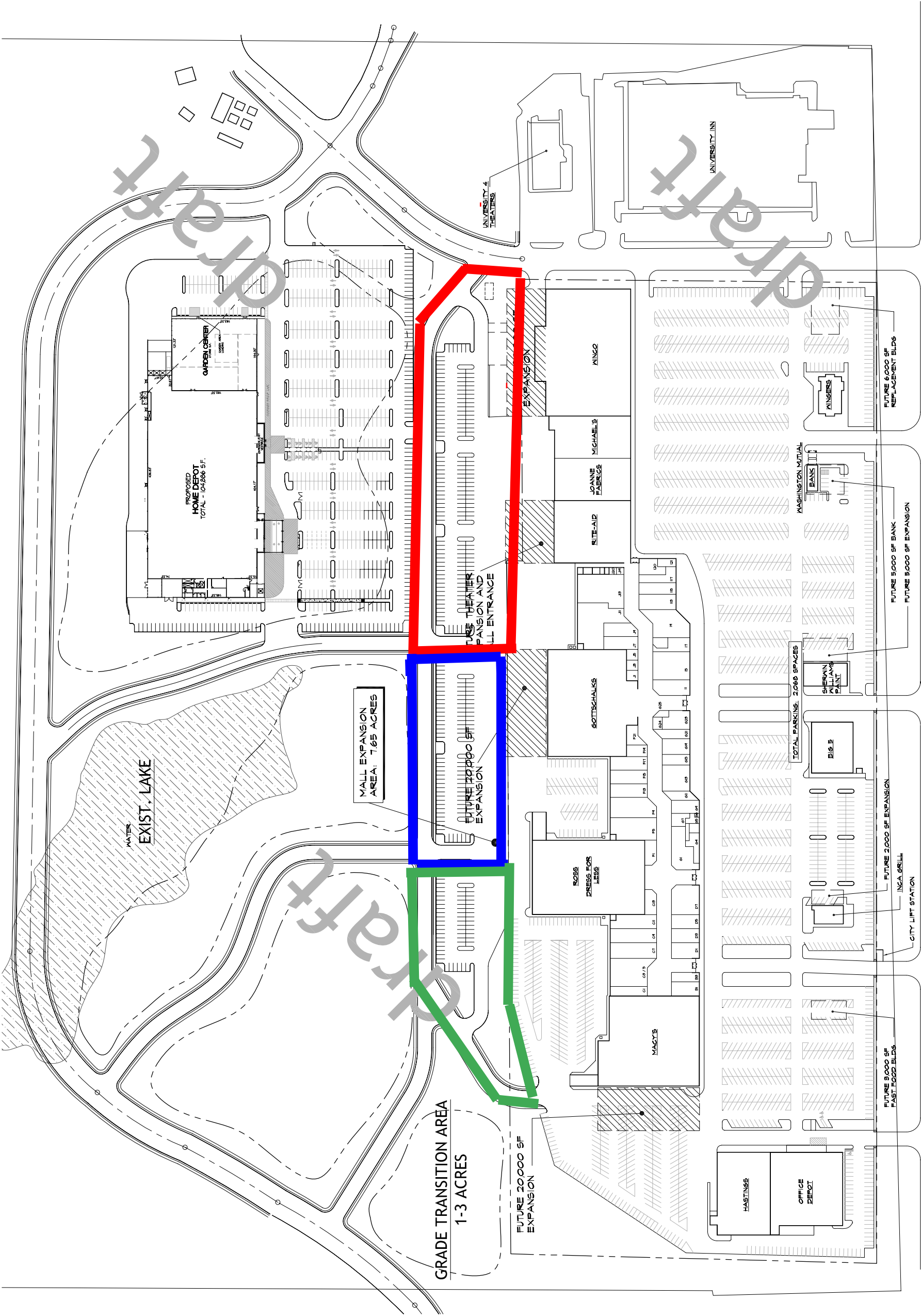
**Annual Rent**

<u>Term</u>	<u>Amount Including Escalation</u>	<u>Escalation Amount</u>
Years 1-2	\$236,018	None
Years 3-5	\$259,620	10% over previous
Years 6-10	\$285,582	10%
Years 11-15	\$314,140	10%
Years 16-20	\$345,544	10%
Years 21-25	\$380,109	10%
Years 26-30	\$418,120	10%
Years 31-35	\$522,650	25% over previous
Years 36-40	\$574,915	10% over previous
Years 41-45	\$632,407	10%
Years 46-50	\$695,648	10%
Years 51-55	\$765,212	10%
Years 56-60	\$841,734	10%

Renewal Options: The Rent for any exercised option to extend period under Section 2.3 will follow the same pattern as the Rent during the Term. Namely, in each option to extend period the Rent will increase 10% over the immediately preceding 5-year period and will remain fixed at that level for five (5) years. The Rent will increase again by 10% over the previous level for the second five-year period of the 10-year option.

Initial: \_\_\_\_\_  
Date: \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**



PLP-2

PRELIMINARY LAND USE PLAN NO. TWO

SCALE: 1" = 100' - 0" MARCH 22, 2006 • #03-143

BWA BERNARDO WILLS  
ARCHITECTS PC

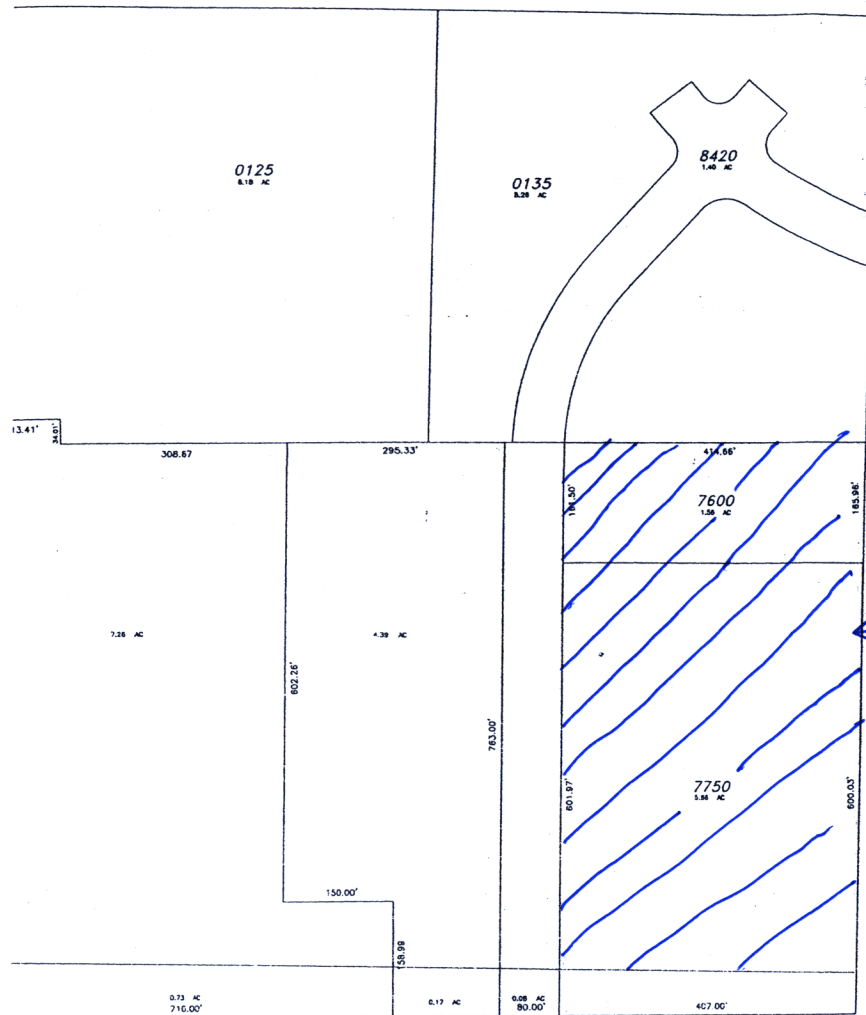
107 S HOWARD, FOURTH FLOOR  
SPOKANE, WA 99201  
509.838.4511  
FAX 509.838.4605  
WWW.BERNARDOWILLS.COM

MOSCOW - FULLMAN HIGHWAY (STATE HIGHWAY 8)

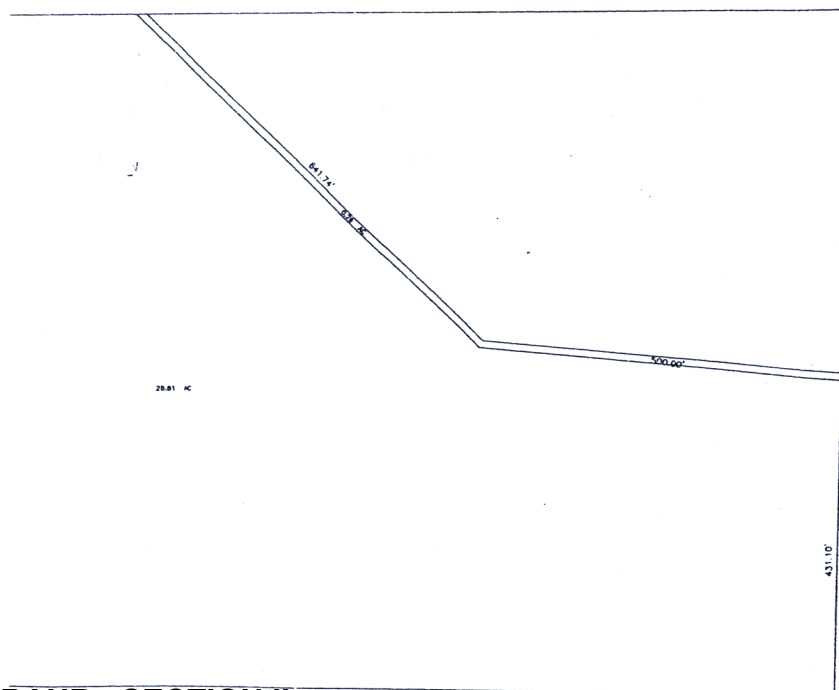
**THIS PAGE INTENTIONALLY LEFT BLANK**

Exhibit E  
 39N 05W  
 Sec 7 1/2  
 SNE 1/4

1" = 100'



Site Plan Depiction  
 "Option Reduction Land"





**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

SECTION: V. FINANCIAL AFFAIRS

Subsection: I. Real and Personal Property and Services

April 2002

**I. Real and Personal Property and Services**

5. Disposal of Real Property

.

b. Board approval of other transfers

- (1) Leases to use real property under the control of an institution, school or agency require prior Board approval - if the term of the lease exceeds five (5) years or if the lease revenue exceeds two hundred fifty thousand dollars (\$250,000).

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**ITEM PULLED FROM AGENDA**

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**LEWIS-CLARK STATE COLLEGE**

**SUBJECT**

Lewis-Clark State College requests approval to increase the number of fee waivers for intercollegiate athletics from 70 to 110.

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Sections V.T.2.b.

**BACKGROUND**

Lewis-Clark State College (LCSC) requests additional athletic Out of State Waivers to assist in keeping the athletic department competitive with other schools in its conference and the National Association of Intercollegiate Athletics (NAIA). The College's research indicates this issue has not been addressed by LCSC in many years.

**DISCUSSION**

Currently the University of Idaho, Boise State University, and Idaho State University are authorized up to two hundred twenty-five 225 waivers per semester and Lewis-Clark State College is authorized up to seventy 70 waivers per semester for the purpose of improving competitiveness in intercollegiate athletics.

Comparison of number of sports offered at each institution in the State of Idaho for FY06:

Lewis-Clark State College	10 intercollegiate athletic programs
Idaho State Univ.	13 intercollegiate athletic programs
Boise State Univ.	15 intercollegiate athletic programs
Univ. of Idaho	14 intercollegiate athletic programs

Example: specific comparison between Lewis-Clark State College athletics and Idaho State University athletics for FY 2006:

ISU sports offered	= 13	LCSC = 10
ISU athletes	= 276	LCSC = 164
ISU out of state waivers	= 225	LCSC = 70
Ratio of waivers/Athletes	= 81.5%	42.7%

Lewis-Clark State current offering of ten 10 intercollegiate sports have developed and grown and it has become apparent that additional out of state waivers are an area of need. An additional 40 waivers would bring LCSC ratio of waivers to athletes to approximately 67%.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**LEWIS-CLARK STATE COLLEGE – continued**

**IMPACT**

The addition of 40 additional Out of State Waivers will allow Lewis-Clark State Athletic to continue to be competitive with its current offerings of intercollegiate sports. In addition, it will give LCSC the flexibility to add women's track in the future and help with Title IX compliance.

**STAFF COMMENTS AND RECOMMENDATIONS**

Staff has reviewed the request, and notes that when making comparisons between LCSC and the universities, the two different governing bodies (NAIA and NCAA) may have different requirements/maximum scholarships for the same sport. Thus, a direct comparison between number of varsity sports offered and number of scholarships may not be entirely valid.

Staff recommends approval.

**BOARD ACTION**

A motion to approve 40 additional athletic fee waivers for Lewis-Clark State College to award to non-resident student-athletes for a total authorized number of athletic waivers of 110.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_ No \_\_\_\_

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

SECTION: V. FINANCIAL AFFAIRS

Subsection: T. Fee Waivers

April 2002

---

**T. Fee Waivers**

**2. Waiver of Nonresident Tuition**

Nonresident tuition may be waived for the following categories:

**b. Intercollegiate Athletics**

For the purpose of improving competitiveness in intercollegiate athletics, the universities are authorized up to two hundred twenty-five 225 waivers per semester and, Lewis-Clark State College is authorized up to seventy 70 waivers per semester. The institutions are authorized to grant additional waivers, not to exceed ten percent (10%) of the above waivers, to be used exclusively for post-eligibility students.

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**LEWIS-CLARK STATE COLLEGE**

**SUBJECT**

Informational item from Lewis-Clark State College regarding a management agreement for a private student housing project with a private developer.

**REFERENCE**

October 2004	LCSC informed Board of shortage of residence hall space.
December 2004	Board asked for a needs presentation and competitive RFP.
January 2005	Board asked for review of private enterprise building any necessary residence halls and/or advantages of self financing without a lease consideration.
March 2005	Board approved the sale of tax-exempt bonds to fund the construction of a residence hall. However, LCSC promised to provide adequate time for private industry to intervene prior to a financial commitment by the College.
October 2005	Board approved the sale of two lots to provide land for private development of a residence hall.
June 2006	Board approved a management agreement between LCSC and College Place, LLC.

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Sections V.I.1. through V.I.3.

**BACKGROUND**

Lewis-Clark State College has been pursuing a private/public partnership as a means of providing a method of providing needed housing for LCSC students. During the January 2005 meeting the Board asked that we pursue the possibility of allowing the need to be met through the private sector renting directly to students without a financial obligation to the College. In addition, the Board asked that LCSC pursue other funding alternatives rather than a lease arrangement guaranteeing a return to a private developer.

During the March 2005 meeting, the Board approved the issuance of a tax-exempt bond to fund a new residence hall with the promise from LCSC it would pursue the possibility of encouraging private enterprise to construct a facility and rent directly to the students. The goal is to have a new and affordable housing by Fall Term 2006. In October 2005, the Board approved the sale of two lots owned by the College that were needed by the developer to facilitate construction of the project.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**LEWIS-CLARK STATE COLLEGE - continued**

During the June, 2006, meeting the Board approved an agreement with College Place, LLC, the developers of a 88 bed facility on 4<sup>th</sup> Street in Lewiston.

LCSC is now negotiating with a second private developer for a new residence facility, which will be a 117 bed structure located on the corner of 5<sup>th</sup> Street and Main Street in Lewiston. This project has been created in cooperation with the City of Lewiston to help the revitalization of downtown.

**DISCUSSION**

Lewis-Clark State College believes it is in need of new and modern student housing. A new residence hall would help the college in attaining goals in regard to student body growth and increased retention of students during the first two years on campus.

New student housing would also provide the college with more flexibility to house students in order to take portions of existing residence halls off-line to provide system upgrades to address the safety and efficiency needs of those older structures. The College intends to move 59 current students now housed in a local hotel into the new structure and does not intend to place students in one of the on-campus residence halls (Talkington Hall). This gives the College the opportunity to plan for renovation of Talkington Hall in order to address life safety and energy conservation needs. The College could then start to meet the demand created by the growth of new students on campus and attract more students to the Lewis-Clark State College campus starting in Fall 2007.

The main points of the agreement are as follows:

1. LCSC would manage the facility for the Owner and would rent the rooms to students on behalf of the owner during the school year and, during the summer to both students ("Students") and to others attending courses and other College sponsored or community events ("Program Participants"). The initial amount to be remitted to the owner is \$390 per month per Student and a minimum of \$390 for Program Participants. This minimum rate due to the owner ("Base Monthly Rate") will be adjusted annually by mutual agreement of the parties.
2. As done with current Residence Hall students, rental agreements will be issued by LCSC on behalf of the owner, allowing students to pay room and board costs as traditionally done. LCSC will collect rents in advance at the beginning of the semester or other rental period, as done with current students living in the College's Residence Halls.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**LEWIS-CLARK STATE COLLEGE - continued**

3. Each party has a mutual right to terminate with adequate notice, with the initial term of the Management Agreement being 10 years.
4. LCSC shall bear certain maintenance and operating costs, including residence hall staffing, janitorial, maintenance of the grounds and maintenance of the interior of the facility. LCSC shall also be responsible for marketing and renting the rooms as part of LCSC's Residence Life Program.
5. Owner shall be responsible for taxes, insurance on the facility, the maintenance and repair of roof, windows, doors, exterior of the building, the building envelope, heating and cooling and HVAC systems. Manager will be responsible for arranging for Owner's repairs, but will pay for those repairs from an Owner's Reserve Account which will be funded by Owner.
6. Manager shall be entitled to receive a management fee based on the gross revenues generated by the College Town Development Idaho Bond Residence. This management fee will be advanced to LCSC on a semester basis after rent for the term is received from LCSC, except that if LCSC fails to obtain the equivalent of 85% of total occupancy, computed as hereinafter provided for a term, Owner will be under no obligation to advance the management fee to LCSC for that term. Annually, the parties shall determine the amount of the management fee to which LCSC is actually entitled in the following manner:
  - (a) Determine the gross revenue generated by Students and Program Participants for the entire preceding year.
  - (b) Determine the gross revenue which would have been generated for the entire preceding year if Students and Program Participants had occupied 100% of the residence hall for the entire preceding year and had paid rent for such entire year at the Base Monthly Rate in effect for such year.
  - (c) Divide the amount computed under Item (a) by the amount computed under Item (b) to determine the actual percentage of total occupancy for the preceding year. If the resulting percentage is less than 85%, LCSC shall not be entitled to receive any commissions for the preceding year and shall reimburse to Owner all management fees advanced to LCSC for that entire year.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**LEWIS-CLARK STATE COLLEGE - continued**

(d) If the percentage computed under Item (c) equals or exceeds 85%, then compute the commission actually earned by LCSC for the preceding year using the total revenue for that year computed under Section (a) and the following commission schedule:

100% to 95% of total occupancy – 4%.  
Less than 95% to 90% of total occupancy – 3%  
Less than 90% to 85% of total occupancy – 2%

(e) Compare the commission actually earned by LCSC for the preceding year to the total of the commission advanced to LCSC for the preceding year. If the commission actually earned by LCSC exceeds the commission advanced to LCSC, Owner shall promptly pay to LCSC the amount of such excess. If the amount advanced to LCSC exceeds the amount of commission actually earned, then LCSC shall promptly repay such excess to Owner.

8. All vending and concessions will be arranged by the College and revenue derived from those activities will be the revenue of the College.

7. If LCSC fails to fill the facility to at least 90% of total occupancy during any rental period, Owner shall have the right to fill the remaining rooms at market rates with any tenant deemed suitable by and at the sole determination of Owner, provided that, in selecting any non-Student residents, Owner will take into account the safety and well-being of the Students then occupying the residence hall.

**IMPACT**

The agreement would provide funding for the management of the residence hall project and provide a structure to incorporate the privately developed and constructed project into the residence hall program of Lewis-Clark State College.

**STAFF COMMENTS AND RECOMMENDATIONS**

The management agreement being negotiated by LCSC and a private developer is substantially the same as was created for the first new residence hall. The Board has seen this first agreement. It is LCSC's intention to bring the final management agreement for the second residence hall to the Board for approval at the October meeting.

**BOARD ACTION**

This item is for informational purposes only. Any action will be at the Board's discretion.

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

**Idaho State Board of Education**  
**GOVERNING POLICIES AND PROCEDURES**

**SECTION: V. FINANCIAL AFFAIRS**

**Subsection: I. Real and Personal Property and Services**

**April 2002**

**I. Real and Personal Property and Services**

**1. Authority**

- a. The Board may acquire, hold, and dispose of real and personal property pursuant to Article IX, Section 2 and Article IX, Section 10, Idaho Constitution, pursuant to various sections of Idaho Code.
- b. Leases of office space or classroom space by any institution, school or agency except the University of Idaho are acquired by and through the Department of Administration pursuant to Section 67-5708, Idaho Code.
- c. All property that is not real property must be purchased consistent with Sections 67-5715 through 67-5737, Idaho Code, except that the University of Idaho may acquire such property directly and not through the Department of Administration. Each institution, school and agency must designate an officer with overall responsibility for all purchasing procedures.
- d. Sale, surplus disposal, trade-in, or exchange of property must be consistent with Section 67-5722, Idaho Code, except that the University of Idaho may dispose of such property directly and not through the Department of Administration.
- e. If the executive director finds or is informed that an emergency exists, he or she may consider and approve a purchase or disposal of equipment or services otherwise requiring prior Board approval. The institution, school or agency must report the transaction in the Business Affairs and Human Resources agenda at the next regular Board meeting together with a justification for the emergency action.

**2. Acquisition of Real Property**

- a. Any interest in real property acquired for the University of Idaho must be taken in the name of the Board of Regents of the University of Idaho.
- b. Any interest in real property acquired for any other institution, school or agency under the governance of the Board must be taken in the name of the state of Idaho by and through the State Board of Education.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

- c. This does not preclude a foundation or other legal entity separate and apart from an institution, school or agency under Board governance from taking title to real property in the name of the foundation or other organization for the present or future benefit of the institution, school or agency. (See Section V.E.)
- d. Acquisition of an option, lease, or any other present or future interest in real property by or on behalf of an institution, school or agency requires prior Board approval if the term of the lease exceeds five (5) years or if the cost exceeds two hundred fifty thousand dollars (\$250,000) annually.
- e. Appraisal.  
An independent appraiser must be hired to give an opinion of fair market value before an institution, school or agency acquires fee simple title to real property.
- f. Method of sale - exchange of property.  
The Board will provide for the manner of selling real property under its control, giving due consideration to Section 33-601(4), applied to the Board through Section 33- 2211(5), and to Chapter 3, Title 58, Idaho Code. The Board may exchange real property under the terms, conditions, and procedures deemed appropriate by the Board.
- g. Execution.  
All easements, deeds, and leases excluding easements, deeds, and leases delegated authority granted to the institutions, school and agencies must be executed and acknowledged by the president of the Board or another officer designated by the Board and attested to and sealed by the secretary of the Board as being consistent with Board action.

**3. Acquisition of Personal Property and Services**

- a. Purchases of equipment, data processing software and equipment, and all contracts for consulting or professional services either in total or through time purchase or other financing agreements, between two hundred fifty thousand dollars (\$250,000) and five hundred thousand dollars (\$500,000) require prior approval by the executive director. The executive director must be expressly advised when the recommended bid is other than the lowest qualified bid. Purchases exceeding five hundred thousand dollars (\$500,000) require prior Board approval.
- b. Acquisition or development of new administrative software or systems that materially affect the administrative operations of the institution by adding new services must be reviewed with the executive director before beginning development. When feasible, such development will be undertaken as a joint endeavor by the four institutions and with overall coordination by the Office of the State Board of Education.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**AGENCIES AND INSTITUTIONS OF THE STATE BOARD**

**SUBJECT**

FY 2008 Budget Requests

**REFERENCE**

June 15-16, 2006                      Instructions to agencies and institutions regarding submission of budget requests.

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Section V.B.1.  
Title 67, Chapter 35, Idaho Code

**BACKGROUND**

As discussed at the June 2006 Board meeting, budget requests are developed in three parts as directed by the Division of Financial Management (DFM) and Legislative Services Office (LSO), in the Budget Development Manual:

- Maintenance of Current Operations (MCO)
- Line Items
- Major Capital Facilities Projects

MCO requests are calculated using standard budget guidelines provided by the DFM and LSO, and Board policy, and may include increases for health insurance, Change in Employee Compensation (CEC), inflationary increases for operating expenses, statewide cost allocations (Treasurer, Controller and Risk Management), enrollment workload, and Replacement Capital Outlay items.

Line item requests may be defined by the Board, representing the unique needs of the institutions and agencies and statewide needs. The Line Items are prioritized by the Board for each agency and institution, following review.

Major capital projects approved by the State Board of Education are forwarded to the Permanent Building Fund Advisory Council, which reviews and prioritizes all capital facilities projects statewide.

In addition, some agencies or institutions may have Supplemental Requests, which is a request for additional funding in the current (FY 2007) fiscal year.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**

**AGENCIES AND INSTITUTIONS OF THE STATE BOARD - continued**

**DISCUSSION**

The motions for all of the budget requests are organized as follows:

Supplemental Appropriations, MCO, and Major Capital .....	Tab A
Replacement Line Items	
College and Universities.....	Tab B
Community Colleges .....	Tab C
Agricultural Research/Extension, Special & Health Programs .....	Tab D
Agricultural Research/Extension .....	Page 1
Special Programs.....	Page 5
Health Programs .....	Page 27
Agencies .....	Tab E
Office of State Board of Education .....	Page 1
Idaho School for Deaf and Blind.....	Page 4
Professional-Technical Education .....	Page 23
Idaho Div. of Vocational Rehabilitation.	Page 35
Idaho Public Television .....	Page 47
Idaho State Historical Society .....	Page 51
Idaho Commission on Libraries.....	Page 67
Capital Budget Requests .....	Tab F

Each motion will designate which Line Items are to be included in the official budget request for that agency, institution or program. Each summary page includes a page reference where the detailed narrative information for each line item can be found. This narrative is located behind the individual motion pages.

**IMPACT**

Approval of Supplemental requests, Major Replacement Capital Outlay and Other MCO requests, along with those developed under the DFM guidelines and Board policy, establishes the funding level to maintain operations for FY 2008.

Prioritization of the Line Items helps the agencies and institutions determine which additional services or programs the Board has approved in order for the agency or institution to fulfill and/or expand its mission.

**ATTACHMENTS**

N/A

**STAFF COMMENTS AND RECOMMENDATIONS**

See staff comments and recommendations under each Colored Tab.

**BOARD ACTION**

See individual Board motions under each Colored Tab.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**STAFF COMMENTS AND RECOMMENDATIONS**

MCO request information traditionally presented by the agencies and institutions in past agendas has included estimates, for the following reasons:

- the just-concluded fiscal year was in the process of being closed out when budget request summaries were being prepared
- the Personnel Cost worksheet used by institutions to calculate FY 2008 Personnel Cost needs for the upcoming budget year was not printed at the time these request summaries were prepared (similarly, the Wage and Salary Report used by other agencies has not been available)
- during Fall, DFM and LSO provides additional data to be incorporated into the official budget requests.

Because the MCO portion of a budget request is based on state guidelines and policy-driven calculations, and some of the financial information is not available at the time of agenda publication, the MCO information presented to the Board this year is purposely limited to the list of Replacement Capital Outlay items (if significant). The remaining part of the budget request will address all Line Items.

This allows the Board to focus on prioritizing Line Items and providing guidance to the institutions and agencies.

As discussed in the Background section, MCO requests are calculated using state budget guidelines and Board policy and include the following:

- Change in Benefit Costs: costs to maintain existing positions: Health Insurance, Retirement, Unemployment Insurance, Life Insurance, Workers Compensation, and other items.
- Inflationary for Operating Expenses: inflationary costs associated with utilities, travel, supplies, telecommunications, etc. The standard inflation rate allowed for FY 2008 is 1.81%; agencies are allowed to apply different rates to any category expected to require funding above the standard rate with appropriate documentation (letter from utility company, for example).
- Replacement Capital Outlay Items: costs to replace existing items in inventory: vehicles, computers, laboratory equipment, etc. and library books and periodicals.
- Statewide Cost Allocations (Treasurer, Controller and Risk Management): These costs allocations are provided in October.
- Change in Employee Compensation (CEC): The budget offices have determined that 3.5% will be included in all agency budget requests for FY 2008. This does not mean the final appropriation will be this percentage for agencies/institutions.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

- Non-standard Adjustments: The only item allowed here for higher education is the Enrollment Workload Adjustment (EWA). Higher education institutions have little control over how many students arrive at their door, and hence are allowed to request these funds as part of MCO. Board policy outlines how the enrollment workload adjustment is calculated which includes a three-year moving average of credit hours.

The Board is requested to authorize the Executive Director to approve the MCO budget requests and total requests, including Line Items, for agencies and institutions due to DFM and LSO on September 1, 2006.

Three agencies of the Board have requested Supplemental Appropriations: the Office of the State Board, Division of Vocational Rehabilitation, and the State Historical Society. Motions for those requests can be found on the next page (Tab 12a, page 3).

The Board will be asked to consider a motion for Replacement Capital Outlay in those instances where the request is significant with respect to the budget in question. The institutions/agencies with such requests are the College and Universities and Idaho Public Television.

Finally, the Board will consider one motion for MCO budget requests. These motions are on Page 15 of this tab.

The summaries for Replacement Capital Outlay can be found on pages 17-39.

College and Universities..... Page 17  
Idaho Public Television ..... Page 31

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**BOARD ACTION**

**SUPPLEMENTAL APPROPRIATIONS**

A motion to approve a Supplemental Appropriation request for the Office of the State Board of Education to extend the contract with NWEA for Fall 2006 testing, in the amount of \$1,700,000, General Funds.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

AND

A motion to approve a Supplemental Appropriation request for the Office of the State Board of Education to lease test questions from DRC for the Spring 2007 Language Usage Test, in the amount of \$300,000, General Funds.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

AND

A motion to approve a Supplemental Appropriation request for the Office of the State Board of Education, to continue testing in the 2<sup>nd</sup> and 9<sup>th</sup> grades in the amount of \$750,000, General Funds.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

AND

A motion to approve a Supplemental Appropriation request for the Office of the State Board of Education, for \$833,200 federal spending authority and two new positions for the Gear Up Grant.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

A motion to approve a Supplemental Appropriation request for the Office of the State Board of Education, for \$1,311,300 federal spending authority for the Teacher Incentive Pilot Project.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

AND

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

A motion to approve a Supplemental Appropriation request for the Division of Vocational Rehabilitation to expand caseload services, in the amount of \$273,000, General Funds.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

AND

A motion to approve a Supplemental Appropriation request for the Idaho State Historical Society for additional Operating Expense costs at the Idaho History Center and Bureau of Reclamation building, in the amount of \$45,300, General Funds.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Agencies of the State Board of Education**  
**Supplemental Requests by Agency**

Priority	FY2007 SUPPLEMENTAL REQUESTS	Detail Page	FTP	General	Other Funds	Total
1	<b>Office of the State Board of Education</b>					
2	Assessment and Accountability - Extend NWEA Contract for Fall Testing	6		\$ 1,700,000		\$ 1,700,000
3	Assessment and Accountability - Leasing Items for Language Testing	7		300,000		300,000
4	Assessment and Accountability - 2nd & 9th grade Testing	8		750,000		750,000
5	Gear Up - Federal Spending Authority Only	9	2.00		833,200	833,200
6	Teacher Incentive Pilot - Year #1 Federal Spending Authority Only	10			1,311,300	1,311,300
7	<b>Idaho Division of Vocational Rehabilitation</b>					
8	1 Case Services - Increase in Clients Served	11		\$ 273,000		\$ 273,000
9	<b>Idaho State Historical Society</b>					
10	1 Building Maintenance for FY2007	13		\$ 45,300		\$ 45,300
11	<b>Total Cost of Supplementals Requested</b>		2.00	\$ 3,068,300	\$ 2,144,500	\$ 5,212,800

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

AGENCY: Office of the State Board of Education  
 FUNCTION: OSBE  
 ACTIVITY:

Agency No.: 501  
 Function No.: 02  
 Activity No.:

FY 2008 Request  
 Page \_1\_ of \_1\_ Pages  
 Original Submission \_\_\_ or Revision No. \_\_\_

A: Decision Unit No: 4.31		Description: Extension of NWEA Contract			Agency Priority Ranking of
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
NWEA Contract (One-Time)	1,700,000				1,700,000
TOTAL OPERATING EXPENDITURES:	1,700,000	0	0	0	1,700,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					0
LUMP SUM:					
GRAND TOTAL	1,700,000	0	0	0	1,700,000

**B: 1.** What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request is for a one-time extension of Northwest Evaluation Association (NWEA) contract to cover fall testing during the transition between NWEA and Data Recognition Corporation (DRC) as the Idaho Testing Contractor. To insure a smooth transition between the current ISAT testing contractor, NWEA, and DRC, the assessment contractor selected for the continuing development and administration of the ISAT, a supplemental budget of \$1.7 million is requested. The additional budget will cover:

- o Development of the test forms for the fall ISAT:
- o Training of district personnel in preparation for the fall ISAT testing,
- o Administration of the fall ISAT,
- o Reporting of results of the fall ISAT, and
- o Transfer of data between NWEA and DRC.

This is a budget request that has been known and discussed as an expected expenditure in the event of a change in testing contractors. The budget is also necessary to ensure continuous and seamless transition for Idaho districts, in terms of service and data.

The staffing level for this program is 2 FTP, a Program Manager and a Assessment & Compliance Coordinator. In FY2007 there is \$2,331,300 General fund monies identified for this program. The federal award for Federal FY2006 is \$4,195,554.

**2.** What resources are necessary to implement this request?

- a. List by position: No new positions are being requested.
- b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. There will be no new human resources redirected due to this request.
- c. List any additional operating funds and capital items needed. The full request will be used for the contract extension with NWEA.

**3.** Please break out fund sources with anticipated expenditures in the financial data matrix. General Funds

**4.** Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted? All Idaho students, schools and school districts.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Office of the State Board of Education

FUNCTION: OSBE

ACTIVITY:

Agency No.: 501

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_ or Revision No. \_\_\_

A: Decision Unit No: 4.32		Description:Lease Items for Language Usage Test			Agency Priority Ranking 2 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. Professional Services (one-time)	300,000				300,000
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	300,000	0	0	0	300,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	300,000	0	0	0	300,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Assessment and Accountability - Leasing of Items for Language Usage Test - General Fund \$300,000

For the Spring 2007 Language Usage Test (grades 2-10) – Development of items for the ISAT reading and mathematics is underway by DRC and will require significant human and financial resources. To lighten the load, especially the financial load, during this first year of the contract with DRC, an option to lease items for the Spring 2007 Language Usage Test was included in the Request for Proposals and results as an FY 2007 Supplemental budget request of \$.3 million. Since performance on the reading and mathematics tests are the primary basis for Adequate Yearly Progress (AYP) determinations, it is essential that those two content area items be written to closely align to the Idaho revised standards. Idaho ownership of reading and mathematics items provides a number of options, including release of sample items for district use and/or use of items in formative, diagnostic assessments that closely mimic those used on the Spring ISAT. The intent is to develop language usage items as well, but to delay that endeavor until after the Spring 2007 administration.

2. What resources are necessary to implement this request? \$300,000 General Fund

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for one-time funding

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

All Idaho students, schools and school districts.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Office of the State Board of Education

FUNCTION: OSBE

ACTIVITY:

Agency No.: 501

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_ or Revision No. \_\_

A: Decision Unit No: 4.33		Descriptive Title: 2nd and 9th Grade Testing		Agency Priority Ranking 3 of 5	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. Professional Services Ongoing	440,000				440,000
2. Professional Services One-Time	310,000				310,000
3.					
4.					
TOTAL OPERATING EXPENDITURES:	750,000	0	0	0	750,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	750,000	0	0	0	750,000

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Continuation of ISAT administration for grades two and nine, which are not grades in which testing is required for NCLB. However, Idaho chose to extend the required testing to grades 2 and 9, so that all grades (2 through 10) are tested on at least a semi-annual basis. This was, at least in part, due to the commitment to providing a contiguous grade-level model for measuring growth. In many ways this puts Idaho on the cutting edge of the "growth model" system discussion. Since Idaho uses an adaptive testing model as a part of an impressive and "forward thinking", comprehensive system, the use of data (for diagnostic purposes) by districts has become routine. It is a system that many Idaho districts have come to depend upon as they endeavor to improve student performance. As a part of the ISAT Request For Proposals, continuing ISAT administration at grades two and nine was included as a cost proposal. Since it is not required by NCLB, state funding will be necessary if the testing is to be continued. DRC has proposed a budget of approximately \$2.5 million over a 4-year period. A supplemental budget request for \$.75 million will cover the first year of the program (The first year of the program is the most costly, because of development costs.). The balance of the cost proposal, a little over \$1.75 million, would be about equally divided over the subsequent three years of the contract (approximately \$440,000).

2. What resources are necessary to implement this request? \$750,000 General Fund

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for one-time funding of \$310,000 and ongoing funding of \$440,000.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

All Idaho students, schools and school districts.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Office of the State Board of Education

FUNCTION: OSBE

ACTIVITY:

Agency No.: 501

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_ or Revision No. \_\_\_

A: Decision Unit No: 4.34		Description: Gear Up Federal Award		Agency Priority Ranking of	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)			2.00		
PERSONNEL COSTS:					
1. Salaries Gear Up Program Mgr			47,200		47,200
1. Salaries Gear Up Information Spec			33,100		33,100
3. Benefits Gear Up Program Mgr			15,100		15,100
3. Benefits Gear Up Information Spec			12,000		12,000
TOTAL PERSONNEL COSTS:	0	0	107,400	0	107,400
OPERATING EXPENDITURES by summary object:					
Travel			45,600		45,600
Supplies			25,000		25,000
Contracts			396,000		396,000
Other			142,400		142,400
4.					
TOTAL OPERATING EXPENDITURES:	0	0	609,000	0	609,000
CAPITAL OUTLAY by summary object:					
1.			16,800		16,800
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	16,800	0	16,800
T/B PAYMENTS:			100,000		100,000
LUMP SUM:					
GRAND TOTAL	0	0	833,200	0	833,200

B:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The Gaining Early Awareness and Readiness for Undergraduated Programs (Gear Up) is designed to increase the number of at risk, and first generation to college students who are prepared to enter and succeed in postsecondary education. Intended to provide services at high poverty middle and high schools, GEAR UP provides resources to an entire cohort of students beginning in the seventh grade and continues to serve that cohort through high school to assure that students and their parents have the necessary support at school and level of academic achievement necessary to attend and be successful in postsecondary education. In addition, college scholarship funds for low-income students are available through this program. This request is for federal fund spending authority. OSBE has applied for approximately \$17.8 million to be used over a six year period. Official notification of the award will happen no later than August 30, 2006.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. 2 Limited Service Positions are requested (Program Supervisor and Information Specialist), anticipated hire date is August 30, 2006. This funding request is based on 18 pay periods.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

The funding for this program is all federal funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Students at risk of dropping out and low-income students and their parents.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: Office of the State Board of Education

FUNCTION: OSBE

ACTIVITY:

Agency No.: 501

Function No.: 02

Activity No.:

FY 2008 Request

Page 1 of 1 Pages

Original Submission      or Revision No.     

A: Decision Unit No: 4.35		Descriptive Title: Teacher Incentive Grant			Agency Priority Ranking 1 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding			30,000		30,000
TOTAL PERSONNEL COSTS:	0	0	30,000	0	30,000
OPERATING EXPENDITURES by summary object:					
1. Development, Evaluation, Management Ongoing			1,273,300		1,273,300
2. Travel			8,000		8,000
3.					
TOTAL OPERATING EXPENDITURES:	0	0	1,281,300	0	1,281,300
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	0	0	1,311,300	0	1,311,300

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Teacher Incentive Pilot - Year 1 Federal Spending Authority \$1,311,300

Based on two years of research and work by a Board-appointed sub-committee, federal funding is being sought to launch a pilot performance-based system in three of our most innovative districts—Bonneville, Caldwell and Lakeland. At the same time, the districts will make steady progress toward increasing high school students' access to rigorous coursework in math and science. The lessons we learn from this pilot will permit us to develop a broader reform of our public school compensation system that not only allows the program to continue after the grant has expired, but also expands performance-based pay to districts across our state. Starting in the third year of this program, the State Board will begin reviewing the results annually to determine if we have learned enough to launch the broader state-wide initiative. Under this pilot compensation will be based primarily on gains in student academic achievement and will provide incentives for teachers and principals to take on additional responsibilities and leadership roles. The maximum award from the U.S. Department of Education will be approximately \$12 million over 5 years. If awarded the grant, the first year of the pilot is preparation that requires no state match, and the following years are implementation where state match will be required. By the end of the grant period, at least 75% of the compensation funds must be from other than teacher incentive grant funds. Current staff in the office of the Board will manage this program utilizing the grant partnership with Accountability Works, a nationally recognized education consulting firm, and other contractual arrangements outlined in the grant.

2. What resources are necessary to implement this request?

- List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. A part-time group position is planned for this project. Anticipated hire date is October 1, 2006. Will pay from group funds.
- Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.
- List any additional operating funds and capital items needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Vocational Rehabilitation

FUNCTION: Renal Disease

ACTIVITY:

Agency No.: 523

Function No.: 01

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 4.31		Description: Supplemental - Case Services			Agency Priority Ranking 1 of 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:	273,000				273,000
LUMP SUM:					0
GRAND TOTAL	273,000	0	0	0	273,000

B: 1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base? \$273,000 in on-going funding for case services for the current year. State Fiscal Year 2006 funding was depleted by May 19, 2006. This has been due to growth in clients served. At that time, there was approximately \$273,000 in outstanding authorizations. \$60,200 of those authorizations for those SFY 2006 services have been paid out of current year authority. The remainder is due to be paid by June 30, 2007. The current growth rate for clients based on the average annual growth over the last three years is 21.3%. Spending SFY 2007 funds on SFY 2006 services will deplete SFY 2007 funding to the point that will not allow IDVR to provide services to those citizens of Idaho with end-stage renal disease.

2. What resources are necessary to implement this request?

- List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.  
None
- Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.  
None
- List any additional operating funds and capital items needed.  
None

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

None

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The citizens of Idaho with end-stage renal disease. The division provides services such as assistance with dialysis, medications, transportation and kidney insurance premiums. The impact of this additional funding will be that funding will not be depleted in SFY 2007 and the Division will be able to provide continuity of services for current client base. If not funded, those citizens will not have the funds necessary to pay for their treatment. This is the State's only program and is, in many cases, the last resort for those clients for services and treatment of their disease.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society  
 FUNCTION: Historic Preservation & Education  
 ACTIVITY:

Agency No.: 522  
 Function No.: 01  
 Activity No.:

FY 2008 Request  
 Page \_1\_ of \_1\_ Pages  
 Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 4.31		Descriptive Title: Museum Restoration Initiative			Agency Priority Ranking 1 of 6
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. Utility & Maintenance	45,300				45,300
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	45,300	0	0	0	45,300
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	45,300	0	0	0	45,300

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The ISHS is short in the base appropriation for the maintenance and operations of the Idaho History Center by \$38,100. The estimated cost of a full year of operations is \$279,300. There is only \$241,200 in the base.

In addition ISHS was given the Old Bureau of Reclamation Building to maintain and utilize. The estimated cost to maintain this building is \$7,200.

2. What resources are necessary to implement this request?

General Fund

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

Ongoing General Fund

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**REPLACEMENT CAPITAL OUTLAY**

A motion to approve Replacement Capital Outlay items for the College and Universities, for normal operational needs, in the amount of \$4,614,500.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

AND

A motion to approve Replacement Capital Outlay items for Idaho Public Television, specifically for KUID/Moscow studio production equipment, translator digital conversion, and IT and other items, in the amount of \$1,862,700.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

AND

**MAINTENANCE OF CURRENT OPERATIONS**

A motion to approve the MCO budget requests for the College and Universities, Community Colleges, Agricultural Research and Extension Service, Special and Health Programs, and the Agencies of the Board, and to delegate to the Executive Director approval of the final FY 2008 Maintenance of Current Operations budget requests for these agencies, institutions and programs as developed by following State of Idaho Budget Development Manual guidelines and Board policy.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

**College and Universities**  
**List of Replacement Items**  
**Fiscal Year 2008 MCO Request**

	Item/Description	Quantity	Unit Cost	Total Cost
1				
2	<b>BSU</b> Computers/Data Processing Equip.			\$ 319,300
3	Furniture			39,900
4	Instruments/Lab/Scientific/Test Eq			370,600
5	Media Equipment			99,800
6	Telecommunications/Academic Tech.			110,900
7	Vehicles			49,900
8	BSU subtotal:			\$ 990,400
9				
10	<b>ISU</b> Instructional & Lab Equipment Needs			\$ 1,000,000
11	Telecommunications Equipment			250,000
12	Central Computer Hardware/Software			290,000
13	Other Dept Computers and Equip.			250,000
14	Physical Plant Maintenance Equip.			210,000
15	ISU subtotal:			\$ 2,000,000
16				
17	<b>UI</b> Computers/Data Processing Equip.			\$ 438,800
18	Instruments/Lab/Scientific/Test Equip.			605,200
19	Media Equipment			194,000
20	Telecommunications Equip.			60,300
21	Classroom and Office Furniture			65,400
22	Vehicles for Facility/Campus Maint.			115,200
23	UI subtotal:			\$ 1,478,900
24				
25	<b>LCSC</b> Instructional Computers	121	1,200	\$ 145,200
26				
27	<b>Total Replacement Items - College &amp; Universities</b>			\$ 4,614,500
28	Percentage of FY 2008 Base			1.92%
29				

**THIS PAGE INTENTIONALLY LEFT BLANK**

**Community Colleges**  
**List of Replacement Items**  
**Fiscal Year 2008 MCO Request**

	Item/Description	Quantity	Unit Cost	Total Cost
1				
2	<b>CSI</b> Vehicle			\$ 15,300
3				
4				
5	<b>NIC</b> 5 Year Replacement Cycle for	66	1491	98,400
6	890 Personal Computers Total			
7				
8				
9				
10				
11	<b>Total Replacement Items - Community Colleges</b>			\$ 113,700
12	Percentage of FY 2008 Base			0.51%
13				

**THIS PAGE INTENTIONALLY LEFT BLANK**

## **Ag Research Extension**

### **List of Replacement Items Fiscal Year 2008 MCO Request**

	<b>Item/Description</b>	<b>Quantity</b>	<b>Unit Cost</b>	<b>Total Cost</b>
1				
2	<b>Ag Research Extension</b>			
3	Telescoping front end loader	1	70,000	\$ 70,000
4	Autoclave	1	50,000	50,000
5	Plot combine	1	150,000	150,000
6	Tractors	3	50,000	150,000
7	Forklifts	2	15,000	30,000
8	Manure spreader truck	1	50,000	50,000
9				
10				
11	<b>Total Replacement Items - Ag Research</b>		\$	500,000
12	Percentage of FY 2008 Base			1.90%

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Special Programs Summary**

**List of Replacement Items**  
**Fiscal Year 2008 MCO Request**

	Item/Description	Quantity	Unit Cost	Total Cost
1				
2	<b>Idaho Geological Survey</b>			
3	Work-station computers	4	2,500	\$ 10,000
4				
5	<b>Idaho Museum of Natural History</b>			
6	Archives/ Record Storage cabinets	4	1,550	6,200
7	Exhibits Graphics Production Station	1	3,000	3,000
8	Education Office Specimen Cabinets	3	2,000	6,000
9	Personal Computers with software	4	1,200	4,800
10	Color Laser Printer	1	1,000	1,000
11	Industrial Paint Booth	1	4,000	4,000
12	Industrial Table Saw	1	1,700	1,700
13	Collections Storage (shelving)	3	1,500	4,500
	Education Office Lending Library	4	900	3,600
14	Shelving			
15	Computer and Projector	1	1,700	1,700
16	Collections Security Devices	10	700	7,000
17	Outreach classroom tables and chairs	10	430	4,300
18	IMNH subtotal:			\$ 47,800
19				
20				
21	<b>Total Replacement Items - Special Programs</b>			\$ 57,800
22	Percentage of FY 2008 Base			0.57%

**THIS PAGE INTENTIONALLY LEFT BLANK**

## **Health Programs Summary**

### **List of Replacement Items Fiscal Year 2008 MCO Request**

	Item/Description	Quantity	Unit Cost	Total Cost
1				
2	<b>WOI Veterinary Education</b>			
3	Incubator	1		\$ 20,000
4				
5	<b>IDEP Dental Education</b>			
6	Macintosh G5 computer to replace 8-9	1	3,300	3,300
7	yr old computer for Department			
8	Star High Speed Handpiece	2	550	1,100
9	Titan Slow speed motor with swivel	2	750	1,500
10	IDEP subtotal:			\$ 5,900
11				
12	<b>Total Replacement Items - Health Programs</b>			\$ 25,900
13	Percentage of FY 2008 Base			0.29%
14				

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

## Professional-Technical Education

### List of Replacement Items

Fiscal Year 2008 MCO Request

	Item/Description	Quantity	Unit Cost	Total Cost
1				
2	<b>General Fund</b>			
3	Upgrade Software - Frontpage			\$2,900
4	Programming			30,900
5	License Fees			600
6	Secretary's Chairs	5	300	1,500
7	Cameras	2	300	600
8	Label Printer	1	800	800
9	Computers w/Monitors	11	1,300	14,300
10	Laser Printers	2	5,150	10,300
11	Laptops	4	2,600	10,400
12	Scanner	2	900	1,800
13	Computer w/Monitor	3	1,600	4,800
14	Computer Projection Unit	1	800	800
15	Office Desk Chairs	3	600	1,800
16	Server	1	7,100	7,100
17	Computers	3	1,600	4,800
18	Laptop	1	2,500	2,500
19	Printer	1	1,500	1,500
20	Total General Fund			97,400
21				
22	<b>Miscellaneous Revenue</b>			
23	Microsoft Office 2007	11	500	5,500
24	Coldfusion	1	1,200	1,200
25	Desk Chairs	4	500	2,000
26	Palm Pilots	3	400	1,200
27	Jaws Software	1	1,200	1,200
28	Digital Camera	1	500	500
29	Monitors	4	500	2,000
30	Desk	1	500	500
	USB Harddrive	3	400	1,200
	Encyclopedia of Career Dev Software	1	500	500
31	Total Miscellaneous Revenue			15,800
32				
33				
34	<b>Total Replacement Items - PTE</b>			\$ 113,200
35	Percentage of FY 2008 Base			0.20%
36				

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

**Idaho Division of Vocational Rehabilitation**  
**List of Replacement Items**  
**Fiscal Year 2008**

	Item/Description	Quantity	Unit Cost	Total Cost
1	<b>Federal Fund</b>			
2	Microsoft License Renewals			\$ 36,700
3	Microsoft Operating System Upgrade			31,200
4	Novell License Renewals			24,000
5	Gemini Software Maintenance			56,000
6	Administrative Software Upgrades			3,000
7	Replacement Operating Expense			150,900
8				
9	Vehicles	8	13,000	104,000
10	Photocopiers	3	2,000	6,000
11	Telephone System	2	5,000	10,000
12	Telephone Device For the Deaf	4	700	2,800
13	Desk/Computer Unit	10	800	8,000
14	Executive Office Chair	15	300	4,500
15	Office Task Chair	26	200	5,200
16	Side Chair	20	100	2,000
17	Locking File Cabinet	15	200	3,000
18	Bookcase	4	200	800
19	Dictation Unit	10	400	4,000
20	Paper Shredder	2	100	200
21	Overhead Projector	1	500	500
22	Computer Server	5	3,500	17,500
23	Computer System	15	1,500	22,500
24	Computer Monitor	40	500	20,000
25	Computer Laptop & Docking Station	30	2,000	60,000
26	Tablet PC	1	2,000	2,000
27	Portable Printer	11	300	3,300
28	Laserjet Printers	10	1,800	18,000
29	Network Switch (managed)	10	1,500	15,000
30	Network Switch (non-managed)	2	250	500
31	Data Communication Router	2	1,500	3,000
32	Replacement Capital			312,800
33				
34	<b>Total Replacement Items - IDVR</b>			\$ 463,700
	Percentage of FY 2008 Base			1.93%

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Idaho Public Television**  
**Summary of Replacement Items Requested**  
**Fiscal Year 2008 Budget Request**

	Item/Description	Quantity	Unit Cost	Total Cost
1	<b>General Fund</b>			
2	Translator Equipment Digital Conversion	5	45,700	228,500
3				
4	KUID Production Control/Studio Digital Transition	1	1,076,000	1,076,000
5				
6	Engineering field trucks (see attached detail)	1	26,500	26,500
7				
8	Technical Maintenance	2	24,500	49,000
9				
10	Office PC Replacements	85	1,490	126,700
11				
12	Statewide Network Operations Equipment	6	59,340	356,000
13				
14				
15	(See the detail for each Item on the following four pages.)			
16				
17				
18				
19				
20				
21				
22	<b>TOTAL REPLACEMENT ITEMS - IPTV</b>			\$ 1,862,700
23	Percentage of FY 2008 Base			73.79%

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Idaho Public Television**  
**Detail of Replacement Items Requested**  
**Fiscal Year 2008 Budget Request**

	Item/Description of Use	Quantity	Unit Cost	Total Cost
1	<b>Translator Equipment Digital Conversion:</b>			
2	100 Watt digital ready translator	1	18,000	18,000
3	Transcoder, PSIP & Processor	1	10,000	10,000
4	DTV Mask filter	1	1,500	1,500
5	Replacement antenna	1	5,000	5,000
6				34,500
7				
8	100 Watt digital ready translator	1	18,000	18,000
9	Digital equipment to include transcoder & PSIP conversion.	1	10,000	10,000
10	DTV mask filter.	1	1,500	1,500
11	Replacement antenna & power divider.	1	5,000	5,000
12				34,500
13				
14	10 Watt digital ready translator	1	8500	8500
15	Power Amplifier- 50W avg. TPO.	1	10,000	10,000
16	DTV Mask filter	1	1,500	1,500
17	Receive antenna and Line/hardware.	1	5,000	5,000
18				25,000
19				
20	10 Watt digital ready translator	1	8,500	8,500
21	Digital equipment to include transcoder & PSIP conversion.	1	10,000	10,000
22	KCDT-DT Exciter	1	10,000	10,000
23	Replacement antenna & power divider.	1	5,000	5,000
24				33,500
25				
26	150 Watt digital ready translator	1	28,500	28,500
27	Transcoder	1	3,000	3,000
28	Antennas	1	8,000	8,000
29	DTV Mask filter	1	1,500	1,500
30				41,000
31				
32	Backup Generator - East Butte Mtn.	1	85,000	85,000
33				
34	<b>Total Translator Conversion FY 2008:</b>			228,500
35				

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

**Idaho Public Television**  
**Detail of Replacement Items Requested**  
**Fiscal Year 2008 Budget Request**

	Item/Description of Use	Quantity	Unit Cost	Total Cost
1	<b>KUID Studio/ Production Control Digital Transistion:</b>			
2	HDC-1500L EFP style camera	2	77,600	155,200
3	HDVFC730W-5" Viewfinders	2	7,700	15,400
4	HDCU1500L CCU	2	26,600	53,200
5	RCP 700	2	6,210	12,420
6	Fiber, Connector Cable	1	3,400	3,400
7	Lens and support camera HDCX300K	1	22,000	22,000
8	Production switcher Synergy 1 MD	1	84,400	84,400
9	2 stage studio Osprey Elite pedestal	2	19,900	39,800
10	70 head, handles-etc	2	6,000	12,000
11	Vision 100 ENG kit w/wheels	1	6,500	6,500
12	HA22x7.8BERM	2	34,700	69,400
13	EFP Zoom/Focus Kit	2	2,700	5,400
14	Multi image system-HD, SD, Analogue in	1	25,000	25,000
15	17" Color LCD for Production PGM/PVW	2	6,000	12,000
16	VR 171P HD	2	4,600	9,200
17	20" LCD for Graphics station	1	800	800
18	HTM-2005R w/SDI	1	10,000	10,000
19	17" LCD with quad split (cam & audio ops) Marshal VR 171P	2	3,600	7,200
20	TVM-950HD w/anlg input (master mon)	1	16,745	16,745
21	7710 UC-HD tray	1	2,200	2,200
22	7712 HDC Upconv.	2	6,000	12,000
23	7710 DCDA-HD Dwnconv.	2	5,000	10,000
24	7736CDM+S D-A	2	2,900	5,800
25	7736CDM+S A-D	2	2,000	4,000
26	MXA 3901 Emb	4	2,000	8,000
27	DXA 3901 De-Emb	4	2,000	8,000
28	MTG-3901-SYS-3 SyncGen	1	13,370	13,370
29	HDC 3902 Down	1	6,000	6,000
30	Remodel Studio space for ADA compliance	1	168,000	168,000
31	Closed Captioning/Prompting	1	24,000	24,000
32				
33	<b>Sub Total KUID Studio/Production Control Digital Replacement:</b>			821,435
34	Continued on next page			

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

**Idaho Public Television**  
**Detail of Replacement Items Requested**  
**Fiscal Year 2008 Budget Request**

	Item/Description of Use	Quantity	Unit Cost	Total Cost
1	<b>KUID Studio/ Production Control Digital Transistion Continued:</b>			
2	X75HD-AV-2PS w/various opts.	2	21,400	42,800
3	X75SD-AV-2PS	1	11,475	11,475
4	Remote panel	1	1,500	1,500
5	2 Video, 2 Audio patch panels	2	5,000	10,000
6	HD Encoder- E5780	1	32,000	32,000
7	Audio Equipment - 360 Systems Instant Replay 2	1	3,500	3,500
8	CG, Still/Clip Store - Pinnacle 1000 Deko HD - 1 ch & software	1	29,000	29,000
9	New hardware support for new heads	2	4,895	9,790
10	Teleprompting Software CPC-1000	1	2,000	2,000
11	DM-1000 Mixer 96K 48 inputs	1	5,300	5,300
12	8ch analog I/O 96K	2	950	1,900
13	8ch AES I/O 96K on DB25 connector	1	470	470
14	Genelec - 1030A Digital Monitoring sytem	2	1,000	2,000
15	OmniMount 20.5 Wallmount Brackets	2	200	400
16	RC16 Remote Control	1	240	240
17	DCA2T attenuator w/transformer	1	740	740
18	AUDIO MON. 4-CH. 1RU VMQ4	1	840	840
19	MSD600M BASE UNIT	1	3,650	3,650
20	2CH A/D INPUT MODULE	3	475	1,425
21	Speaker Amp (for Studio Speaker)	1	600	600
22	Router Switcher (32x32 HD/SD)	1	28,000	28,000
23	Intercom	1	11,800	11,800
24	RVON-I/O (IP based interface)	1	4,500	4,500
25	Studio Curtain	1	1,400	1,400
26	90' black velor curtain	1	1,770	1,770
27	90' muslin cyc	1	1,000	1,000
28	Cabling	1	500	500
29	BNC Connectors	1	700	700
30	Plenum Coax	1	3,000	3,000
31	Consoles Series 2	5	1,450	7,250
32	PE Services/Consulting/Electricians	1	35,000	35,000
33				
34	<b>Total KUID Studio/Production Control Digital Replacement:</b>			1,076,000
35				

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Idaho Public Television**  
**Detail of Replacement Items Requested**  
**Fiscal Year 2008 Budget Request**

	Item/Description of Use	Quantity	Unit Cost	Total Cost
1	<b>Engineering field trucks</b>	1	26,500	26,500
2				
3	Replace KUID Beacon	1	5,000	5,000
4	Tower Painting KAID/KUID TV	2	22,000	44,000
5	<b>Tech Maintenance Capital Items</b>			49,000
6				
7	Dell Optiplex GX620 desktop	65	1,200	78,000
8	Dell Latitude D620 Laptop	15	2,000	30,000
9	Dell PowerEdge 2950                     (domain controller)	1	5,000	5,000
10	UPS (3000 KVA)	1	3,200	3,200
11	AutoSat replacement(Harris automation)	1	4,500	4,500
12	MPC NetFrame 1720 servers	2	3,000	6,000
13	<b>Office PC Replacements</b>			126,700
14				
15	Multi-Channel video file server system	1	225,000	225,000
16	8.5 Tbyte raid 5 SAN	1	52,000	52,000
17	Transmitter Remote	1	55,000	55,000
18	PSIP Generatore FCC compliance	3	8,000	24,000
19	<b>Statewide Network Operations Equipment</b>			356,000
20				
21				
22	<b>Total Replacement Items FY 2008 Translator/Production Control:</b>			1,862,700
23				
24				
25				

**THIS PAGE INTENTIONALLY LEFT BLANK**

## Idaho Historical Society

### List of Replacement Items

### Fiscal Year 2008 MCO Request

	Item/Description	Quantity	Unit Cost	Total Cost
1	<b>General Fund</b>			
2	Heavy Duty Weed Eaters	2	200	\$ 400
3	Audio Transcription Machines	3	300	900
4	Library Work Table	1	400	400
5	Portable Archaeology Filing Cabinets	4	400	1,600
6	Digital Cameras	3	500	1,500
7	Archeaology Artifact Storage Cabinets w/shelves	4	500	2,000
8	Archaeology Excavation Kit	1	500	500
9	Replacement Operating Expense			7,300
10				
11	Metal Detector	1	600	600
12	Heavy Duty Portable Air Compressor	1	700	700
13	Sheet Metal Break Machine	1	800	800
14	Microfilm Scanner lenses	2	900	1,800
15	Digital Audio Recorders	3	1,000	3,000
16	Furnished Office Cubicle (desk, chair, work cabinet)	1	1,000	1,000
17	Computers	10	1,300	13,000
18	Brush Hog	1	2,000	2,000
19	AWD Utility Vehicle w/30 gallon sprayer unit	1	5,000	5,000
20	Color Copier	1	6,500	6,500
21	Cargo Van	1	15,000	15,000
22	4WD SUV	1	20,000	20,000
23	1-ton truck w/enclosed bed	1	40,000	40,000
24	Archival Document Scanner	1	130,000	130,000
25	Compact Mobile Archival Shelving	1	150,000	150,000
26	Replacement Capital			389,400
28				
29				
30	<b>Total Replacement Items - ISHS</b>			\$ 396,700
31	Percentage of FY 2008 Base			8.33%

**THIS PAGE INTENTIONALLY LEFT BLANK**



**Idaho Commission for Libraries**  
**List of Replacement Items Requested**  
**Fiscal Year 2008**

	Item/Description	Quantity	Unit Cost	Total Cost
	<b>General Fund</b>			
1	Vehicle - Sedan	1	25,000	\$ 25,000
2	Vehicle - Van	1	27,000	27,000
3	Copier - capital lease	1	3,500	3,500
4	Servers	3	10,000	30,000
5	Workstations (PCs)	30	1,000	30,000
6	Smart UPS 3000	1	1,400	1,400
7	Smart UPS 1500	1	800	800
8	Firewall server	1	3,500	3,500
9	Laser printers	2	1,600	3,200
10	Color laser printers	2	4,500	9,000
11	Handheld scanners	10	200	2,000
12	Office Equipment - life cycle 15 yrs		various	19,000
13				
14				
15				
16				
17				
18				
19				
20				
21				
22	<b>TOTAL REPLACEMENT ITEMS - ICL</b>		\$	154,400
23	Percentage of FY 2008 Base			3.64%

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Line Items: College and Universities**

Line Items for the College and Universities are summarized as follows:

Grouped by Subject	Page 3
Grouped by Institution	Page 4

The summaries list the page number where the detail, supporting documentation can be found for each Line Item.

**MOTION**

A motion to approve for final development the following specific budget Line Items for the College and Universities:

1. <List Item>
2. “
3. “
4. “
5. “

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

**College and Universities**  
**FY 2008 Line Items**  
**Grouped by Subject**

					FTP	General	Other Funds	Total
1	<b>FY 2008 BASE (Information Only)</b>				<b>3,790.97</b>	<b>\$ 243,726,400</b>		<b>\$ 243,726,400</b>
2	<b>LINE ITEMS</b>							
3	<b>Priority</b>	<b>Institution</b>	<b>Detail Page</b>	<b>Amount</b>				
4	<b>Occupancy</b>				7.54	955,700		955,700
5	5	BSU	13	338,900				
6	2	ISU	17	616,800				
7	<b>Salary Enhancement (4.5% above CEC)</b>					11,812,400		11,812,400
8	1	BSU	5	3,888,400				
9	1	ISU	15	3,304,400				
10	1	UI	31	3,959,600				
11	1	LCSC	39	660,000				
12	<b>Programs</b>				37.80	5,555,000		5,555,000
13	3	BSU	9	1,700,000				
20	4	ISU	21	1,859,400				
14	5	ISU	24	448,900				
15	2	UI	33	1,127,600				
16	2	LCSC	41	214,400				
17	3	LCSC	43	204,700				
18	<b>Operating Costs</b>					3,000,000		3,000,000
19	3	ISU	19	3,000,000				
21	<b>Graduate Assistantships</b>					1,631,000		1,631,000
22	3	UI	35	1,631,000				
23	<b>Infrastructure and Maintenance</b>				33.00	9,358,600		9,358,600
24	2	BSU	7	3,000,000				
25	4	BSU	11	1,500,000				
26	6	ISU	26	500,000				
27	7	ISU	28	500,000				
28	4	UI	37	3,500,000				
29	4	LCSC	45	220,000				
30	5	LCSC	47	138,600				
31	<b>Total Line Items</b>				<b>78.34</b>	<b>\$ 32,312,700</b>	<b>\$ -</b>	<b>\$ 32,312,700</b>
32	<b>Percentage of FY 2008 BASE</b>				<b>2.07%</b>	<b>13.26%</b>		<b>13.26%</b>

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

		FTP	General	Other Funds	Total
1	<b>FY 2008 BASE (Information Only)</b>	<b>3,790.97</b>	<b>\$ 243,726,400</b>	<b>\$ -</b>	<b>\$ 243,726,400</b>
2	<b>LINE ITEMS</b>				
3					
4	<b>Institution/Priority/Line Item</b>	<b>Detail</b>			
5		<b>Page</b>			
6	<b>Boise State University</b>				
7	1 Salary Enhancement: 4.5% above CEC	5		3,888,400	3,888,400
8	2 Research Infrastructure	7	7.00	3,000,000	3,000,000
9	3 Student Success Initiative	9	9.00	1,700,000	1,700,000
10	4 Information Technology	11	4.00	1,500,000	1,500,000
11	5 Occupancy: ILC, University Inn, Taco Bell Arena	13	3.64	338,900	338,900
12	<b>Idaho State University</b>				
13	1 Salary Enhancement: 4.5% above CEC	15		3,304,400	3,304,400
14	2 Occupancy: Rendezvous Center	17	3.90	616,800	616,800
15	3 Operating Budget Support	19		3,000,000	3,000,000
16	4 School of Nursing	21	18.00	1,859,400	1,859,400
17	5 Masters of Dental Hygiene	24	4.30	448,900	448,900
18	6 Information Technology	26	4.00	500,000	500,000
19	7 Instruction Facilities Upgrade	28		500,000	500,000
20	<b>University of Idaho</b>				
21	1 Salary Enhancement: 4.5% above CEC	31		3,959,600	3,959,600
22	2 Faculty and Program Development	33	6.50	1,127,600	1,127,600
23	3 Graduate Assistantships	35		1,631,000	1,631,000
24	4 Facility Maintenance/Renewal	37	18.00	3,500,000	3,500,000
25	<b>Lewis-Clark State College</b>				
26	1 Salary Enhancement: 4.5% above CEC	39		660,000	660,000
27	2 Nursing & Health Sciences	41		214,400	214,400
28	3 Native American Teacher Education	43		204,700	204,700
29	4 PBX Telephone System	45		220,000	220,000
30	5 Technology Support	47		138,600	138,600
7	<b>Total Line Items</b>		<b>78.34</b>	<b>\$ 32,312,700</b>	<b>\$ - \$ 32,312,700</b>
8	<b>Percentage of FY 2008 BASE</b>		<b>2.07%</b>	<b>13.26%</b>	<b>13.26%</b>

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: BOISE STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 512

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.03		Descriptive Title: <b>Salary Equity &amp; Competitiveness</b>			Agency Priority Ranking 1 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	3,023,495				3,023,495
2. Benefits	657,343				657,343
3. Group Position Funding	207,606				207,606
TOTAL PERSONNEL COSTS:	3,888,444				3,888,444
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	3,888,444				3,888,444

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary equity adjustments. Boise State employees are the primary asset of the university. Competitive compensation, as measured against our peer comparators, is critical to ensure ability to both retain and attract desirable faculty and staff.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.
- b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.
- c. List any additional operating funds and capital items needed.

This represents a 4.5% increase above the CEC @ 3.5% that is being requested per DFM and LSO budget development guidelines.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: BOISE STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 512

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.03

Descriptive Title: **Salary Equity & Competitiveness**

Agency Priority Ranking 1 of 5

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

Investing in state employees results in an investment in the State of Idaho. Boise State is committed to producing a well-educated and engaged students and citizens that in turn can attract and retain business and industry in the State.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: BOISE STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 512

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>Research Funding</b>			Agency Priority Ranking 2 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	7.00				
Staff					
1. New Staff Salaries	650,000				650,000
2. Graduate Assistantships	227,500				227,500
TOTAL PERSONNEL COSTS:	877,500				877,500
OPERATING EXPENDITURES by summary object:					
Infrastructure Needs					
1. Technical Infrastructure & Operational Funds	678,750				678,750
2. Research Fund for Community Outreach/seed funding and bridge funding	1,443,750				1,443,750
3.					
TOTAL OPERATING EXPENDITURES:	2,122,500				2,122,500
CAPITAL OUTLAY by summary object:					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	3,000,000				3,000,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

New staff positions to meet the demands of an ever growing and accomplished faculty as well as a more complex and demanding regulatory compliance environment nationally. Additionally funding is requested for 1) seed grants for faculty to pursue research that will expand programs  
 2) bridge support for faculty with meritorious programs during a hiatus in funding to allow research to continue and 3) community outreach that extends the accomplishments of the university, local, regional and national audiences.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.
- b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.
- c. List any additional operating funds and capital items needed.

Positions would be: Asst. VP for Research, Director of Regulatory Compliance, Dir. of Laboratory Animal Care, Grants Facilitator and two Grant Administrators due to growth in sponsored projects.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: BOISE STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 512

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.01

Descriptive Title: **Research Funding**

Agency Priority Ranking 2 of 5

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This request is for ongoing funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

Boise State strives to become a University of exceptional research. This is defined by progressive scholarship and creative activity, and graduate programs that have groundbreaking applications locally, regionally and globally. The above funding request would assist with adding opportunities to grow the number and quality of our current graduate assistantships and to help sustain sponsored research activity that can be beneficial to the community, the State, and beyond.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: BOISE STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 512

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1of 2 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>Student Success Initiative</b>			Agency Priority Ranking 3 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	9.00				
Staff					
1. Salaries (Academic Advisors, Faculty and Staff)	545,000				545,000
2. Fringe Benefits	190,750				190,750
TOTAL PERSONNEL COSTS:	735,750				735,750
OPERATING EXPENDITURES by summary object:					
1. Infrastructure costs to support student success	500,000				500,000
2. Develop and maintain web programs and student portal	300,000				300,000
3 Funding to enable multiple methods of math instruction and delivery -	164,250				164,250
TOTAL OPERATING EXPENDITURES:	964,250				964,250
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,700,000				1,700,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Boise State seeks to improve the success of Boise State University students. This commitment requires on-going new positions aimed at assisting students with academic advising, revamping courses and/or programs that are contributing to students withdrawing from the University, adding orientation programs and develop web portal to provide timely information to students.

2. What resources are necessary to implement this request?

- List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.
- Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.
- List any additional operating funds and capital items needed.

Associate Vice President for Undergraduate Studies, New Academic Advisors, New faculty, Infrastructure positions such as Financial Aid Counselors and Information Technology staff to develop and maintain software and web based programs.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: BOISE STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 512

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.02

Descriptive Title: **Student Success Initiative**

Agency Priority Ranking 3 of 5

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

Student success results in a well educated and trained workforce for the State of Idaho which will help Idaho attract and retain business and industry.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: BOISE STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 512

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.04		Descriptive Title: <b>Info.Technology</b>			Agency Priority Ranking 4 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	205,000				205,000
2. Benefits	71,750				71,750
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	276,750				276,750
OPERATING EXPENDITURES by summary object:					
1. Software Maintenance Costs	1,223,250				1,223,250
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	1,223,250				1,223,250
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,500,000				1,500,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Boise State has been reliant on one-time carryover funds to meet the needs of on-going software maintenance needs and recurring software upgrades. The university anticipates that by 2008 these funds will be fully committed and thus a permanent source of funding is needed.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.
- b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.
- c. List any additional operating funds and capital items needed.

Two technical support positions needed and two software application engineers needed. Positions are full-time new positions to support an array of print, voice and data technologies that require ongoing maintenance and upgrades to be usable, meaningful and accessible by students, faculty and staff.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: BOISE STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 512

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.04

Descriptive Title: **Info.Technology**

Agency Priority Ranking 4 of 5

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

Maintaining software that is usable and available at all hours of the day is an expectation of students, parents, and potential students.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Boise State University

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 512

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.04		Descriptive Title: <b>Occupancy</b>			Agency Priority Ranking 5 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2.07				
PERSONNEL COSTS:					
1. Salaries & Benefits (custodians)	60,300				60,300
TOTAL PERSONNEL COSTS:	60,300				60,300
OPERATING EXPENDITURES by summary object:					
1. Custodial supplies	5,350				5,350
2. Utility costs	94,250				94,250
3. Facility Maintenance costs	178,975				178,975
4.					
TOTAL OPERATING EXPENDITURES:	278,575				278,575
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	338,875				338,875

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Boise State is requesting the final 3 months of occupancy for the Interactive Learning Center (only 9 mo. of occupancy in FY 2007 was requested in the PY request), University Inn (occupy in November 2006) and the academic space in Taco Bell Arena used solely for Kinesiology students in the College of Education. Occupancy costs assist with covering costs associated with custodians, utilities and facility maintenance.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

3.64 new custodial positions needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds of personnel costs for custodians, custodial supplies and assistance with covering maintenance costs for academic areas.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Boise State University

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 512

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.04

Descriptive Title: **Occupancy**

Agency Priority Ranking 5 of 5

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

Maintaining clean and safe facilities for general education purposes impacts students, faculty, staff.



# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT  
 AGENCY: IDAHO STATE UNIVERSITY  
 FUNCTION: GENERAL EDUCATION  
 ACTIVITY:

Agency No.: 513  
 Function No.: 01  
 Activity No.: 00

FY 2008 Request  
 Page 1 of 2 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>Salary Competitiveness</b>			Agency Priority Ranking 1 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	2,742,900				2,742,900
2. Benefits	561,500				561,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	3,304,400				3,304,400
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	3,304,400				3,304,400

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary enhancement. Employees are the primary asset of the university. Appropriate and competitive compensation, as measured against our peer comparators, is the top priority.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

This represents a 4.5% increase above the CEC @ 3.5% that is being requested per DFM and LSO budget development guidelines.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.01

Descriptive Title: **Salary Competitiveness**

Agency Priority Ranking 1 of 7

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

The university and subsequently the state are impacted as we are unable to attract and retain quality faculty and staff. Without appropriate and competitive compensation, the university and state will experience higher turnover rates, fewer recruitment successes, and the lag between current compensation levels and the marketplace will grow.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>Occupancy for Rendezvous</b>			Agency Priority Ranking 2 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	68,200				68,200
2. Benefits	44,500				44,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	112,700				112,700
OPERATING EXPENDITURES by summary object:					
1. Materials & Supplies	325,700				325,700
2. Utilities	178,400				178,400
3.					
4.					
TOTAL OPERATING EXPENDITURES:	504,100				504,100
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	616,800				616,800

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request is for funding the operating cost of the academic portion of the Rendezvous facility.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

The academic space will require 3.9 FTE custodial staff. Additional funds are requested for maintenance & utilities costs.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.02	Descriptive Title: <b>Occupancy for Rendezvous</b>	Agency Priority Ranking 2 of 7
----------------------------	--	--------------------------------

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

The Rendezvous space will primarily be used for conducting academic classes. Without state funding or additional student fees, the space could not be utilized.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.03		Descriptive Title: <b>Operating Budget Support</b>			Agency Priority Ranking 3 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	459,600				459,600
2. Benefits	40,400				40,400
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	500,000				500,000
OPERATING EXPENDITURES by summary object:					
1. Travel	300,000				300,000
2. Communications	200,000				200,000
3. Materials & Supplies	2,000,000				2,000,000
4.					
TOTAL OPERATING EXPENDITURES:	2,500,000				2,500,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	3,000,000				3,000,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Additional funds are needed to support the infrastructure of the educational process. The basic department costs for part-time staff, travel, postage, software, office supplies, etc. have substantially risen. Current levels of funding are, in many cases, inadequate for quality instruction, student support services and administrative purposes.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

Funding would provide additional part-time clerical and professional support (\$500,000) and operating funds (\$2,500,000)

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.03	Descriptive Title: <b>Operating Budget Support</b>	Agency Priority Ranking 3 of 7
----------------------------	--	--------------------------------

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

All constituents of the university would benefit from a more adequate support budget.

In general, the university will be able to provide enhanced instruction & services to students seeking a post-secondary education.

Lack of funding will maintain the pressure to increase student fees for services.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 3 Pages

A: Decision Unit No: 12.04		Descriptive Title: <b>School of Nursing</b>			Agency Priority Ranking 4 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	1,062,141				1,062,141
2. Benefits	371,959				371,959
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	1,434,100				1,434,100
OPERATING EXPENDITURES by summary object:					
1. Travel	12,000				12,000
2. Communications	13,300				13,300
3. Materials & Supplies	50,000				50,000
4.					
TOTAL OPERATING EXPENDITURES:	75,300				75,300
CAPITAL OUTLAY by summary object:					
1. New Office Construction	150,000				150,000
2. Clinical/Simulation Lab Development	200,000				200,000
3.					
TOTAL CAPITAL OUTLAY:	350,000				350,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,859,400				1,859,400

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The attached 07-08 budget request includes the faculty, support staff and operational resources required to: 1) increase enrollment in the Pocatello-based BS program from 58 to 70 students beginning 06-07, 2) increase senior level graduate faculty by (2) FTE's to assist with further development of the planned DNP and PhD nursing programs, 3) add (3) current hospital supported faculty positions to the base budget, 4) add (1) student advisor currently supported by KCHP, 5) add instructional tech and IT Tech support to assist students, faculty and staff with online, WebCT, and IT needs as all programs are offered online and/or with a variety of instructional technologies, 6) assist with financial research, financial reporting, forecast and prediction models, management of grants and contracts, 7) increase enrollment from 20 to 30 in the Boise Fast Track program and 8) initiate a Fast Track in Pocatello/SE Idaho with enrollment of (20). The request is for ongoing addition to the base except for capital expenditures.

\* There are current faculty in the Boise Fast Track program who will assume classroom instruction for Fast Track students in the Pocatello via DL; faculty requested are for clinical supervision.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 3 Pages

A: Decision Unit No: 12.04

Descriptive Title: **School of Nursing**

Agency Priority Ranking 4 of 7

**2. What resources are necessary to implement this request?**

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

Please see attached spreadsheets with details of requested positions and operational resources. This request also includes salary equity monies; salary enhancement is critical to retention of current personnel, recruitment of new faculty and to place ISU in the competitive marketplace for highly qualified faculty and staff.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

Enrollment cannot be increased without additional faculty, resources and a revitalized clinical laboratory. Current Boise based Fast Track program faculty will assume classroom teaching if a Fast Track program is implemented in Pocatello. Additional enrollment will involve increased student advising, increased student services and financial advising, and will highly affect the effectiveness and space currently available for clinical laboratory teaching. A plan for development of a state-of-the-art clinical laboratory is essential to accommodate additional student enrollment. Discussions are underway with PMC with high interest indicated to assist with utilization of and staffing such a laboratory.

c. List any additional operating funds and capital items needed.

\$55,248. is requested to support additional communications, travel and materials and supplies for additional faculty and staff. The planning for a state-of-the-art simulation/clinical laboratory is underway; will involve several disciplines and is a "must happen" in order for ISU to maintain excellence in nursing education and practice. Additional staff and faculty will require additional office space; Note: There are (4) offices designed for the ISU/EITC building that will be used for faculty who live in IF and currently have an office in Poc.

**3. Please break out fund sources with anticipated expenditures in the financial data matrix.**

Anticipate grant and donor contributions to continue to support upgrades to the teaching and research missions; have received one-time monies to upgrade purchase of state-of-the-art simulation and durable medical equipment. A future fee increase may be required to keep pace with costs of expendables.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 3 of 3 Pages

A: Decision Unit No: 12.04

Descriptive Title: **School of Nursing**

Agency Priority Ranking 4 of 7

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The need to address the nursing shortage and faculty shortage is well documented in Idaho and the country. If ISU is to respond to the demand for professional nurses, nurse specialists, nurse educators and researchers, additional faculty and staff are required. Additional support requested is for senior, PhD prepared faculty to add to the development of the Doctor of Nursing Practice and PhD. A research base is critical to achieving accreditation for such programs. ISU must respond to meeting the future health care needs of Idaho citizens by increasing enrollment in the BS, MS and doctoral (planned) programs. If additional faculty, staff and resources are not funded, enrollment cannot be increased to meet current and future critical needs for a highly educated nursing workforce.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

ACTIVITY:

Activity No.:

A: Decision Unit No: 12.05		Descriptive Title: <b>Masters of Dental Hygiene</b>			Agency Priority Ranking 5 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	261,300				261,300
2. Benefits	87,600				87,600
TOTAL PERSONNEL COSTS:	348,900				348,900
OPERATING EXPENDITURES by summary object:					
Graduate assistant stipends & fees	30,700				30,700
Materials, supplies & fees	54,300				54,300
Travel	15,000				15,000
TOTAL OPERATING EXPENDITURES:	100,000				100,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	448,900				448,900

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The Master of Science degree program in Dental Hygiene was started with Federal earmark funding. These funds will end after the FY 07 budget year and state funding will be needed to maintain the program.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

1 FTE Program Director \$ 76,397  
 1 FTE faculty \$ 68,149  
 1 FTE faculty \$ 68,149  
 1 FTE AA1 staff (pay grade F) \$ 22,963  
 .3 FTE Instructional Technologist \$ 16,003  
 Group Part-Time Instructors \$ 9,600

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

See Summary Page

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.05

Descriptive Title: **Masters of Dental Hygiene**

Agency Priority Ranking 5 of 7

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

Sixteen students are currently enrolled in this full on-line program, which attracts students nationwide. Enrollment is anticipated to grow to 25 for the 2006 fall semester. Six additional students are expected to enroll in the spring of 2007, bringing total enrollment to 31. This graduate dental hygiene program is one of ten Master of Science degree programs in the country, and is the only one that is currently offered fully on-line. Short visits to campus, for a maximum of two weeks, is required. Continuation of this program is essential as its format best addresses the critical shortage of dental hygiene educators across the country. Should this request not be funded that shortage would continue. In the first year of this program, ISU enrolled 36.4% of the 1st year MSDH students in the US.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT  
 AGENCY: IDAHO STATE UNIVERSITY  
 FUNCTION: GENERAL EDUCATION  
 ACTIVITY:

Agency No.: 513  
 Function No.: 01  
 Activity No.:

FY 2008 Request  
 Page 1 of 2 Pages  
 Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.06		Descriptive Title: <b>Information Technology</b>			Agency Priority Ranking 6 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	224,900				224,900
2. Benefits	75,100				75,100
TOTAL PERSONNEL COSTS:	300,000				300,000
OPERATING EXPENDITURES by summary object:					
1. Hardware & Software Maintenance	200,000				200,000
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	200,000				200,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	500,000				500,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

ISU was recently notified that the Hewlett Packard (HP) platform of the current computing system will not be supported by HP and/or third party vendors after 2010.

The University must purchase a replacement hardware and operating system (UNIX-based system). Current software is not UNIX compatible.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

Oracle Data Base Administrator (1FTE) \$75,000

Unix Specialist (2 FTE @ 45,000) \$ 90,000

IT Programmer Analyst (1FTE) \$34,500

Part-Time non-benefited staff \$25,400

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

Operating funds are needed for additional hardware & software maintenance.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.06	Descriptive Title: <b>Information Technology</b>	Agency Priority Ranking 6 of 7
----------------------------	--	--------------------------------

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Maintaining/Upgrading the central technology infrastructure effects all constituencies of the university. Faculty, staff, and student access to information and instructional resources will be maintained/enhanced. Timely and accurate information can be provided to external agencies and citizens.

A new system will provide increased integration and functionality and allow ISU to be in compliance with the recommendation by the Northwest Commission on Colleges & Universities accreditation report that ISU improve its data integration.

Lack of funding would necessitate the university increasing student fees or reducing other services. This upgrade must be accomplished.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT  
 AGENCY: IDAHO STATE UNIVERSITY  
 FUNCTION: GENERAL EDUCATION  
 ACTIVITY:

Agency No.: 513  
 Function No.: 01  
 Activity No.:

FY 2008 Request  
 Page 1 of 2 Pages

A: Decision Unit No: 12.07		Descriptive Title: <b>Instruction Facilities Upgrade</b>			Agency Priority Ranking 7 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. Materials & Supplies	500,000				500,000
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	500,000				500,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	500,000				500,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Resources would be allocated to improve instructional facilities and increase operational efficiency through the coordinated use of technology.

2. What resources are necessary to implement this request?

- List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.
- Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.
- List any additional operating funds and capital items needed.

Materials and supplies are needed for the upgrades. Current staffing is sufficient to do a portion of the backlogged retrofits each year.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

On-going funds are requested. There is a large backlog of retrofit projects. Continual funding would allow the university to do the upgrades over time.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: IDAHO STATE UNIVERSITY

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 513

Function No.: 01

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.07	Descriptive Title: <b>Instruction Facilities Upgrade</b>	Agency Priority Ranking 7 of 7
----------------------------	--	--------------------------------

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Funds provided would assist in updating facilities to provide a safe and productive learning environment.

Without funding, space usage will continue to be inefficient and faculty may not have the latest classroom technologies at their disposal.

**THIS PAGE INTENTIONALLY LEFT BLANK**



# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT  
 AGENCY: UNIVERSITY OF IDAHO  
 FUNCTION: GENERAL EDUCATION  
 ACTIVITY:

Agency No.: 514  
 Function No.: 01  
 Activity No.: 00

FY 2008 Request  
 Page 1 of 2 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>SALARY ENHANCEMENT</b>			Agency Priority Ranking 1 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	3,065,100				3,065,100
2. Benefits	673,500				673,500
3. Group Position Funding	221,000				221,000
TOTAL PERSONNEL COSTS:	3,959,600				3,959,600
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	3,959,600				3,959,600

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary enhancement. Employees are the primary asset of the university. Appropriate and competitive compensation, as measured against our peer comparators, is the top priority.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

This represents a 4.5% increase above the CEC @ 3.5% that is being requested per DFM and LSO budget development guidelines.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This request is for on-going funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: UNIVERSITY OF IDAHO

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 514

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.01

Descriptive Title: **SALARY ENHANCEMENT**

Agency Priority Ranking 1 of 4

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT  
 AGENCY: UNIVERSITY OF IDAHO  
 FUNCTION: GENERAL EDUCATION  
 ACTIVITY:

Agency No.: 514  
 Function No.: 01  
 Activity No.: 00

FY 2008 Request  
 Page 1 of 2 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>FACULTY/PROGRAM DEVELOPMENT</b>			Agency Priority Ranking 2 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	6.50				6.50
PERSONNEL COSTS:					
1. Salaries	517,500				517,500
2. Benefits	165,000				165,000
3. Group Position Funding	245,000				245,000
TOTAL PERSONNEL COSTS:	927,500				927,500
OPERATING EXPENDITURES by summary object:					
1. Employee Travel	20,000				20,000
2. Communication Services	25,000				25,000
3. Administrative Services	25,000				25,000
4. Technical Services	25,000				25,000
5. Administrative Supplies	15,000				15,000
6. Miscellaneous Expenditures	90,000				90,000
TOTAL OPERATING EXPENDITURES:	200,000				200,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,127,500				1,127,500

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Additional faculty and program and course development resources are being requested. These faculty and related resources will significantly enhance UI instruction, research and outreach in northern Idaho, southern Idaho and on campus.

In northern Idaho faculty will be added to start a secondary teacher education program to meet the needs for more math and science teachers. This effort will be combined with an additional faculty member working on sustainable growth issues in this rapidly expanding region of the state. The science involved with the sustainable growth program will be integrated into the science teacher education program.

In Idaho Falls and Moscow, three additional faculty will be added in partnership with the Idaho National Lab which will very likely pay half of their salaries. These faculty will study critical next-generation energy issues and teach students. In Idaho Falls, construction on the related facility will begin in the coming year.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

Faculty positions requested include: engineering, education, biological science, and environmental science. Three of the positions are likely to hold joint appointments with INL. These positions are requested at .50 FTE. Academic program and course development resources are included within this request.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: UNIVERSITY OF IDAHO

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 514

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.02

Descriptive Title: **FACULTY/PROGRAM DEVELOPMENT**

Agency Priority Ranking 2 of 4

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This request is for on-going funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Enhancing instruction, research and outreach benefits all of Idaho's citizens. These primary missions of the university will help Idaho attract and retain business and industry.

The expanded teacher education program addresses a critical need for more secondary math and science teachers in northern Idaho and across the state. Feedback from superintendents, principles, and advisory board members strongly support the need for this program. The integration of sustainable growth research as a key science component will allow students to integrate critical local science issues into the context of their studies. It will also allow them to experience teaching and learning models that will be useful when they enter the K-12 system.

The science research will help local public and private sector leaders make informed planning and policy decisions to enhance sustainable growth in the region. The faculty added to study next generation energy issues are part of the recently founded Center for Advanced Energy Studies. Some start-up funding has been provided from the Federal Department of Energy. We now need to staff the positions and begin hiring faculty to start the program.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT  
 AGENCY: UNIVERSITY OF IDAHO  
 FUNCTION: GENERAL EDUCATION  
 ACTIVITY:

Agency No.: 514  
 Function No.: 01  
 Activity No.: 00

FY 2008 Request  
 Page 1 of 2 Pages

A: Decision Unit No: 12.03		Descriptive Title: <b>GRADUATE ASSISTANTS</b>			Agency Priority Ranking 3 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding	1,631,000				1,631,000
TOTAL PERSONNEL COSTS:	1,631,000				1,631,000
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,631,000				1,631,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Supplements to 300 teaching assistantships are needed to enhance stipends. UI ranks 30th among 30 peer public universities; the request would allow us to attain the median amount. UI's low stipends make it difficult to recruit competitive graduate students in almost every discipline. On average, only 59% of students to whom offers are extended actually enroll at UI; in some departments the rate is as low as 33%.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

This request represents the additional stipend amount to attain the median level noted in item 1 (data from the Oklahoma State Survey). Fringe benefits are also included.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This request is for on-going funding.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: UNIVERSITY OF IDAHO

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 514

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.03

Descriptive Title: **GRADUATE ASSISTANTS**

Agency Priority Ranking 3 of 4

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Approximately 300 Teaching Assistants, who aid the faculty in recitations, laboratories and classroom activities, would benefit from more competitive salaries. With the enhancement, we would recruit more competitively and enroll more of the students we accept, enhancing the quality of our graduate student population. This would directly benefit the undergraduates whom the TAs are instructing. In addition, the faculty would benefit from more qualified assistants - an attraction in start-up packages and vital to faculty success and retention.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT  
 AGENCY: UNIVERSITY OF IDAHO  
 FUNCTION: GENERAL EDUCATION  
 ACTIVITY:

Agency No.: 514  
 Function No.: 01  
 Activity No.: 00

FY 2008 Request  
 Page 1 of 2 Pages

A: Decision Unit No: 12.04		Descriptive Title: <b>FACILITY MAINTENANCE/RENEWAL</b>			Agency Priority Ranking 4 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	18.00				18.00
PERSONNEL COSTS:					
1. Salaries	615,000				615,000
2. Benefits	272,900				272,900
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	887,900				887,900
OPERATING EXPENDITURES by summary object:					
1. Repair and Maintenance Services	410,000				410,000
2. Technical Services	5,000				5,000
3. Fuel and Lubricants	10,000				10,000
4. Repair and Maintenance Supplies	50,000				50,000
5. Institutional/Residential Supplies	5,000				5,000
6. Specific Use Supplies	15,000				15,000
7. Miscellaneous Expenditures	5,000				5,000
TOTAL OPERATING EXPENDITURES:	500,000				500,000
CAPITAL OUTLAY by summary object:					
1. Buildings and Improvements	1,412,100				1,412,100
2. Computer Equipment	30,000				30,000
3. Motorized Equipment	100,000				100,000
4. Office Equipment	10,000				10,000
5. Specific Use Equipment	60,000				60,000
6. Site Developments	500,000				500,000
TOTAL CAPITAL OUTLAY:	2,112,100				2,112,100
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	3,500,000				3,500,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

State funding for physical plant maintenance and repairs falls short of minimum needs, resulting in a growing backlog of maintenance, repair, and renewal needs. These growing needs represent an unsustainable degradation of the physical infrastructure and endanger the instructional, research and outreach missions of the University of Idaho.

Key to the mission of any higher education institution is the adequate maintenance and repair of its physical infrastructure -- the buildings and utility systems that support the day-to-day research and instructional activities. The Association of Higher Education Facilities Officers, APPA, is recognized as the industry leader through which facility officers share best practices and train and develop leaders. APPA recognizes several key financial benchmarks which speak to the adequacy of maintenance funding. These key benchmarks are summarized below:

Routine maintenance: Funding is targeted to support preventive and routine maintenance needs. Best practice funding rate is 1.5% of the current replacement value (CRV) of the physical plant.

Capital repairs and renewal: Funding is targeted to support the major repairs of system components, and the eventual replacement of aging facility components. Best practice funding rate ranges from 1.5% to 3.0% of the CRV.

Facility Condition Index: compares backlogged maintenance & repair needs to CRV. Best practice suggests a ratio of under 1.0%.

The State of Idaho has long recognized the inadequacy of funding for its higher education campuses. In 1990, the State commissioned the Blue Ribbon Report which documented funding deficiencies in higher education and stressed the need to adequately fund physical plant needs throughout the state in accordance with the funding targets cited above. Although this report influenced subsequent revisions to the state's occupancy funding formula for new general education spaces, the overall maintenance and repair/renewal funding generally declined in the years since the report. Recent severe budget reductions at the University of Idaho served to accelerate the downward trend here.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT  
AGENCY: UNIVERSITY OF IDAHO  
FUNCTION: GENERAL EDUCATION  
ACTIVITY:

Agency No.: 514  
Function No.: 01  
Activity No.: 00

FY 2008 Request  
Page 2 of 2 Pages

A: Decision Unit No: 12.04	Descriptive Title: <b>FACILITY MAINTENANCE/RENEWAL</b>	Agency Priority Ranking 4 of 4
----------------------------	--	--------------------------------

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This request is for on-going funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The funding requested in this line item will enable the university to address a growing backlog of deferred maintenance. In addition to protecting the public's previous investment in these facilities, significant health and safety improvements will benefit the students, employees and visitors to the campus. All of Idaho's citizens benefit from the instruction, research and public services provided by the university and carried out in its facilities.



# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: LEWIS-CLARK STATE COLLEGE

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 511

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>Salary Competitiveness</b>			Agency Priority Ranking 1 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	553,600				553,600
2. Benefits	106,400				106,400
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	660,000				660,000
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	660,000				660,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding (beyond the 3.5% MCO request needed to keep pace with inflation) to begin to narrow the wide gap between faculty/staff salaries at Lewis-Clark State College and median salaries at LCSC's peer institutions. Fair wages are essential in order to recruit and retain competent faculty and staff to deliver quality programs to our students. LCSC is advocating a total CEC request of 8% (3.5% MCO + 4.5% Line Item #1)--in coordination with our sister colleges and universities in Idaho--to begin to redress pay gaps of 15-20% with our respective peer institutions in other states.

2. What resources are necessary to implement this request?

This represents a 4.5% increase above the CEC @ 3.5% that is being requested per DFM and LSO budget development guidelines.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: LEWIS-CLARK STATE COLLEGE

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 511

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.01

Descriptive Title: **Salary Competitiveness**

Agency Priority Ranking 1 of 5

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

The university and subsequently the state are impacted as we are unable to attract and retain quality faculty and staff. Without appropriate and competitive compensation, the university and state will experience higher turnover rates, fewer recruitment successes, and the lag between current compensation levels and the marketplace will grow.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: LEWIS-CLARK STATE COLLEGE

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 511

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>Nursing&amp; Health Sciences</b>			Agency Priority Ranking 2 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	139,700				139,700
2. Benefits	59,700				59,700
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	199,400				199,400
OPERATING EXPENDITURES by summary object:					
1. Travel	5,000				5,000
2. Supplies	10,000				10,000
3.					
4.					
TOTAL OPERATING EXPENDITURES:	15,000				15,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	214,400				214,400

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request is for four new faculty positions (3.5 FTE) in the Nursing & Health Sciences Division. These positions are necessary for a modest expansion of our BSN pipeline to increase the number of BSN nursing graduates needed to address the current (and worsening) nursing shortage in Idaho.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

Four faculty positions, 3 full-time and 1 part-time (3.5 FTE), \$39,900 estimated annual salary with benefits, availability 7/1/2007

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. None

c. List any additional operating funds and capital items needed.

Additional operating funds in the amount of \$15,000 for the costs associated with establishing and maintaining 3.5 new positions.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: LEWIS-CLARK STATE COLLEGE

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 511

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.02	Descriptive Title: <b>Nursing&amp; Health Sciences</b>	Agency Priority Ranking 2 of 5
----------------------------	--	--------------------------------

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

By increasing the number of nurses in the workforce, all of the citizens of Idaho will be the beneficiary of this request.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: LEWIS-CLARK STATE COLLEGE

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 511

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.03		Descriptive Title: <b>Native American Teacher Education</b>			Agency Priority Ranking 3 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	120,000				120,000
2. Benefits	46,700				46,700
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	166,700				166,700
OPERATING EXPENDITURES by summary object:					
1. Travel	17,500				17,500
2. Supplies	5,000				5,000
3. Contractual OE	15,500				15,500
4.					
TOTAL OPERATING EXPENDITURES:	38,000				38,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	204,700				204,700

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks permanent funding to maintain the Native American Teacher Education Program developed and implemented with federal grant funds. The Native American Teacher Education Programs assists Native American students to become professional educators by completing a four-year teacher education degree in elementary or secondary education and meeting the requirements for full state certification as a teacher.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

1 - Director, professional staff, \$44,700 estimated annual salary, 12 month full-time contract with benefits, availability 7/1/2007

2 - Academic Counselor, professional staff, \$32,250 estimated annual salary, 12 month full-time contract with benefits, availability 7/1/2007

3 - Administrative Asst. I, classified staff with pay grade 32, 12 month full-time position with benefits, availability 7/1/2007

4 - Lab Assistants, irregular help, part-time with no benefits, hourly as needed, availability 7/1/2007

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. None

c. List any additional operating funds and capital items needed.

No capital items are requested.

Operating funds needed to support this request include:

Travel - \$7,500 for recruiting and assessment and \$10,000 for the Summer Institute and Fall Education Summit

Operating Funds - \$15,500 to facilitate workshops and speaker fees

Supplies - \$5,000 for normal and routine office supplies

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: LEWIS-CLARK STATE COLLEGE

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 511

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.03	Descriptive Title: <b>Native American Teacher Education</b>	Agency Priority Ranking 3 of 5
----------------------------	---	--------------------------------

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Training Native American teachers will benefit all of Idaho and specifically, Idaho's five tribal reservations.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: LEWIS-CLARK STATE COLLEGE

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 511

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.04		Descriptive Title: <b>PBX Telephone System</b>			Agency Priority Ranking 4 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. Travel					
2. Supplies					
3. Contractual OE					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1. Capital Outlay	220,000				220,000
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	220,000				220,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	220,000				220,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks funding to upgrade the institution's PBX telephone system that was damaged in two separate lightening storms in late FY06. As a result of the damage sustained, the PBX system is now weakened and very vulnerable to additional and substantial harm. Proposed system upgrades would obviate the need for costly repairs in the future if system vulnerabilities are not addressed.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

None

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. None

c. List any additional operating funds and capital items needed.

Capital funds are needed in the amount of \$220,000

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for one-time funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: LEWIS-CLARK STATE COLLEGE

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 511

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.04

Descriptive Title: **PBX Telephone System**

Agency Priority Ranking 4 of 5

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The institution's PBX telephone system serves as the initial and primary point-of-contact for all persons and entites doing business with the instituion. It is key to the operations of the college.



# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: LEWIS-CLARK STATE COLLEGE

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 511

Function No.: EDGB

Activity No.: 00

FY 2008 Request

Page of Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.05		Descriptive Title: <b>Technology Support</b>			Agency Priority Ranking 5 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. Travel					
2. Supplies					
3. Contractual OE					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1. Capital Outlay	138,600				138,600
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	138,600				138,600
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	138,600				138,600

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks funding to replace technology equipment that is integral to the delivery of the institution's services in this age of technology. This equipment is utilized in classrooms as well as for support of administrative and student services and community responsibilities.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

None

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. None

c. List any additional operating funds and capital items needed.

Capital funds are needed in the amount of \$138,600

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for one-time funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: LEWIS-CLARK STATE COLLEGE

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 511

Function No.: EDGB

Activity No.: 00

FY 2008 Request

Page of Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.05

Descriptive Title: **Technology Support**

Agency Priority Ranking 5 of 5

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

All constituents of the institution are dependent on technology and rely on its availability and functionality to carry out their objectives and responsibilities. Whether as a student, faculty, staff or community member, technology plays a critical and integrated role in the activities of the institution.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Line Items: Community Colleges**

Line Items for the Community Colleges are summarized on page 3.

The summary lists the page number where the detail, supporting documentation can be found for each Line Item.

**MOTION**

A motion to approve for final development the following specific budget Line Items for the Community Colleges (College of Southern Idaho and North Idaho College):

1. <List Item>
2.       “
3.       “
4.       “

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Community Colleges**  
**Fiscal Year 2008 Line Items**  
**Grouped by Program in Priority Order**

			FTP	General	Other Funds	Total
1	<b>FY 2008 BASE (Information Only)</b>		<b>637.80</b>	<b>\$ 22,100,900</b>	<b>\$ 32,083,800</b>	<b>\$ 54,184,700</b>
2						
3	<b>LINE ITEMS</b>					
4	<b>Institution/Priority/Line Item</b>	<b>Detail Page</b>				
5	<b>College of Southern Idaho</b>					
6	1 Nursing Program Capacity Increase	5	3.00	247,300		247,300
7	2 Off Campus Centers/Workforce Development	7	1.00	250,000		250,000
8	3 Testing Center Expansion	9	2.00	115,300		115,300
9	4 Faculty and Professional Staff Salary Equity	11		218,500		218,500
10	<b>North Idaho College</b>					
11	1 Outreach Sites Development	13		600,000		600,000
12	2 Assoc. Degree Nursing Expansion	14		60,000		60,000
13	3 Mixed Delivery Methods for Prog.	15		250,000		250,000
14	4 On-Site Instructor Training	16		85,000		85,000
15	5 Salary Equity-3%/3 years	17		562,000		562,000
16	<b>Total Line Items</b>		<b>6.00</b>	<b>\$ 2,388,100</b>	<b>\$ -</b>	<b>\$ 2,388,100</b>
17	<b>Percentage of FY 2008 BASE</b>		<b>0.94%</b>	<b>10.81%</b>		<b>4.41%</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: College of Southern Idaho  
 FUNCTION: Community College  
 ACTIVITY: Outreach Site Request Summary

Agency No.: 505  
 Function No.:  
 Activity No.:

FY 2008 Request  
 Page 1 of 2 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>ADN Nursing</b>			Agency Priority Ranking 1 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	185,000				185,000
2. Benefits	56,000				56,000
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	241,000	0	0	0	241,000
OPERATING EXPENDITURES by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1 3 Computers	3,600				3,600
2 3 Sets of Desk, Chair, File Cabinet, Bookshelf	2,700				2,700
					0
					0
					0
TOTAL CAPITAL OUTLAY:	6,300	0	0	0	6,300
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	247,300	0	0	0	247,300

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

We are requesting two full time and two part time Registered Nursing instructors in order to increase our nursing program capacity. In FY 2005, we served 100 registered nursing students. With the funding of this decision unit and a redesign of the program, we will be able to serve 240 registered nursing students in the Fall of 2007.

We are also requesting funding for a Health Career Advisor to work directly with students entering the health care field. With the growth in all 14 of our existing programs and the development of new programs to meet work force needs, this position will be essential in providing guidance to students and working with faculty to ensure students are on track for program completion.

The nursing shortage is well documented. We are experiencing problems in meeting the demand for nurses from employers and the retention of nursing instructors. We have utilized grants to assist in program start up costs and some actual instruction. As grants run out, these instructional costs must be institutionalized or programs reduced.

The requested positions are new and have not been grant funded. Educational equipment support has been provided for the nursing program expansion through grants and donations from private industry.

Currently we have approximately 15.76 FTE in our registered nursing department with personnel costs of approximately \$912,400 and operating expenses of approximately \$30,000. These costs are in our base budget.

2. What resources are necessary to implement this request?

a. List by position: Position titles, pay grades, full or part time status, benefit eligibility, anticipated dates of hire and terms of service.

Each of the two full time nursing faculty members will be paid approximately \$50,000 per year plus benefits. The starting pay will be partially determined by the applicants' educational level and experience. Full benefits for the positions are estimated at \$18,000 each. The two part time instructors are expected to cost approximately \$25,000 each and will not be benefited. Basic employer payroll costs for the part time positions are estimated at \$2,500 each.

The Health Career Advisor will be paid approximately \$35,000 per year with benefits of approximately \$15,000. This will be a full time 12 month position.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: College of Southern Idaho

FUNCTION: Community College

ACTIVITY: Outreach Site Request Summary

Agency No.: 505

Function No.:

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.01

Descriptive Title: **ADN Nursing**

Agency Priority Ranking 1 of 4

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

Program expansion will impact our student services and institutional support areas. We will also have to work through some building space issues and clinical site issues. Our nursing department has indicated that these issues can be adequately addressed without negatively impacting students.

c. List any additional operating funds and capital items needed.

Capital and some operational funds required will be solicited through grants and from private industry.

3. Please break out fund sources with anticipated expenditures in the data matrix. (Please separate one time versus ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

While we have been very successful in getting grants for the health care area, we are not anticipating grant funding to be stable over the long term. This is especially true for personnel costs. The \$6,300 of equipment and furniture costs requested will be one time.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded, what are the impacts?

Students, employers and the public will be served by funding this decision unit. This program has a proven track record of taking students from minimum wage jobs to positions earning in excess of \$20 per hour in just a few years. Scholarships for nursing students are readily available through the College of Southern Idaho Foundation to ease the financial burden of attending college. The economic impact that students graduating from these programs have on the community is extremely positive. Employers in our area have good jobs waiting for our graduates. It is critical that we work to meet that need.

If this request is not funded, we will not be able to increase our capacity to train registered nurses. Employers will either have to limit services or import workers from outside of Idaho. Both of these options will have a negative impact on our Idaho residents, especially those looking to improve their economic status through education.



# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: College of Southern Idaho  
 FUNCTION: Community College  
 ACTIVITY: Associate Degree Nursing

Agency No.: 505  
 Function No.:  
 Activity No.:

FY 2008 Request  
 Page 1 of 2 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>Off Campus Centers</b>			Agency Priority Ranking 2 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. M & O Contracts	20,000				20,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	20,000	0	0	0	20,000
CAPITAL OUTLAY by summary object:					
1 Outreach Center Clinical Site	40,000				40,000
2					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	40,000	0	0	0	40,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	60,000	0	0	0	60,000

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

We are requesting funding to hire at least one workforce development coordinator to assist the Southern Idaho Economic Development Organization with identifying, developing and providing training for employees. Additionally, we are requesting funding to pay existing staff along with adjunct faculty to develop specific job required curriculums and provide training.

Over the last several years, the College has been called upon to provide training that far exceeds workforce development funds. Based upon the Governor's economic recovery plan for the State of Idaho, the College reallocated funds away from traditional academic programs to business recruitment and workforce training. We are now requesting funds to pay for this and future workforce development and training.

New companies are anticipated to bring in at least 1,000 new jobs to the Magic Valley over the next several years. The requested funds will assist in providing work force training at business locations, on campus and at outreach centers.

Currently we utilize existing staff when possible but do not have any permanent source of staffing or funding in our base for this type of activity.

2. What resources are necessary to implement this request?

a. List by position: Position titles, pay grades, full or part time status, benefit eligibility, anticipated dates of hire and terms of service.

We anticipate hiring a workforce development coordinator for approximately \$40,000 per year plus benefits of \$16,000 per year. We also plan on spending approximately \$159,000 for part time instructors to train employees in a wide range of businesses. We do not anticipate hiring full time instructors but may use some existing college instructors on an overload basis.

The coordinator would be hired as of July 1, 2007 with a salary agreement eligible for renewal each year.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

Funding of this decision unit would assist in allowing existing educational programs to proceed without interruption due to staff being pulled away for critical industry training.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: College of Southern Idaho

FUNCTION: Community College

ACTIVITY: Associate Degree Nursing

Agency No.: 505

Function No.:

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.02	Descriptive Title: <b>Off Campus Centers</b>	Agency Priority Ranking 2 of 4
----------------------------	--	--------------------------------

c. List any additional operating funds and capital items needed.

. Operating costs of \$30,000 per year will be used for training supplies, travel, office supplies, cell phone charges and program promotion. \$5,000 of one time funds will be used to purchase educational equipment for use in training or by instructors.

3. Please break out fund sources with anticipated expenditures in the data matrix. (Please separate one time versus ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

We will work with private industry in addition to seeking grants for funding assistance in purchasing specialized industry equipment for training. We need a general fund base for personnel costs and basic operating expenditures.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded, what are the impacts?

The residents of our eight county service area, the State of Idaho and students will be served by a coordinated economic development effort to bring in companies providing good paying jobs.

If this request is not funded, we will have to continue to make choices concerning workforce training. If this training is to be provided, we will have to pull funds from academic or technical programs or elect not to provide the training. This training can be the difference in a successful recruitment of a desirable business in our area.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: College of Southern Idaho

Agency No.: 505

FY 2008 Request

FUNCTION: Community College

Function No.:

Page 1 of 2 Pages

ACTIVITY: Development of Mixed Delivery Methods

Activity No.:

A: Decision Unit No: 12.03		Descriptive Title: <b>Testing Center Expansion</b>			Agency Priority Ranking 3 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. M & O Contracts	250,000				250,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	250,000	0	0	0	250,000
CAPITAL OUTLAY by summary object:					
1					0
2					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	250,000	0	0	0	250,000

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

We have developed testing centers at two outreach centers in addition to the main campus. On campus, the number of tests given by our testing center has grown from 21,800 in Fy 2000 to 42,300 in Fy 2005. This growth is due not only to an increase in student numbers but also to a change in the method of teaching. More and more of our faculty utilize the testing center to give tests so that they do not have to use class time for this purpose. Class time is a valuable commodity that is used for instruction and test review. We also provide testing center services for UI, BSU and ISU both on campus and at our outreach centers.

This decision unit will allow us to extend our hours and expand our existing testing centers.

We currently have one full time testing coordinator on campus with two part time staff. We also have one part time staff person in our Mini-Cassia Testing center. Funding of approximately \$90,000 for these positions is built into our base.

2. What resources are necessary to implement this request?

a. List by position: Position titles, pay grades, full or part time status, benefit eligibility, anticipated dates of hire and terms of service.

. Two testing center specialists will be hired at salaries of approximately \$25,000 each plus benefits of approximately 12,500 each. Part time staffing funds of \$20,000 area also requested.

These positions would be hired August 1, 2007 on one year salary agreements with the option of renewal. Part time positions would be hired as needed.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

The addition of staffing to the testing centers would improve operations through extended hours and timely entry of test results into our computer system. Additionally, more instructors will be able to send students to the testing center so they can fully utilize class time.

c. List any additional operating funds and capital items needed.

Operating funds to purchase Compass tests will be needed along with some travel and office supply funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: College of Southern Idaho

FUNCTION: Community College

ACTIVITY: Development of Mixed Delivery Methods

Agency No.: 505

Function No.:

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.03	Descriptive Title: <b>Testing Center Expansion</b>	Agency Priority Ranking 3 of 4
----------------------------	--	--------------------------------

3. Please break out fund sources with anticipated expenditures in the data matrix. (Please separate one time versus ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

We are requesting General Fund dollars for this request. The anticipated expenditures are for personnel, office furniture and equipment and operating expenditures to expand our testing center hours. The furniture purchases would be one time and are estimated at approximately \$2,700. The remaining \$3,600 would be for computers that would have to be replaced every three to four years.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded, what are the impacts?

The eligible population will be all college and university students needing testing services. Most students will be CSI prospective students taking placement tests and regular CSI students taking course tests. We expect the use of testing centers to increase over the next three years due to both increased student numbers and increased use by instructors.

The expansion of hours of existing testing centers will occur at the main campus in Twin Falls, the Mini-Cassia Center in Burley and the Blaine County Center in Hailey. Any student from an institution of higher education in Idaho will be able to take tests at no charge at these testing centers.

If this request is not funded, we will continue to overload our testing centers. We will have to make a decision concerning the diversion of dollars away from other programs or to limit the services of our testing centers.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: College of Southern Idaho  
 FUNCTION: Community College  
 ACTIVITY: On-Site Instructor Training

Agency No.: 505  
 Function No.:  
 Activity No.:

FY 2008 Request  
 Page 1 of 2 Pages

A: Decision Unit No: 12.04		Descriptive Title: <b>Salary Enhancement</b>			Agency Priority Ranking 4 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. M & O Contracts	85,000				85,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	85,000	0	0	0	85,000
CAPITAL OUTLAY by summary object:					
1					0
2					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	85,000	0	0	0	85,000

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

We are requesting \$218,500 as the first part of a two year program to bring our faculty salaries to average salary of the 39 member colleges of the Mountain States Association of Community Colleges. The average salary of these institutions for nine month faculty was \$46,427 last year. With average salaries of \$43,627, the College of Southern Idaho is listed 30th of 39 colleges in salary. This gap exists in spite of CSI's length of service being 10.3 years and average length of service being 9.1 years.

We request funding of \$1,400 per full time faculty member to decrease the \$2,800 gap between CSI salaries and the average salaries in the region.

2. What resources are necessary to implement this request?

a. List by position: Position titles, pay grades, full or part time status, benefit eligibility, anticipated dates of hire and terms of service.

General funds will be required to provide for this increase. The increase would be effective with the teaching contract effective beginning August 1, 2007.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

The major impact of this decision unit will be to fairly compensate our faculty as well as to attract and retain qualified faculty members.

c. List any additional operating funds and capital items needed.

All funds requested are for personnel.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: College of Southern Idaho

FUNCTION: Community College

ACTIVITY: On-Site Instructor Training

Agency No.: 505

Function No.:

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.04

Descriptive Title: **Salary Enhancement**

Agency Priority Ranking 4 of 4

3. Please break out fund sources with anticipated expenditures in the data matrix. (Please separate one time versus ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

We are seeking general fund dollars to fully fund this request.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded, what are the impacts?

The major impact of this request will be to maintain our ability to attract and retain outstanding faculty at pay rates commensurate with our peer institutions. We are currently number 30 out of 39 schools and have dropped several places over the last several years. We continue to work toward the average salary paid to community college teachers in our region.

The impact of not funding this request will be having our faculty fall further behind their peers in this region. Eventually, we believe this will hamper us in recruiting and retaining qualified faculty.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: North Idaho College

FUNCTION: Community College

ACTIVITY: Outreach Site Request Summary

Agency No.: 506

Function No.: 01

Activity No.:

FY 2008 Request

Page 1 of 1 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>Outreach Sites Development</b>			Agency Priority Ranking 1 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. M & O	125,000				125,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	125,000	0	0	0	125,000
CAPITAL OUTLAY by summary object:					
1 Remodel	75,000				75,000
2 Technology	315,000				315,000
3. Create Reception Area	15,000				15,000
4. Video Conferencing Room	33,000				33,000
5. Classroom	37,000				37,000
TOTAL CAPITAL OUTLAY:	475,000	0	0	0	475,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	600,000	0	0	0	600,000

North Idaho College is requesting funding to provide for off-site center development in Bonners Ferry, Bonner County, and the Plummer/Worley area. To address Idaho's need to expand access to the community college experience, these sites are highly visible in the community, requested by the community, supported by the community, and staffed with community people. The requested remodeling will allow students to have good classroom space where learning can happen easily and with the least amount of disruption. The reception area for Plummer/Worley is necessary as we greet the public and advise and mentor future students.

The technology requests involve a Communications Room, a Computer Classroom/Lab/Tutoring Room, and an Interactive Video Conferencing Room. All are necessary in reaching the students of each area with up-to-date learning methods and skills.

Area students will be able to "go to college" in their own community, to get started on the way to a college education. Without these centers, students will need to travel to North Idaho College, which is a hardship for most of them, and will mean fewer students will be educated.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: North Idaho College  
 FUNCTION: Community College  
 ACTIVITY: Associate Degree Nursing

Agency No.: 506  
 Function No.:  
 Activity No.:

FY 2008 Request  
 Page 1 of 1 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>Assoc. Degree Nursing Expansion</b>			Agency Priority Ranking 2 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. M & O Contracts	20,000				20,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	20,000	0	0	0	20,000
CAPITAL OUTLAY by summary object:					
1 Outreach Center Clinical Site	40,000				40,000
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	40,000	0	0	0	40,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	60,000	0	0	0	60,000

North Idaho College is requesting funds that would be used to add more clinical sections and nursing lab experiences for nursing students, thus allowing NIC to increase the number of students able to participate in the A.D. Nursing Program by 30% or 20 additional students.

Funds are needed to increase the total number of nursing students accepted. Currently the college has a partnership with Kootenai Medical Center, which allows KMC employees to work as adjunct faculty for NIC in the clinical setting. North Idaho College reimburses KMC for the hours worked. Funding to increase the number of adjuncts used would allow for the addition of clinical sections and a great number of nursing students.

Currently the nursing programs borrow space from the clinical facilities in the rural communities. Frequently, problems arise for both parties due to the sharing of space. Designated space for the nursing programs will be necessary to add the second year of the R.N. program in the outreach areas.

The Associate Degree Nursing program and the Certified Nurse's Aide program both need to have instructors and clinical space. The students in the outreach areas need to have access to the second year of the nursing program, and instructors and space are at a premium. Allowing more adjunct faculty will allow the program to enroll more nursing students, which will impact the State of Idaho by producing more nurses and providing better care for our citizens. If funds are not provided, the nursing program will continue to be enrolled at its maximum, and unable to expand.



# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: North Idaho College

FUNCTION: Community College

ACTIVITY: Development of Mixed Delivery Methods

Agency No.: 506

Function No.:

Activity No.:

FY 2008 Request

Page 1 of 1 Pages

A: Decision Unit No: 12.03		Descriptive Title: <b>Mixed Delivery Methods</b>			Agency Priority Ranking 3 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. M & O Contracts	250,000				250,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	250,000	0	0	0	250,000
CAPITAL OUTLAY by summary object:					
1					0
2					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	250,000	0	0	0	250,000

With today's prevalence of technology, students expect the use of technology to enhance teaching and learning. NIC needs to develop courses that are facilitated by the effective combination of different modes of delivery, models of teaching and styles of learning, and founded on transparent communication among all parties involved with a course. This project will expand access by using technology tools to distribute instruction, tutoring, and the mentoring of students.

The funds will be used to purchase interactive software and notebook computers to be utilized by faculty and students in specific courses. The instructors will utilize the software and the computers to provide students immediate access to internet sites, multimedia presentations, and video streaming of the the course. Students could, via the internet, receive instruction in real time if they were not able to attend class. In addition, the entire presentation would be downloaded to the notebook computer so that students could refer back to the class material at any point in time. The technology involved will mean that facilitators, as well as instructors, will need to be trained and supported through this development. Each instructor and facilitator will need to be able to teach face-to-face, IVC, internet classes, podcasting, and video streaming, combining two or more so that students have a chance to have the best learning experience available.

It is becoming obvious that teaching effectiveness is significantly enhanced if students have the flexibility and the option to learn in various manners. Without it, students are greatly hampered in their learning experiences.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: North Idaho College  
 FUNCTION: Community College  
 ACTIVITY: On-Site Instructor Training

Agency No.: 506  
 Function No.:  
 Activity No.:

FY 2008 Request  
 Page 1 of 1 Pages

A: Decision Unit No: 12.04		Descriptive Title: <b>On-Site Instructor Training</b>			Agency Priority Ranking 4 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. M & O Contracts	85,000				85,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	85,000	0	0	0	85,000
CAPITAL OUTLAY by summary object:					
1					0
2					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	85,000	0	0	0	85,000

North Idaho College is requesting funds that would be used to train company employees to teach skills in the local labor market.

In an effort to enhance North Idaho College's partnership with community businesses and to increase the instructor pool, NIC would be responsible for training employees from local companies who would then be able to teach skills in carpentry, welding, general construction, basic manufacturing, etc. to their existing labor pool. These courses would enhance the employees' technical skills and also provide them with college credit that could eventually apply toward a certificate and/or degree. With the trainers coming directly from industry, there would be more flexibility in the times the training could be offered.

The community businesses are requesting this training, and the local labor force would then be better trained to do their jobs without taking a year or two off to attend a degree program. The local businesses would be able to train their own, as well as providing evening or substitute instructors for college classes. Without this training, the local businesses will feel a lack of properly-trained labor.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT  
 AGENCY: North Idaho College  
 FUNCTION: Community College  
 ACTIVITY: Salary Equity

Agency No.: 506  
 Function No.:  
 Activity No.:

FY 2008 Request  
 Page 1 of 1 Pages

A: Decision Unit No: 12.05		Descriptive Title: <b>Salary Competitiveness: 3%/3 years</b>			Agency Priority Ranking 5 of 5
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries @ 3%	488,700				488,700
2. Benefits @ 15%	73,300				73,300
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	562,000	0	0	0	562,000
OPERATING EXPENDITURES by summary object:					
1. M & O					0
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
					0
					0
					0
					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	562,000	0	0	0	562,000

North Idaho College is requesting funding to provide salary equity for employees. This request is to request equity for all professional and classified employees who are full time.

The request is to request funds in addition to the basic 3.5 % salary increase of 3% to provide a total salary increase of 6.5%. The goal of this request is to bring salaries of full-time employees to the mid-point of salaries of comparable institutions. The request also includes 15% for increased benefit costs.

This request is a 3 year phase in. This is the first of a 3 year request.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Line Items: Agricultural Research and Extension Service**

Line Items for the Agricultural Research and Extension Service is summarized on the next page.

The detail, supporting documentation for this Line Item can be found on page 2.

**MOTION**

A motion to approve for final development the following specific budget Line Items for Agricultural Research and Extension Service:

1. Salary Enhancement – Additional Funds to provide a total increase of 8% for all employee classes \$1,112,000

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**University of Idaho: Ag Research Extension**  
**Fiscal Year 2008 Line Items**  
**Grouped by Program in Priority Order**

		FTP	General	Other Funds	Total
1	<b>FY 2008 BASE (Information Only)</b>	375.47	\$ 26,129,000	\$ 4,921,400	\$ 31,050,400
2	<b>LINE ITEMS</b>				
3					
4	<b>Institution/Priority/Line Item</b> <b>Detail Page</b>				
5	<b>Ag Research Extension</b>				
6	1 Salary Enhancement: 4 Additional funds to provide a total increase of 8% for all employee classes.		1,112,000		1,112,000
7	<b>Total Line Items</b>	-	\$ 1,112,000	\$ -	\$ 1,112,000
8	Percentage of FY 2008 BASE	0.00%	4.26%		3.58%

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: UNIVERSITY OF IDAHO

FUNCTION: AGRICULTURAL RESEARCH and

ACTIVITY: EXTENSION

Agency No.: 504

Function No.: 02

Activity No.: 00

FY 2008 Request

Page 1 of 1 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>SALARY ENHANCEMENT</b>			Agency Priority Ranking 1 of 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	874,000				874,000
2. Benefits	199,200				199,200
3. Group Position Funding	38,800				38,800
TOTAL PERSONNEL COSTS:	1,112,000				1,112,000
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,112,000				1,112,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary enhancement. As noted in the university's Plan for Renewal, our people are the primary asset of the university. In our strategic plan going forward, the issue of appropriate and competitive compensation, as measured against our peer comparators, is the top priority.

2. What resources are necessary to implement this request?

This represents a 4.5% increase above the CEC @ 3.5% that is being requested per DFM and LSO budget development guidelines.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for on-going funds.

4. Who is being served by this request and what are the expected impacts of the funding requested?

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Line Items: Special Programs**

Line Items for the Special Programs are summarized on the next page.

The summary on page 7 lists the page number where the detail, supporting documentation can be found for each Line Item.

**MOTION**

A motion to approve for final development the following specific budget Line Items for the Special Programs, as shown on the next page:

1. Forest Utilization Research - Salary Enhancement: 4.5% above CEC @ \$20,800 (General Funds)
2. Forest Utilization Research – Increasing Value of Idaho Forest Resources @ \$119,500 (General Funds)
3. Forest Utilization Research – Enhanced Policy Analysis @ \$105,000 (General Funds)“
4. Idaho Geological Survey - Salary Enhancement: 4.5% above CEC @ \$32,800 (General Funds)
5. Idaho Geological Survey – Operation Base Enhancement @ \$94,000 (General Funds)
6. Idaho Geological Survey – Mission Capability Enhancement @ \$75,600 (General Funds)
7. Scholarships and Grants – Increase Promise A Scholarships @ \$120,000 (General Funds)
8. Idaho Museum of Natural History - Salary Enhancement: 4.5% above CEC @ \$20,300 (General Funds)
9. Idaho Museum of Natural History – Program Enhancement @ \$106,100 (General Funds)
10. Idaho Small Business Development Centers – Hispanic Outreach @ \$83,700 (General Funds)
11. Idaho Small Business Development Centers – Rural Video Conferencing @ \$40,000 (General Funds)
12. Idaho Small Business Development Centers – Salary Competitiveness @ \$12,500 (General Funds)

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Special Programs Summary**  
**Fiscal Year 2008 Line Items**  
**Grouped by Program in Priority Order**

			FTP	General	Other Funds	Total
1	<b>FY 2008 BASE (Information Only)</b>		<b>24.80</b>	<b>\$ 10,047,300</b>	<b>\$ 364,500</b>	<b>\$ 10,411,800</b>
2	<b>LINE ITEMS</b>					
3						
4	<b>Program/Priority/Line Item</b>	<b>Detail Page</b>				
5	<b>Forest Utilization Research</b>					
6	1 Salary Enhancement: 4.5% above CEC	8		20,800		20,800
7	2 Increasing Value of Idaho Forest Resources: Enhanced research, demonstrations, and training.	9-10	2.00	119,500		119,500
8	3 Enhanced Policy Analysis: Expanded interdisciplinary research and analysis.	11-12	1.10	105,000		105,000
9	<b>Idaho Geological Survey</b>					
10	1 Salary Enhancement: 4.5% above CEC	13		32,800		32,800
11	2 Operation Base Enhancement: Base resources for offices in Moscow, Pocatello and Boise.	14	0.28	94,000		94,000
12	3 Mission Capability Enhancement: Additional applied research and delivery.	15-16	0.37	75,600		75,600
13	<b>Scholarships and Grants</b>					
14	1 Promise A Scholarships	17		120,000		120,000
15	<b>Idaho Museum of Natural History</b>					
16	1 Salary Enhancement: 4.5% above CEC	18-19		20,300		20,300
17	2 Program Enhancements	20-21		106,100		106,100
18	<b>Idaho Small Business Development Centers</b>					
19	1 Hispanic Outreach	22-23	1.00	83,700		83,700
20	2 Rural Video Conferencing	24		40,000		40,000
21	3 Salary Competitiveness	25		12,470		12,470
22	<b>Idaho Council on Economic Education</b>					
23	1 No Line Items					
24	<b>Tech Help</b>					
25	1 No Line Items					
26	<b>Total Line Items</b>		<b>4.75</b>	<b>\$ 830,270</b>	<b>\$ -</b>	<b>\$ 830,270</b>
27	Percentage of FY 2008 BASE		19.15%	8.26%		7.97%

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: SPECIAL PROGRAMS (UI)

FUNCTION: FOREST UTILIZATION RESEARCH

ACTIVITY:

Agency No.: 516

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 1 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>SALARY ENHANCEMENT</b>			Agency Priority Ranking 1 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	15,400				15,400
2. Benefits	3,700				3,700
3. Group Position Funding	1,700				1,700
TOTAL PERSONNEL COSTS:	20,800				20,800
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	20,800				20,800

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary enhancement. As noted in the university's Plan for Renewal, our people are the primary asset of the university. In our strategic plan going forward, the issue of appropriate and competitive compensation, as measured against our peer comparators, is the top priority.

2. What resources are necessary to implement this request?

This represents a 4.5% CEC calculation (PC Worksheet)

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for on-going funds.

4. Who is being served by this request and what are the expected impacts of the funding requested?

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: SPECIAL PROGRAMS (UI)

FUNCTION: FOREST UTILIZATION RESEARCH

ACTIVITY:

Agency No.: 516

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>INCREASING VALUE of FOREST RESOURCES</b>			Agency Priority Ranking 2 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2.00				2.00
PERSONNEL COSTS:					
1. Salaries	70,000				70,000
2. Benefits	28,000				28,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	98,000				98,000
OPERATING EXPENDITURES by summary object:					
1. Employee Travel Costs	7,500				7,500
2. Communication Services/Costs	5,000				5,000
3. Administrative Services	5,000				5,000
4. Specific Use Supplies	4,000				4,000
TOTAL OPERATING EXPENDITURES:	21,500				21,500
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	119,500				119,500

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond to the following questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

Forest resource utilization contributes significantly to the economic well being of Idaho. To remain competitive, the industry needs to increase the value of the forest resource by enhanced utilization. The goal is to increase the competitive advantage of Idaho's forest products industry, foster local economic development and reduce forest fire risk through research programs that will improve yield and to utilize low grade trees and forest biomass for use in value added products by:

- a) Development of non-destructive analysis tools to grade trees and logs in order to improve yield and value in structural applications,
- b) Create bio-fuels and wood based composites from forest residues,
- c) This will be accomplished through research, demonstration and hands-on training of students at the UI forest products laboratory.

2. What resources are necessary to implement this request?

Positions requested include a bio-materials research specialist and a bio-materials research analyst.

Both positions would have starting salaries of approximately \$35,000. Related operating expenses are also requested.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

This request is for on-going funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: SPECIAL PROGRAMS (UI)

FUNCTION: FOREST UTILIZATION RESEARCH

ACTIVITY:

Agency No.: 516

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.02

Descriptive Title: **INCREASING VALUE of FOREST RESOURCES**

Agency Priority Ranking 2 of 3

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The funding requested in this decision unit will: 1) enable the university to address the growing need to prepare graduates with a level of skills and knowledge that equips Idaho and its citizens to be competitive in a global forest products economy; 2) maintain specialized accreditation in Forest Products which is in line with the University's mission; (3) reduce risk of wildfires through utilization of forest woody fuels; and 4) contribute to the nation's energy self-sufficiency and security.

Expected performance includes:

a) Increase in undergraduate student research projects, graduate student research projects, scientist exchange programs, and industry based projects in bio-fuels, wood composites, resource assessment and forest utilization with in the Forest Products program;

b) The outputs will be at least 3 technical presentations per year, 1 thesis/dissertation per year, 2 published papers per year, creation of a website for outreach and technical assistance for private and public landowners.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: SPECIAL PROGRAMS (UI)

FUNCTION: FOREST UTILIZATION RESEARCH

ACTIVITY:

Agency No.: 516

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.03		Descriptive Title: <b>POLICY ANALYSIS ENHANCEMENT</b>			Agency Priority Ranking 3 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	1.10				2.00
PERSONNEL COSTS:					
1. Salaries	63,900				63,900
2. Benefits	21,100				21,100
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	85,000				85,000
OPERATING EXPENDITURES by summary object:					
1. Employee Travel Costs	7,500				7,500
2. Communication Services/Costs	4,000				4,000
3. Administrative Services	4,000				4,000
4. Specific Use Supplies	4,500				4,500
TOTAL OPERATING EXPENDITURES:	20,000				20,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	105,000				105,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond to the following questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

Forest resource utilization contributes significantly to the economic well being of Idaho. A variety of land-use planning and environmental laws and policies affect what landowners can and cannot do with their lands and this affects how natural resources are utilized.

The CNR Policy Analysis Group was created in 1989 by the Idaho state legislature (see Idaho Code § 37-714). The PAG identifies and analyzes scientific and institutional problems associated with natural resource policy issues. In keeping with its mandate the PAG develops, analyzes, and presents several alternative policy options without recommending any particular one. According to the mandate, "Individual projects and analyses will be conducted by the group's staff or members of the college's faculty, or by scientists from other educational institutions or research entities as appropriate [and] must adhere to the highest professional and scientific standards for objective, scientific research."

2. What resources are necessary to implement this request?

Interdisciplinary research is growing dramatically at the University of Idaho. This type of research integrates policy and law with the biological and physical sciences to solve real natural resource management problems. This has increased the demand for policy analysis in many of our research projects, providing additional opportunities for the PAG to have an impact on important natural resource issues. The PAG must provide funding support for a broader array of faculty to contribute to the PAG's mission. To ensure that PAG makes contributions to the increasingly complex natural resource management issues of our day, we are requesting \$105,000 to fund additional faculty contributions to policy analysis. The personnel costs represent partial faculty appointments that will total approximately \$63,900 and the associated fringe benefits. Operating expenses of \$20,000 are also requested.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

This request is for on-going funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: SPECIAL PROGRAMS (UI)

FUNCTION: FOREST UTILIZATION RESEARCH

ACTIVITY:

Agency No.: 516

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.03

Descriptive Title: **POLICY ANALYSIS ENHANCEMENT**

Agency Priority Ranking 3 of 3

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The funding requested will enable the PAG to maintain the highest professional standards of research by better addressing a range of interdisciplinary perspectives on natural resources issues of interest to the people of Idaho. This need is often expressed by natural resource leaders in the state who support the PAG's work by serving on the Advisory Committee. These individuals represent state and federal public agencies, environmental non-governmental organizations, and private firms and resource associations who all represent different natural resources management interests that will benefit from the enhanced interdisciplinary research this request will enable.



# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: SPECIAL PROGRAMS (UI)

FUNCTION: IDAHO GEOLOGICAL SURVEY

ACTIVITY:

Agency No.: 516

Function No.: 02

Activity No.: 00

FY 2008 Request

Page 1 of 1 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>Salary Enhancement</b>			Agency Priority Ranking 1 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	26,800				26,800
2. Benefits	6,000				6,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	32,800				32,800
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	32,800				32,800

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary enhancement. As noted in the university's Plan for Renewal, our people are the primary asset of the university. In our strategic plan going forward, the issue of appropriate and competitive compensation, as measured against our peer comparators, is the top priority.

2. What resources are necessary to implement this request?

This represents a 4.5% CEC calculation (PC Worksheet).

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for on-going funds.

4. Who is being served by this request and what are the expected impacts of the funding requested?

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: SPECIAL PROGRAMS (UI)

FUNCTION: IDAHO GEOLOGICAL SURVEY

ACTIVITY:

Agency No.: 516

Function No.: 02

Activity No.: 00

FY 2008 Request

Page 1 of 1 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>Operation Base Enhancement</b>			Agency Priority Ranking 2 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	0.28				0.28
PERSONNEL COSTS:					
1. Salaries	43,600				43,600
2. Benefits	16,400				16,400
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	60,000				60,000
OPERATING EXPENDITURES by summary object:					
1. Employee Travel Costs	14,000				14,000
2. Communication Services/Costs	5,000				5,000
3. Administrative Services	7,500				7,500
4. Technical Services	2,500				2,500
5. Specific Use Supplies	5,000				5,000
TOTAL OPERATING EXPENDITURES:	34,000				34,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	94,000				94,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request will fund all IGS personnel costs within the special programs appropriation, including promotions, and will fully fund all costs of basic-office operations for the main office in Moscow and the Boise and Pocatello branch offices.

2. What resources are necessary to implement this request?

Salary and fringe benefits total \$33,000; faculty promotion-costs are \$27,000 (salary and related fringe benefits).

Total cost of basic office operations is \$60,000; Current appropriated operating expenditures funding is \$26,000.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The entire State of Idaho benefits from the geologic studies, earthquake monitoring and hazard analysis provided by the Idaho Geological Survey. Sectors served include industry, communities, transportation, and all groups dealing with growth-related resource stewardship. Enhanced delivery of geologic information benefits K-12 school curricula and higher education. These additional resources will improve the overall responsiveness to the state's needs for geologic information and delivery systems. Geologic information includes geology for growth corridors; geology for highway routes; geologic hazards; mining geology and mines; groundwater protection and aquifer modeling.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: SPECIAL PROGRAMS (UI)

FUNCTION: IDAHO GEOLOGICAL SURVEY

ACTIVITY:

Agency No.: 516

Function No.: 02

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.03		Descriptive Title: <b>Mission Capability Enhancement</b>			Agency Priority Ranking 3 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	0.37				0.37
PERSONNEL COSTS:					
1. Salaries	26,700				26,700
2. Benefits	8,900				8,900
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	35,600				35,600
OPERATING EXPENDITURES by summary object:					
1. Employee Travel Costs	15,000				15,000
2. Communication Services/Costs	5,000				5,000
3. Administrative Services	5,000				5,000
4. Technical Services	5,000				5,000
5. Specific Use Supplies	10,000				10,000
TOTAL OPERATING EXPENDITURES:	40,000				40,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	75,600				75,600

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Requested resources will provide an FTP increase to 11.00. This resource enhancement will increase IGS response to the state's need for applied geologic research, \$23,300 (salary and related fringe benefits). An Outreach and Education specialist position (upgrade from administrative assistant), \$12,300 (salary and related fringe benefits). Increases response to state's need for geologic information through the Idaho Geological Survey Web site and other information and education delivery systems. Operating expenditures: OE appropriation increase needed for state-mission applied research and delivery of geologic information (geology for growth corridors; geology for highway routes; geologic hazards; mining geology and mines; groundwater protection and aquifer modeling), \$40,000.

2. What resources are necessary to implement this request?

Salary and fringe benefits total \$35,600; FTP increases by .37 to 11.00 total.

Operating expenditures: OE appropriation increase needed for state-mission applied research and delivery of geologic information (geology for growth corridors; geology for highway routes; geologic hazards; mining geology and mines; groundwater protection and aquifer modeling), \$40,000.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: SPECIAL PROGRAMS (UI)

FUNCTION: IDAHO GEOLOGICAL SURVEY

ACTIVITY:

Agency No.: 516

Function No.: 02

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.03

Descriptive Title: **Mission Capability Enhancement**

Agency Priority Ranking 3 of 3

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The entire State of Idaho benefits from the geologic studies, earthquake monitoring and hazard analysis provided by the Idaho Geological Survey. Sectors served include industry, communities, transportation, and all groups dealing with growth-related stewardship. Enhanced delivery of geologic information benefits K-12 school curricula and higher education. These additional resources will improve the overall responsiveness to the state's needs for geologic information and delivery systems. Geologic information includes geology for growth corridors; geology for highway routes; geologic hazards; mining geology and mines; groundwater protection and aquifer modeling.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT  
 AGENCY: Special Programs  
 FUNCTION: Scholarships and Grants  
 ACTIVITY:

Agency No.: 516  
 Function No.: 03  
 Activity No.:

FY 2008 Request  
 Page 1 of 1 Pages

A: Decision Unit No: 12.		Desc Title: <b>Increase in Promise A Scholarships</b>			Agency Priority Ranking 1 of 1	
DESCRIPTION	General	Dedicated	Federal	Other	Total	
FULL TIME POSITIONS (FTP)						
PERSONNEL COSTS:						
1. Salaries					0	
2. Benefits					0	
3. Group Position Funding					0	
TOTAL PERSONNEL COSTS:	0	0	0	0	0	
OPERATING EXPENDITURES <b>by summary object:</b>						
1.					0	
2.					0	
3.					0	
4.					0	
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0	
CAPITAL OUTLAY <b>by summary object:</b>						
1.					0	
2.					0	
3.					0	
4.					0	
TOTAL CAPITAL OUTLAY:	0	0	0	0	0	
T/B PAYMENTS:	120,000					
LUMP SUM:						
GRAND TOTAL	120,000	0	0	0	0	

B:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?  
 The Robert R. Lee Promise Category A Scholarship provides approximately 25 new scholarships each year to academic scholars and professional-technical students. The award is \$3,000 per year, renewable up to four years for academic programs and for the term of the professional-technical program, up to three years. Due to early graduations, deferments, and available funding, we are able to award 37 new scholarships for the 2006-07 academic year. The current state funding for the Promise Category A Scholarship is \$331,300, which allows for a maximum of 110 active participants at any one time. Idaho Code allows for a total of no greater than 400 and no more than 100 new awards a year. For academic year 2006-2007 there were a total of 134 applicants that met or exceeded the criteria for the scholarship. After 37 scholarships were awarded and 14 applicants declined, there were 83 qualified applicants that did not receive a scholarship.

2. What resources are necessary to implement this request?  
 This request is for \$120,000 of General Fund which will allow the state to award 40 additional Promise Category A scholarships or a total of 150 awards per year.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)  
 General Fund

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?  
 Those affected by this program are Idaho Post-Secondary students and their parents. By funding this request more highly qualified Idaho students will be able to attend Idaho Universities and Colleges.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: SPECIAL PROGRAMS (ISU)  
 FUNCTION: ID MUSEUM OF NAT HISTORY  
 ACTIVITY:

Agency No.: 516  
 Function No.: 04  
 Activity No.: 00

FY 2008 Request  
 Page 1 of 2 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>Salary Competitiveness</b>			Agency Priority Ranking 1 of 2
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	16,700				16,700
2. Benefits	3,600				3,600
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	20,300				20,300
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	20,300				20,300

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary enhancement. Employees are the primary asset of the university. Appropriate and competitive compensation, as measured against our peer comparators, is the top priority.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

This represents a 4.5% increase above the CEC @ 3.5% that is being requested per DFM and LSO budget development guidelines.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: SPECIAL PROGRAMS (ISU)

FUNCTION: ID MUSEUM OF NAT HISTORY

ACTIVITY:

Agency No.: 516

Function No.: 04

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.01

Descriptive Title: **Salary Competitiveness**

Agency Priority Ranking 1 of 2

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

The university and subsequently the state are impacted as we are unable to attract and retain quality faculty and staff. Without appropriate and competitive compensation, the university and state will experience higher turnover rates, fewer recruitment successes, and the lag between current compensation levels and the marketplace will grow.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: SPECIAL PROGRAMS (ISU)

FUNCTION: ID MUSEUM OF NAT HISTORY

ACTIVITY:

Agency No.: 516

Function No.: 04

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>Program Enhancements</b>			Agency Priority Ranking 2 of 2
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	72,600				72,600
2. Benefits	23,500				23,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	96,100				96,100
OPERATING EXPENDITURES by summary object:					
1. Collections, Program, and Research Support	10,000				10,000
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	10,000				10,000
CAPITAL OUTLAY by summary object:					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	106,100				106,100

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Regular salaries and benefits for one expanded position (Program Manager) and one new position (Life Sciences Collections Manager); Irregular salaries for Student and Professional Assistance; Operating expenses to support all museum programs and activities. Current agency staffing level for Program Manager is .4 FTE; none for Life Sciences Collections Manager; Irregular salaries at \$14,561.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

- 1) Program Manager (.6 FTE), \$16.11/hr, full time, benefits eligible, hire immediately, classified employment
- 2) Life Sciences Collection Manager (1 FTE), \$15.60/hr, full time, benefits eligible, hire immediately, non-classified employment
- 3) Student and Professional Assistance, pay dependent on service unit required, part time, no benefits, pay hourly as needed

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

\$10,000 is requested in additional operating funds, for all aspects of Museum operations (travel, material and supplies, communications) in all areas of mission (education, exhibits, collections management and curation, research).

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This request is for General, ongoing funds.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: SPECIAL PROGRAMS (ISU)

FUNCTION: ID MUSEUM OF NAT HISTORY

ACTIVITY:

Agency No.: 516

Function No.: 04

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.02

Descriptive Title: **Program Enhancements**

Agency Priority Ranking 2 of 2

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

This request directly serves our audience, which is Idaho residents, visitors to Idaho, and the world's community of students and scholars. The Museum's core functions are to collect, care for, research, interpret and present, through educational programs and exhibitions, Idaho's cultural and natural heritage, and to support and encourage local and municipal natural history museums throughout Idaho. The Museum cannot fully perform these core functions without this additional funding.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: ID SMALL BUSINESS DEVELOPMENT

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 516

Function No.: 05

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>HISPANIC OUTREACH</b>			Agency Priority Ranking 1 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
Staff	67,500				67,500
TOTAL PERSONNEL COSTS:	67,500				67,500
OPERATING EXPENDITURES by summary object:					
Infrastructure Needs	16,200				16,200
3. TOTAL OPERATING EXPENDITURES:	16,200				16,200
CAPITAL OUTLAY by summary object:					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	83,700				83,700

1. Currently, the Idaho SBDC is serving the Hispanic business community within the available resources. Approximately 4% of our clientele are Hispanic businesses, which is significantly less than the percentage of the population that is Hispanic (8%).

This funding would allow the Center to hire a bilingual/bicultural individual to better serve the Hispanic businesses in the southern part of the state. The individual will need to bring experience in owning and operating a small business to this job. The individual would be located in Canyon County, but would serve Hispanic businesses in the entire southern part of the state.

This individual will be responsible for determining the needs in the Hispanic business community. Based on these needs, this person will deliver tailored consulting and training to improve the success of these businesses

Currently, the Idaho SBDC is serving the Hispanic business community within the available resources. Approximately 4% of our clientele are Hispanic businesses, which is significantly less than the percentage of the population that is Hispanic (9%).

This funding would allow the Center to hire a bilingual/bicultural individual to better serve the Hispanic businesses in the southern part of the state. The individual will need to bring experience in owning and operating a small business to this job. The individual would be located in Canyon County, but would serve Hispanic businesses in the entire southern part of the state.

This individual will be responsible for determining the needs in the Hispanic business community. Based on these needs, this person will deliver tailored consulting and training to improve the success of these businesses

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: ID SMALL BUSINESS DEVELOPMENT

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 516

Function No.: 05

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.01

Descriptive Title: **HISPANIC OUTREACH**

Agency Priority Ranking 1 of 3

2. COST:

PERSONNEL:	\$ 50,000
FRINGE:	17,500
OPERATING:	<u>16,200</u>
TOTAL:	\$83,700

DESCRIPTION:

This funding would provide funding for a full-time individual plus fringe (35%). It also provides sufficient funding to allow this person to travel to Idaho Falls, Pocatello, Burley, Twin Falls, etc. to provide consulting and training to existing and startup Hispanic businesses.

3. This effort would be funded with General Funds

4. With the addition of this new position, we expect to see an addition 100 new business owners and to provide at least 800 hours of consulting. We would also expect at least 14 training courses delivered to the Hispanic community.

With the growth of the Hispanic population in Idaho, it is important that the Idaho SBDC, along with our college and university partners, help diversify the business base and help in the creation of new businesses and the jobs they bring. More than 80% of the new jobs in Idaho are created by small businesses.

The Idaho SBDC has shown over the past 13 years that entrepreneurs that use Idaho SBDC services grow at faster rate than the average Idaho business. Sales growth is more than 3 times the state's average. Job creation is more than 4 times that of an average business creates.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: ID SMALL BUSINESS DEVELOPMENT

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 516

Function No.: 05

Activity No.: 00

FY 2008 Request

Page 1 of 1 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>Rural Video Conferencing</b>			Agency Priority Ranking 2 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
Staff					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
Equipment	40,000				40,000
3.					
TOTAL OPERATING EXPENDITURES:	40,000				40,000
CAPITAL OUTLAY by summary object:					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	40,000				40,000

1. Currently, the Idaho SBDC is serving all 44 counties in the state. The challenge is to serve the growing population in our urban areas and continue to provide the critical entrepreneurial needs in our rural areas. We currently have a video conferencing system in each of the SBDC offices around the state. By locating new video conferencing equipment in our rural communities, we can better serve the businesses in these communities and reduce our travel costs and time.

### 2. COST:

Equipment: \$40,000  
TOTAL: \$40,000

### DESCRIPTION:

This would allow the Idaho SBDC to purchase and install video conferencing equipment in 16 rural communities to allow the Idaho SBDC to better serve rural entrepreneurs. We are planning to locate our video conferencing equipment in Idaho Commerce and Labor office in rural communities around the state. This is a one-time expenditure.

3. This effort would be funded with General Funds

4. With the addition of this new capability, we expect to see an addition 60 new business owners and to provide at least 500 hours of consulting. We would also expect at least 60 training courses delivered to rural communities.

The Idaho SBDC has shown over the past 13 years that entrepreneurs that use Idaho SBDC services grow at faster rate than the average Idaho business. Sales growth is more than 3 times the state's average. Job creation is more than 4 times that of an average business creates.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: ID SMALL BUSINESS DEVELOPMENT

FUNCTION: GENERAL EDUCATION

ACTIVITY:

Agency No.: 516

Function No.: 05

Activity No.: 00

FY 2008 Request

Page 1 of 1 Pages

A: Decision Unit No: 12.03		Descriptive Title: <b>Salary Competitiveness</b>			Agency Priority Ranking 3 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
Staff	12,470				12,470
TOTAL PERSONNEL COSTS:	12,470				12,470
OPERATING EXPENDITURES by summary object:					
Equipment					
3.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	12,470				12,470

1. The Idaho SBDC has had more difficulty retaining and replacing personnel. Our experience is similar to the colleges and universities around the state. The 4.5% increase is to help increase our ability to retain and attract quality people to serve our clientele.

2. COST:

Personnel: \$12,470  
TOTAL: \$12,470

DESCRIPTION:

This would provide the Idaho SBDC additional funds to increase our competitiveness to retain and attract quality personnel to serve the citizens and entrepreneurs in Idaho.

3. This effort would be funded with General Funds

4. The Idaho SBDC has shown over the past 13 years that entrepreneurs that use Idaho SBDC services grow at a faster rate than the average Idaho business. Sales growth is more than 3 times the state's average. Job creation is more than 4 times that of an average business creates.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Line Items: Health Programs**

Line Items for the Health Programs are summarized on page 29.

**MOTION**

A motion to approve for final development the following specific budget Line Items for the Health Programs:

1. WOI - Salary Enhancement: 4.5% above CEC @ \$21,000 (General Funds)
2. WWAMI - Salary Enhancement: 4.5% above CEC @ \$29,200 (General Funds)
3. WWAMI - Additional Seats: Add 2 seats in medical education program for Idaho residents @ \$28,400 (Dedicated Funds)
4. IDEP - Salary Enhancement: 4.5% above CEC @ \$13,900 (General Funds)
5. IDEP – Expansion of Dental Program @ \$26,300 (\$9,700 General Funds, \$16,600 Dedicated Funds)
6. University of Utah – Additional Seats @ \$67,600 (General Funds)
7. Family Practice Residencies - Salary Enhancement: 4.5% above CEC @ \$18,500 (General Funds)

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Health Programs Summary**  
**Fiscal Year 2008 Line Items**  
**Grouped by Program in Priority Order**

			FTP	General	Other Funds	Total
1	<b>FY 2008 BASE (Information Only)</b>		<b>20.39</b>	<b>\$ 8,800,000</b>	<b>\$ 465,500</b>	<b>\$ 9,265,500</b>
2	<b>LINE ITEMS</b>					
3						
4	<b>Program/Priority/Line Item</b>	<b>Detail Page</b>				
5	<b>WOI Veterinary Education</b>					
6	1 Salary Enhancement: 4.5% above CEC	30		21,000		21,000
7	<b>WWAMI Medical Education</b>					
8	1 Salary Enhancement: 4.5% above CEC	31		29,200		29,200
9	2 Additional Seats: Add 2 seats in medical education program for Idaho residents.	32-33			28,400	28,400
10	<b>IDEP Dental Education</b>					
11	1 Salary Enhancement: 4.5% above CEC	34-35		13,900		13,900
12	2 Expansion of Dental Program	36-38		9,700	16,600	26,300
13	<b>University of Utah Medical Education</b>					
14	1 Additional Seats: Add 2 seats in medical education program for Idaho residents.	39-40		67,600		67,600
15	<b>Family Practice Residencies</b>					
16	1 Salary Enhancement: 4.5% above CEC	41		18,500		18,500
17	<b>WICHE Optometry</b>					
18	No Line Items					
19	<b>Total Line Items</b>		<b>-</b>	<b>\$ 159,900</b>	<b>\$ 45,000</b>	<b>\$ 204,900</b>
20	Percentage of FY 2008 BASE		0.00%	1.82%	9.67%	2.21%

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: HEALTH PROGRAMS (UI)

FUNCTION: WOI VETERINARY MEDICINE

ACTIVITY:

Agency No.: 515

Function No.: 01

Activity No.: 00

FY 2008 Request

Page 1 of 1 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>SALARY ENHANCEMENT</b>			Agency Priority Ranking 1 of 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	17,100				17,100
2. Benefits	3,900				3,900
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	21,000				21,000
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	21,000				21,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary enhancement. As noted in the university's Plan for Renewal, our people are the primary asset of the university. In our strategic plan going forward, the issue of appropriate and competitive compensation, as measured against our peer comparators, is the top priority.

2. What resources are necessary to implement this request?

This represents a 4.5% increase above the CEC @ 3.5% that is being requested per DFM and LSO budget development guidelines.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for on-going funds.

4. Who is being served by this request and what are the expected impacts of the funding requested?

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment,

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: HEALTH PROGRAMS (UI)

FUNCTION: WWAMI MEDICAL EDUCATION

ACTIVITY:

Agency No.: 515

Function No.: 02

Activity No.: 00

FY 2008 Request

Page 1 of 1 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>SALARY ENHANCEMENT</b>			Agency Priority Ranking 1 of 2
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	23,600				23,600
2. Benefits	5,200				5,200
3. Group Position Funding	400				400
TOTAL PERSONNEL COSTS:	29,200				29,200
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	29,200				29,200

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary enhancement. As noted in the university's Plan for Renewal, our people are the primary asset of the university. In our strategic plan going forward, the issue of appropriate and competitive compensation, as measured against our peer comparators, is the top priority.

2. What resources are necessary to implement this request?

This represents a 4.5% increase above the CEC @ 3.5% that is being requested per DFM and LSO budget development guidelines.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for on-going funds.

4. Who is being served by this request and what are the expected impacts of the funding requested?

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: HEALTH PROGRAMS (UI)

FUNCTION: WWAMI MEDICAL EDUCATION

ACTIVITY:

Agency No.: 515

Function No.: 02

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>ADDITIONAL PROGRAM SEATS</b>			Agency Priority Ranking 2 of 2
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. MISCELLANEOUS		28,400			28,400
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:		28,400			28,400
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL		28,400			28,400

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Idaho Code §33-3720 authorizes the State Board of Education to enter into contractual agreements to provide access for Idaho residents to qualified professional studies programs, and specifically, the WWAMI Medical Education Program (33-3717B(7)).

The Idaho WWAMI Medical Education Program provides eighteen Idaho students with the opportunity to complete their first year of medical training through the University of Washington School of Medicine's regional program at the University of Idaho's Moscow campus. When the WWAMI program started in Idaho in 1970, the population of Idaho was 700,000 and 20 Idaho students were funded to participate in this new regional medical education program. Since that time, the number of medical student seats in WWAMI dropped to 15 due to state budget shortfalls, but was restored to 18 in 2000. In 2005 Idaho ranked 47th out of 50 states in the number of physicians per population, and Idaho's population is projected to grow to 1.8 million by 2020. With the current 18 seats for Idaho WWAMI, qualified Idaho students have a one in six chance of getting into a state-supported medical school education, compared to a one in three chance on the national average. This means that for every top student admitted to WWAMI, five other talented Idaho students have to leave the state to pursue medical training.

The number of state-supported medical student seats needs to grow substantially over the next ten years in order to address the medical needs of Idaho. We request that Idaho start by restoring the remaining two WWAMI seats from the original state allocation and contract (a total of 20 Idaho WWAMI seats in FY2008), and then develop a plan for continued growth in medical student seats for Idaho residents in the years to come.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: HEALTH PROGRAMS (UI)

FUNCTION: WWAMI MEDICAL EDUCATION

ACTIVITY:

Agency No.: 515

Function No.: 02

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.02

Descriptive Title: **ADDITIONAL PROGRAM SEATS**

Agency Priority Ranking 2 of 2

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This request is for on-going funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Initially, each year, 2 additional talented and qualified Idaho pre-med students will be served by this request, as they gain financial support from the State to pursue their potential to become medical doctors. An increase of two medical student seats in the first year WWAMI program at UI will also increase the Idaho State contract with the University of Washington School of Medicine, as those additional students continue into years 2 through 4 of their medical school education. Overall, eight medical student seats (2 additional seats for each of four years) would be added to the UWSOM contract between FY2008 and FY2012.

After the students' training is complete, Idaho residents stand to benefit from this medical education funding, as Idaho physicians set up practice in their home state, serving the people who helped make it possible for them to become doctors. WWAMI allows Idaho's medical students to complete three of their four years of medical school training in their home state, increasing their familiarity with the healthcare needs of their region and state, and increasing the likelihood that students will return to Idaho communities to practice

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: HEALTH PROGRAMS (ISU)

FUNCTION: ID DENTAL EDUCATION PROGRAM

ACTIVITY:

Agency No.: 515

Function No.: 03

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>Salary Competitiveness</b>			Agency Priority Ranking 1 of 2
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	11,700				11,700
2. Benefits	2,200				2,200
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	13,900				13,900
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	13,900				13,900

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary enhancement. Employees are the primary asset of the university. Appropriate and competitive compensation, as measured against our peer comparators, is the top priority.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

This represents a 4.5% increase above the CEC @ 3.5% that is being requested per DFM and LSO budget development guidelines.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: HEALTH PROGRAMS (ISU)

FUNCTION: ID DENTAL EDUCATION PROGRAM

ACTIVITY:

Agency No.: 515

Function No.: 03

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.01

Descriptive Title: **Salary Competitiveness**

Agency Priority Ranking 1 of 2

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

The university and subsequently the state are impacted as we are unable to attract and retain quality faculty and staff. Without appropriate and competitive compensation, the university and state will experience higher turnover rates, fewer recruitment successes, and the lag between current compensation levels and the marketplace will grow.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

**REQUEST BY DECISION UNIT**

AGENCY: HEALTH PROGRAMS (ISU)

FUNCTION: ID DENTAL EDUCATION PROGRAM

ACTIVITY:

Agency No.: 515

Function No.: 03

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>Expansion of Dental Program</b>			Agency Priority Ranking 2 of 2
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries		15,200			15,200
2. Benefits		1,400			1,400
3. Group Position Funding					
TOTAL PERSONNEL COSTS:		16,600			16,600
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	9,700				
LUMP SUM:					
GRAND TOTAL	9,700	16,600			16,600

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This decision unit requests the increase of one additional seat in the Idaho Dental Education Program (IDEP). This request represents the second increase as outlined in the original plan for increasing enrollment from seven to ten seats over a three year period. The program was initiated with the funding of one additional seat in FY2002 (from 7 to 8). Approval of this decision unit would result in nine available seats.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

Funding is requested for the increased Trustee Benefit payment to Creighton University in accordance with the contract.

Funding in subsequent years will require an increase of approximately \$45,000 in each of the following three years as the students progress thru the program.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing trustee benefit funds.

Dedicated funds are derived from fees paid by the additional student.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: HEALTH PROGRAMS (ISU)

FUNCTION: ID DENTAL EDUCATION PROGRAM

ACTIVITY:

Agency No.: 515

Function No.: 03

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.02

Descriptive Title: **Expansion of Dental Program**

Agency Priority Ranking 2 of 2

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

This request is supported by the State Board of Education's emphasis on increasing the available health education seats for Idaho's residents. Idaho has experienced a 49% increase in population since 1980. The population is projected to increase by an additional 8% by 2010.

The number of Idaho applicants far exceeds the capacity of the current program. For the 2006 entering class, there were 105 fully qualified applicants for the eight seats available. Early indications suggest that the 2007 applicant pool numbers will meet or exceed those from 2006.

Over 70% of the students graduating from the program return to Idaho to practice. (see attached demographics)

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

7/31/2006 10:56

**IDEP TRUSTEE - BENEFITS CALCULATION**

Fiscal Year	FY95-96	FY96-97	FY97-98	FY98-99	FY99-00	FY00-01	FY01-02	FY02-03	FY03-04	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11
	actual	actual	actual	actual	actual	actual	actual	actual	Actual	actual	actual	actual	estimated	estimated	estimated	estimated
Craghton Tuition	18,600	19,578	20,410	21,432	22,826	24,082	25,528	27,316	29,228	31,982	34,082	36,878	40,566	40,566	40,566	40,566
Administrative Costs	19,716	20,753	21,635	22,718	24,196	25,527	6,127	6,556	7,015	7,676	8,180	8,851	9,736	9,736	9,736	9,736
Yrs 2-4 Addition	6,572	6,918	7,212	7,573	8,065	8,509	8,509	9,105	9,743	10,661	11,361	12,293	13,522	13,522	13,522	13,522
Cost/Year 1 Seat							6,127	6,556	7,015	7,676	8,180	8,851	9,736	9,736	9,736	9,736
Cost/Year 2 Seat		26,150	27,328	28,644	30,399	32,147	34,037	35,825	38,333	41,725	44,743	48,239	52,859	54,088	54,088	54,088
Cost/Year 3 Seat			26,982	28,350	30,038	31,655	33,593	35,825	37,737	41,087	43,825	47,539	51,927	52,859	54,088	54,088
Cost/Year 4 Seat				28,004	29,744	31,294	33,101	35,381	37,737	40,491	43,187	46,621	51,227	51,927	52,859	54,088
Year 1 Students	7	7	7	7	7	7	8	8	8	8	8	8	8	9	9	9
Year 2 Students		7	7	7	7	7	7	8	8	8	8	8	8	9	9	9
Year 3 Students			7	7	7	7	7	7	8	8	8	8	8	8	9	9
Year 4 Students				7	7	7	7	7	7	8	8	8	8	8	8	9
Year 1 Contract Costs							\$ 49,014	\$ 52,447	\$ 56,118	\$ 61,405	\$ 65,437	\$ 70,806	\$ 87,623	\$ 87,623	\$ 87,623	\$ 87,623
Years 2-4 contract Costs							705,117	785,045	872,727	986,427	1,054,038	1,139,184	1,248,096	1,325,075	1,396,453	1,460,376
Total Contract Cost		594,986			631,267	665,672	754,131	837,491	928,845	1,047,832	1,119,475	1,209,990	1,335,719	1,412,697	1,484,076	1,547,999
Student Costs (Total)		208,245			220,943	232,985	246,791	274,766	305,454	345,249	368,913	398,715	436,834	463,776	488,759	511,132
Student Costs (Indiv.)		9,916			10,521	11,095	11,752	12,489	13,281	14,385	15,371	16,613	18,201	18,551	18,798	18,931
State Costs (TB)		386,741			410,324	432,687	507,340	562,726	623,391	702,583	750,562	811,276	898,885	948,921	995,317	1,036,867
Year 2 Support Fee		18,728			19,878	21,052	22,285	23,336	25,053	27,339	29,371	31,626	34,657	35,537	35,290	35,157
Year 3 Support Fee		18,434			19,517	20,560	21,841	23,336	24,457	26,702	28,453	30,926	33,725	34,308	35,290	35,157
Year 4 Support Fee		18,088			19,223	20,199	21,349	22,892	24,456	26,106	27,816	30,008	33,025	33,376	34,060	35,157
TB Proof Total		545,767			579,696	611,376	507,340	562,726	623,391	702,583	750,562	811,276	898,885	948,921	995,317	1,036,867
													9,736	50,036	46,396	41,550

**PRESUMES:**

- 1) Old Funding Model (6% Delayed) for all students through year 00-01
- 2) Phased transition to New Funding Model (24% immediate) with new entering students on New Model and existing students on Old Funding Model

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: HEALTH PROGRAMS

FUNCTION: UofU MEDICAL EDUCATION

ACTIVITY:

Agency No.: 515

Function No.: 04

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.02		Descriptive Title: <b>ADDITIONAL PROGRAM SEATS</b>			Agency Priority Ranking 1 of 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. MISCELLANEOUS	67,600				67,600
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	67,600				67,600
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	67,600				67,600

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Idaho Code §33-3720 authorizes the State Board of Education to enter into contractual agreements to provide access for Idaho residents to qualified professional studies programs, and specifically, the University of Utah (UofU) Medical Education Program (33-3717B(7)).

The Idaho UofU Medical Education Program provides eighteen Idaho students with the opportunity to complete their first year of medical training through the University of Utah School of Medicine. Idaho has been involved with the UofU program for 30 years beginning with an association through the WICHE program and then through the current contract. In 2005 Idaho ranked 47th out of 50 states in the number of physicians per population, and Idaho's population is projected to grow to 1.8 million by 2020. With the current 18 seats for Idaho UofU, qualified Idaho students have a one in six chance of getting into a state-supported medical school education, compared to a one in three chance on the national average. This means that for every top student admitted to UofU, five other talented Idaho students have to leave the state to pursue medical training.

The number of state-supported medical student seats needs to grow substantially over the next ten years in order to address the medical needs of Idaho. We request that Idaho start by restoring the remaining two UofU seats from the original state allocation and contract (a total of 20 Idaho UofU seats in FY2008), and then develop a plan for continued growth in medical student seats for Idaho residents in the years to come.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

In FY2008, only the additional student fee revenue is required for the program.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: HEALTH PROGRAMS

FUNCTION: UofU MEDICAL EDUCATION

ACTIVITY:

Agency No.: 515

Function No.: 04

Activity No.: 00

FY 2008 Request

Page 2 of 2 Pages

A: Decision Unit No: 12.02

Descriptive Title: **ADDITIONAL PROGRAM SEATS**

Agency Priority Ranking 1 of 1

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This request is for on-going funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Initially, each year, 2 additional talented and qualified Idaho pre-med students will be served by this request, as they gain financial support from the State to pursue their potential to become medical doctors. An increase of two medical student seats in the first year UofU program will also increase the Idaho State contract with the University of Utah School of Medicine, as those additional students continue into years 2 through 4 of their medical school education. Overall, eight medical student seats (2 additional seats for each of four years) would be added to the UUSOM contract between FY2008 and FY2012. This will necessitate similar budget requests in those outlying years.

After the students' training is complete, Idaho residents stand to benefit from this medical education funding, as Idaho physicians set up practice in their home state, serving the people who helped make it possible for them to become doctors. UofU increases the likelihood that students will return to Idaho communities to practice.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

REQUEST BY DECISION UNIT

AGENCY: HEALTH PROGRAMS (ISU)

FUNCTION: FAMILY PRACTICE MEDICINE

ACTIVITY:

Agency No.: 515

Function No.: 05

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.01		Descriptive Title: <b>Salary Competitiveness</b>			Agency Priority Ranking 1 of 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	15,200				15,200
2. Benefits	3,300				3,300
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	18,500				18,500
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level.					
GRAND TOTAL	18,500				18,500

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request seeks additional funding for salary enhancement. Employees are the primary asset of the university. Appropriate and competitive compensation, as measured against our peer comparators, is the top priority.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.
- b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.
- c. List any additional operating funds and capital items needed.

This represents a 4.5% increase above the CEC @ 3.5% that is being requested per DFM and LSO budget development guidelines.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This request is for ongoing funds.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: HEALTH PROGRAMS (ISU)

FUNCTION: FAMILY PRACTICE MEDICINE

ACTIVITY:

Agency No.: 515

Function No.: 05

Activity No.: 00

FY 2008 Request

Page 1 of 2 Pages

A: Decision Unit No: 12.01	Descriptive Title: <b>Salary Competitiveness</b>	Agency Priority Ranking 1 of 1
----------------------------	--	--------------------------------

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

In general, retention and recruitment success will yield greater employee productivity while reducing expenditures for recruitment, moving expenses, start-up and training.

Recruiting and retaining highly qualified faculty and staff will benefit all of Idaho's citizens by improving the instruction, research and public service functions of the university. A well-educated, well-informed workforce will help Idaho attract and retain business and industry.

The university and subsequently the state are impacted as we are unable to attract and retain quality faculty and staff. Without appropriate and competitive compensation, the university and state will experience higher turnover rates, fewer recruitment successes, and the lag between current compensation levels and the marketplace will grow.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**AGENCY LINE ITEMS**  
**OFFICE OF THE STATE BOARD OF EDUCATION**

**MOTION**

A motion to include for final FY 2008 budget development the following specific Line Items, for Office of the State Board of Education, as displayed on Page 3.

GEAR UP - Federal Spending Authority only @ \$624,000

LEP Assessment @ \$625,000 (General Funds)

Longitudinal Data Pilot @ \$500,000 (General Funds)

Teacher Incentive Pilot @ \$5,286,600 (\$2,976,600 General Funds, \$2,310,000 Federal Funds)

Assessment/Accountability – Alignment/Academic Achievement @ \$500,000 (General Funds)

Increase Space Costs @ \$25,000 (General Funds)

Grant Writer @ \$72,300 and 1.00 FTP (General Funds)

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Office of the State Board of Education**  
**FY 2008 Line Items**

		FTP	General	Other Funds	Total
1	<b>FY 2008 BASE (Information Only)</b>	<b>25.00</b>	<b>\$ 4,739,100</b>	<b>\$ 7,200,000</b>	<b>\$ 11,939,100</b>
2	<b>LINE ITEMS</b>				
3	<b>Priority    FY2008 Line Items</b>	<b>Detail</b>			
4		<b>Page</b>			
5	GEAR UP Federal Spending Authority Only	4		\$ 624,000	\$ 624,000
6	LEP Assessment	5	625,000		625,000
7	Longitudinal Data Pilot	6	500,000		500,000
8	Teacher Incentive Pilot	7	2,976,600	2,310,000	5,286,600
9	Assessment/Accountability -				
10	Alignment/Academic Achievement	8	500,000		500,000
11	Increase space costs	9	25,000		25,000
12	Grant Writer	10	1.00	72,300	72,300
13					
14	<b>Total Line Items</b>		<b>1.00</b>	<b>\$ 4,698,900</b>	<b>\$ 2,934,000</b>
15					
16	<b>Percentage Increase Over FY 2008 Base</b>		<b>4.00%</b>	<b>99.15%</b>	<b>40.75%</b>
17					<b>63.93%</b>

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

AGENCY: Office of the State Board of Education  
 FUNCTION: OSBE  
 ACTIVITY:

Agency No.: 501  
 Function No.: 02  
 Activity No.:

FY 2008 Request  
 Page \_1\_ of \_1\_ Pages  
 Original Submission \_\_\_ or Revision No. \_\_\_

A: Decision Unit No: 12.01		Description: Gear Up Federal Award			Agency Priority Ranking of
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries Gear Up Program Mgr			21,000		21,000
1. Salaries Gear Up Information Spec			14,700		14,700
3. Benefits Gear Up Program Mgr			7,200		7,200
3. Benefits Gear Up Information Spec			5,700		5,700
TOTAL PERSONNEL COSTS:	0	0	48,600	0	48,600
OPERATING EXPENDITURES by summary object:					
Travel			22,400		22,400
Supplies			14,600		14,600
Contracts			396,000		396,000
Other			142,400		142,400
4.					
TOTAL OPERATING EXPENDITURES:	0	0	575,400	0	575,400
CAPITAL OUTLAY by summary object:					
1.					0
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					0
LUMP SUM:					
GRAND TOTAL	0	0	624,000	0	624,000

B:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The Gaining Early Awareness and Readiness for Undergraduated Programs (Gear Up) is designed to increase the number of at risk, and first generation to college students who are prepared to enter and succeed in postsecondary education. Intended to provide services at high poverty middle and high schools, GEAR UP provides resources to an entire cohort of students beginning in the seventh grade and continues to serve that cohort through high school to assure that students and their parents have the necessary support at school and level of academic achievement necessary to attend and be successful in postsecondary education. In addition, college scholarship funds for low-income students are available through this program. This request is for federal fund spending authority. OSBE has applied for approximately \$17.8 million to be used over a six year period. Official notification of the award will happen no later than August 30, 2006.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. 2 Limited Service Positions are requested (Program Supervisor and Information Specialist), anticipated hire date is August 30, 2006. This funding request is based on 8 pay periods.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

The funding for this program is all federal funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Students at risk of dropping out and low-income students and their parents.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Office of the State Board of Education

FUNCTION: OSBE

ACTIVITY:

Agency No.: 501

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.02		Descriptive Title: LEP Assessment			Agency Priority Ranking 2 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. Professional Services Ongoing	625,000				625,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	625,000	0	0	0	625,000
CAPITAL OUTLAY by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	625,000	0	0	0	625,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

As part of its overall accountability plan, the State Board of Education entered into a 3 year contract, with 2 optional years, with Touchstone Applied Sciences Associates, Inc. (TASA, Inc.). The 3 year contract is a total of \$1.8 million. Federal assessment funds under Title VI of NCLB were allocated to fund the IELA for 2 contract years, through July 2007. Title VI funding is now fully allocated for the ISAT assessment program for the foreseeable out-years. It is for this reason that OSBE requests \$625,000 ongoing from the legislature to run the federally mandated IELA annual Assessment. This amount will cover the contracted services to run the assessment, inclusive of elements to produce a technically sound assessment system: item development, scoring, reporting and alignment. Funding at this level will not be sufficient to cover reimbursement to districts for test administration.

2. What resources are necessary to implement this request?

\$625,000 General Fund Ongoing

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

\$625,000 General Fund Ongoing

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Idaho English language learners and districts are benefitted by this program. The assessment enables the state to evaluate the growth of its students in their English language development as required by law. Without the LEP assessment system, Idaho will not meet federal testing requirements, and federal funds would be lost.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

**REQUEST BY DECISION UNIT**

AGENCY: Office of the State Board of Education

FUNCTION: OSBE

ACTIVITY:

Agency No.: 501

Function No.: 02

Activity No.:

FY 2008 Request

Page 1 of 1 Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.03		Descriptive Title: Longitudinal Data Pilot			Agency Priority Ranking 3 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. Professional Services	500,000				500,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	500,000	0	0	0	500,000
CAPITAL OUTLAY by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	500,000	0	0	0	500,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request is to fund a pilot of a longitudinal data storage and analysis system in three representative Idaho districts during the FY 2008 fiscal year. The pilot will include implementing and supporting the data warehouse and reporting and analytics solutions software already licensed to the State. The solution will provide pilot districts with the following capabilities:

- Implementation of web-based, hosted solution in pilot districts
- Professional development/training for users and administrators
- Access to reporting and analysis tools via a single-sign-on, role-based secure portal
- Role-based analysis tools specifically designed for teachers, administrators and analysts
- Longitudinal analysis of ISAT, IRI, DWA and DMA data to the student level, with drill down to skill/goal level where data is available, disaggregated by subgroups such as gender, ethnicity, socio-economic status, ELL, special education status and migrant status
- Longitudinal analysis of assessment results correlated with single or multiple data elements such as program participation, attendance, discipline
- Consolidation of data required to support "value-add" analysis
- Storage and analysis of data returned from "value-add" processing
- Incorporation of Idaho Unique Student and Staff Identifiers

2. What resources are necessary to implement this request?

The State Board of Education will most likely out source this pilot so staffing would be minimal.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

One-Time General Funds of \$500,000

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Office of the State Board of Education

FUNCTION: OSBE

ACTIVITY:

Agency No.: 501

Function No.: 02

Activity No.:

FY 2008 Request

Page 1 of 1 Pages

Original Submission      or Revision No.     

A: Decision Unit No: 12.04		Descriptive Title: Teacher Incentive Pilot		Agency Priority Ranking 4 of 07	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	2,500		(2,500)		0
2. Benefits	800		(800)		0
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	3,300	0	(3,300)	0	0
OPERATING EXPENDITURES by summary object:					
Contract	2,972,400		2,314,200		5,286,600
Travel	900		(900)		0
3.					
4.					
TOTAL OPERATING EXPENDITURES:	2,973,300	0	2,313,300	0	5,286,600
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	2,976,600	0	2,310,000	0	5,286,600

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Based on two years of research and work by a Board-appointed sub-committee, federal funding is being sought to launch a pilot performance-based system in three of our most innovative districts—Bonneville, Caldwell and Lakeland. At the same time, the districts will make steady progress toward increasing high school students' access to rigorous coursework in math and science. The lessons we learn from this pilot will permit us to develop a broader reform of our public school compensation system that not only allows the program to continue after the grant has expired, but also expands performance-based pay to districts across our state. Starting in the third year of this program, the State Board will begin reviewing the results annually to determine if we have learned enough to launch the broader state-wide initiative. Under this pilot compensation will be based primarily on gains in student academic achievement and will provide incentives for teachers and principals to take on additional responsibilities and leadership roles. The maximum award from the U.S. Department of Education will be approximately \$12 million over 5 years. If awarded the grant, the first year of the pilot is preparation that requires no state match, and the following years are implementation where state match will be required. By the end of the grant period, at least 75% of the compensation funds must be from other than teacher incentive grant funds. Current staff in the office of the Board will manage this program utilizing the grant partnership with Accountability Works, a nationally recognized education consulting firm, and other contractual arrangements outlined in the grant.

2. What resources are necessary to implement this request? General Fund \$2,976,600 Federal Fund \$2,310,000

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

The Federal funds available will decrease over the five year grant period (year 3 \$2,402,100; year 4 \$2,281,000; year 5 \$2,384,200)

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Office of the State Board of Education

FUNCTION: OSBE

ACTIVITY:

Agency No.: 501

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.0		Descriptive Title: Alignment/Academic Achievement			Agency Priority Ranking 5 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. Professional Services One-Time	500,000				500,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	500,000	0	0	0	500,000
CAPITAL OUTLAY by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	500,000	0	0	0	500,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Alignment, Validity, and Comparability work, including review of Academic Achievement Standards ("cut –scores" described by performance level descriptors and associated with performance levels) and follow-up to the 2005 Idaho HumRRO Alignment report – As Idaho works to receive full approval of their assessment system by the U.S. Department of Education (in order to receive all NCLB funding), a supplemental budget request of \$.5 million is requested. Our setting of academic achievement standards in July of 2006, is the first step toward ensuring the alignment of the Idaho assessment system to the content standards and performance standards that Idaho educators have specified. As Idaho assessment items better align with the content standards and as we gather further assessment data, it is necessary that we review the academic achievement standards in light of a new contractor's assessment in 2007. Once that process is completed, the districts will demand documentation that the tests are comparable. Consequently, the review and validation of Academic Achievement Standards, test comparability and alignment is necessary from a local, state, and national perspective

2. What resources are necessary to implement this request?

No additional resources other than \$500,000 of General fund

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

One-Time General Fund monies

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

All Idaho students, schools and school districts.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Office of the State Board of Education

FUNCTION: OSBE

ACTIVITY:

Agency No.: 501

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_ or Revision No. \_\_\_

A: Decision Unit No: 12.06		Descriptive Title: Additional Office Space			Agency Priority Ranking 6 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. Office Rent	25,000				25,000
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	25,000	0	0	0	25,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	25,000	0	0	0	25,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The OSBE is currently working with PTE to locate additional office space on the 3rd floor of the LBJ building. Exact location and other details are not final, however this request is being made with the assumption that additional space will be forthcoming. The cost to OSBE will be the same per square foot as is currently being charged to other agencies in the Capitol Mall. OSBE currently has 4,931 square feet of office space. The actual amount of new space that might become available is unknown; this request may be modified after an agreement is reached with PTE. This amount presumes approximately a 50% increase in allocated space @ \$10.40 per square foot, which was the standard rate for 'class a' space in the Capitol Mall for FY2006.

2. What resources are necessary to implement this request?

\$25,000 General Fund

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

Ongoing General Fund

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

**REQUEST BY DECISION UNIT**

AGENCY: Office of the State Board of Education

FUNCTION: OSBE

ACTIVITY:

Agency No.: 501

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.07		Descriptive Title: Grant Writer			Agency Priority Ranking 7 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	45,700				45,700
2. Benefits	17,500				17,500
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	63,200	0	0	0	63,200
OPERATING EXPENDITURES by summary object:					
1. Training, Travel	6,500				6,500
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	6,500	0	0	0	6,500
CAPITAL OUTLAY by summary object:					
1. Office furniture and Equipment	2,600				2,600
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	2,600	0	0	0	2,600
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	72,300	0	0	0	72,300

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Grants Writer - General Fund \$72,300

Provide resources to establish a resource development officer position within the state board office. The position would be responsible for obtaining external resources to fund program priorities that are not included in the general fund allocation. Duties would include establishing priorities, researching public and private grants, and writing grant applications. This would be a non-classified; full time position, with benefits; ongoing OE of \$6,500; one-time CO for office furniture/equipment. Base salary of \$45,700 plus benefits.

2. What resources are necessary to implement this request?

General Fund \$72,300

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

Ongoing General Fund of \$69,700 and One-Time General Fund of \$2,600

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**AGENCY LINE ITEMS**  
**IDAHO SCHOOL FOR THE DEAF AND THE BLIND**

**MOTION**

A motion to include for final FY 2008 budget development the following specific Line Items, in priority order, for Idaho School for the Deaf and the Blind, as displayed on Page 13.

1. Educational Interpreter Coordinator @ \$143,400 (General Funds)
2. Educational Staff Salary Equity @ \$ 86,000 (General Funds)
3. Independent Living Program, Coordinator and Asst. Cottage Supervisor @ \$90,000 (General Funds)

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Idaho School for the Deaf and the Blind**  
**FY 2008 Line Items**

				FTP	General	Other Funds	Total	
1	FY 2008 BASE (Information Only)				121.52	\$ 7,694,100	\$ 292,700	\$ 7,986,800
LINE ITEMS								
2	Priority	FY2008 Line Items	Detail Page					
3	1	Educational Interpreter Coordinator and Assistant Coordinator	14-15					
4	2	Educational Staff Salary Equity	16-19					
5	3	Independent Living Program Coordinator and Asst. Cottage Supervisor	20-21					
6	Total Line Items				1.50	319,400	319,400	
7	Percentage Increase Over FY 2008 Base				4.15%			4.00%

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho School for the Deaf and the Blind

FUNCTION: 02 Outreach Operations

ACTIVITY:

Agency No.: 502

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_2\_ Pages

Original Submission \_X\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.01		Description: Educational Interpreter Coordinator Agency Priority Ranking 1 of 3			
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	1.50				
PERSONNEL COSTS:					
1. Salaries	84,500				84,500
2. Benefits	19,000				19,000
3. Group Position Funding	14,900				14,900
TOTAL PERSONNEL COSTS:	118,400	0	0	0	118,400
OPERATING EXPENDITURES by summary object:					
1. Travel and training expenditures	25,000				25,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	25,000	0	0	0	25,000
CAPITAL OUTLAY by summary object:					
1.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	143,400	0	0	0	143,400

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base? The ISDB is requesting a full-time and a .50 FTE for coordination of the state of Idaho educational interpreter requirements established by senate bill 1316 in the 2006 legislative session. These positions will be responsible for coordinating the training for educational interpreters throughout the state of Idaho so the educational interpreters will be in compliance with s1316. These positions will coordinate with other state agencies, and school districts throughout Idaho to ensure that training is provided that are responsive to the needs of Idaho school districts and student populations. The agency currently has a temporary employee working less than 19 hours a week on these issues.

2. What resources are necessary to implement this request?

A. list by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. The coordinator position will be a full-time FTE (1.0) and the other position will be a .50 FTE. Both positions will be eligible for state benefits. The positions will be filled in July 2008. The coordinator position will be approximately \$64,500 per year and the part-time position will be about \$20,000 per year (not including benefits).

B. notes any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. Our current temporary employee would be reassigned to the coordinator position.

C. list any additional operating funds and capital items needed. Additional OE would be needed for travel and training expenses to run this much needed program.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Funding will be from the state general fund.

Non-general funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho School for the Deaf and the Blind

Agency No.: 502

FY 2008 Request

FUNCTION: 02 Outreach Operations

Function No.: 02

Page 2 of 2 Pages

ACTIVITY:

Activity No.:

Original Submission X or Revision No.     

A: Decision Unit No: 12.01	Description: Educational Interpreter Coordinator Agency Priority Ranking 1 of 3
----------------------------	---

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted? Deaf and hard-of-hearing students throughout the state of Idaho are being served by this request because of the educational interpreter training provided by this request. Once educational interpreters are properly trained, the students benefit from improved interpreting skills. If this request is not funded, the educational interpreters throughout Idaho may fail to comply with s1316 and therefore will not be able to provide quality educational interpreting for Idaho's deaf and hard-of-hearing students.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho School for the Deaf and the Blind

FUNCTION: 02 Outreach Operations

ACTIVITY:

Agency No.: 502

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_4\_ Pages

Original Submission \_X\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.02		Descriptive Title Educational Staff Salary Equity		Agency Priority Ranking 2 of 3	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	46,900				46,900
2. Benefits	10,600				10,600
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	57,500	0	0	0	57,500
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	57,500	0	0	0	57,500

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The educational outreach staff employed at the ISDB has not received salary increases that have been common within the public school sector due to the freeze of state employee salaries in recent fiscal years. The inability of the ISDB to provide competitive salaries inhibits our ability to attract and retain the unique and highly qualified special education staff members required to fulfill the agency's mission.

Most of public schools in the magic valley area are on the same salary scale. The salary scale used is generally driven off the state of Idaho experience and education reimbursement matrix. Any of our staff could go to work for a magic valley school district, or almost any other Idaho school district, and receive a significant pay increase as a special education instructor.

The ISDB is requesting increased sustained funding to address this shortfall. Based upon the state of Idaho experience and education reimbursement matrix (salary scale), the ISDB will then be able to offer our educational staff a salary level equal with many Idaho public school districts.

It is critical for ISDB to have a competitive salary scale since we compete for qualified staff not only within Idaho, but also in a national market for qualified teachers of the deaf and the blind. This is a highly mobile market where educational staff members often relocate state to state to satisfy the demands of a specialized and unique student population.

Based upon the state of Idaho experience and education reimbursement matrix, bringing the ISDB current outreach educational staff up to policy will require an ongoing funding of \$57,500. With current staff, annual sustainment at this level is calculated to require approximately \$15,100.

If this request is not approved, the ISDB will continue to slip into an extremely poor competitive situation for recruiting and retaining the highly qualified educational staff needed to fulfill its mission of providing support to all Idaho lea's and the population of sensory impaired students.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho School for the Deaf and the Blind

FUNCTION: 02 Outreach Operations

ACTIVITY:

Agency No.: 502

Function No.: 02

Activity No.:

FY 2008 Request

Page 2 of 4 Pages

Original Submission X or Revision No.     

A: Decision Unit No: 12.02	Descriptive Title Educational Staff Salary Equity Agency Priority Ranking 2 of 3
----------------------------	--

2. What resources are necessary to implement this request?

A. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. No positions are required to implement this request- only funding.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. No agency human resources will be redirected for this issue.

c. List any additional operating funds and capital items needed. No other funds are required.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

Funding will be from the state general fund.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted? It is critical for ISDB to have a competitive salary scale since we compete for qualified staff not only within Idaho, but also in a national market for qualified teachers of the deaf and the blind. This is a highly mobile market where educational staff members often relocate state to state to satisfy the demands of a specialized and unique student population.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho School for the Deaf and the Blind

FUNCTION: 01 Campus Operations

ACTIVITY:

Agency No.: 502

Function No.: 01

Activity No.:

FY 2008 Request

Page \_3\_ of \_4\_ Pages

Original Submission \_X\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.02		Descriptive Title Educational Staff Salary Equity		Agency Priority Ranking 2 of 3	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	23,200				23,200
2. Benefits	5,300				5,300
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	28,500	0	0	0	28,500
OPERATING EXPENDITURES by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	28,500	0	0	0	28,500

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base? The educational campus staff employed at the ISDB has not received salary increases that have been common within the public school sector due to the freeze of state employee salaries in recent fiscal years. The inability of the ISDB to provide competitive salaries inhibits our ability to attract and retain the unique and highly qualified special education staff members required to fulfill the agency's mission.

Most of public schools in the magic valley area are on the same salary scale. The salary scale used is generally driven off the state of Idaho experience and education reimbursement matrix. Any of our staff could go to work for a magic valley school district, or almost any other Idaho school district, and receive a significant pay increase as a special education instructor.

The ISDB is requesting increased sustained funding to address this shortfall. Based upon the state of Idaho experience and education reimbursement matrix (salary scale), the ISDB will then be able to offer our educational staff a salary level equal with many Idaho public school districts.

It is critical for ISDB to have a competitive salary scale since we compete for qualified staff not only within Idaho, but also in a national market for qualified teachers of the deaf and the blind. This is a highly mobile market where educational staff members often relocate state to state to satisfy the demands of a specialized and unique student population.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho School for the Deaf and the Blind

FUNCTION: 01 Campus Operations

ACTIVITY:

Agency No.: 502

Function No.: 01

Activity No.:

FY 2008 Request

Page 4 of 4 Pages

Original Submission X or Revision No.     

A: Decision Unit No: 12.02	Descriptive Title Educational Staff Salary Equity Agency Priority Ranking 2 of 3
----------------------------	--

Based upon the state of Idaho experience and education reimbursement matrix, bringing the ISDB current educational staff up to policy will require an ongoing funding of \$28,500. With current staff, annual sustainment at this level is calculated to require approximately \$3,500.

If this request is not approved, the ISDB will continue to slip into an extremely poor competitive situation for recruiting and retaining the highly qualified educational staff needed to fulfill its mission of providing support to all Idaho lea's and the population of sensory impaired students.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. No positions are required to implement this request- only funding.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. No agency human resources will be redirected for this issue.

c. List any additional operating funds and capital items needed. No other funds are required.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Funding will be from the state general fund.

Non-general funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted? It is critical for ISDB to have a competitive salary scale since we compete for qualified staff not only within Idaho, but also in a national market for qualified teachers of the deaf and the blind. This is a highly mobile market where educational staff members often relocate state to state to satisfy.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho School for the Deaf and the Blind

FUNCTION: 01 Campus Operations

ACTIVITY:

Agency No.: 502

Function No.: 01

Activity No.:

FY 2008 Request

Page \_1\_ of \_2\_ Pages

Original Submission \_X\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.03		Ed Interpreter Coordinator & Council		Agency Priority Ranking 3 of 3	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2.00				2.00
PERSONNEL COSTS:					
1. Salaries	61,300				61,300
2. Benefits	13,800				13,800
3. Group Position Funding	14,900				14,900
TOTAL PERSONNEL COSTS:	90,000	0	0	0	90,000
OPERATING EXPENDITURES by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	90,000	0	0	0	90,000

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The ISDB is requesting a full time teaching position for teaching independent living skills to our students at the Gooding campus. Additionally, the ISDB is requesting a full-time assistant cottage supervisor to supervise the students in the independent living program during night time hours. The teaching position will plan, coordinate and implement ISDB's independent living curriculum on campus and with the ISDB outreach program. Our strategic plan has identified this critical need for the success of ISDB students when they graduate from our program. Other state agencies agree those additional independent living skills for our students would yield many benefits for the students. The ISDB does not currently have any staffing for this program.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. The teaching position and assistant cottage supervisor position would be full-time and would be eligible for benefits. We would anticipate starting both positions during the 2007-2008 school years (august 2008).

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. No agency human resources will be redirected for this new effort. We already have the FTE's, but need the funding.

c. List any additional operating funds and capital items needed. No additional funding is required.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Funding will be from the state general fund.

Non-general funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho School for the Deaf and the Blind

FUNCTION: 01 Campus Operations

ACTIVITY:

Agency No.: 502

Function No.: 01

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

Original Submission X or Revision No.     

A: Decision Unit No: 12.03

Ed Interpreter Coordinator & Council

Agency Priority Ranking 3 of 3

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted? ISDB students will be served by this request to establish an independent living program coordinator. These students will receive important education on independent living skills necessary to function in today's society after completing this much needed program. By establishing this program, the state of Idaho should be able to see employment for these individuals, which in turn should keep them off the state's welfare programs. If this request is not funded, these students will not be equipped to live independently once they graduate from the ISDB.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**AGENCY LINE ITEMS**  
**PROFESSIONAL-TECHNICAL EDUCATION**

**MOTION**

A motion to include for final FY 2008 budget development the following specific Line Items, in priority order, for Professional-Technical Education, as displayed on Page 25.

1. New Occupancy – EITC @ \$299,000 (General Funds)
2. Career Information Systems @ \$0 (\$237,000 General Funds, -\$237,000 Miscellaneous Funds)
3. Postsecondary Programs Expansion @ \$2,169,000 (General Funds)
4. Secondary Programs (high school) Added Cost Formula @ \$644,200 (General Funds)
5. Postsecondary Instructional Equipment @ \$1,088,000 (General Funds)
6. Short-Term Training @ \$650,000 (General Funds)
7. Postsecondary Programs Salary Equity @ \$535,000 (General Funds)

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Professional-Technical Education**  
**FY 2008 Line Items**

			FTP	General	Other Funds	Total
<b>FY 2008 BASE (Information Only)</b>			<b>539.32</b>	<b>\$ 48,714,300</b>	<b>\$ 8,659,600</b>	<b>\$ 57,373,900</b>
<b>LINE ITEMS</b>						
<b>Priority</b>	<b>FY2008 Line Items</b>	<b>Detail Page</b>				
1	New Occupancy - EITC	26	1.46	299,000		299,000
2	Career Information Systems	27-28		237,000	(237,000)	0
3	P/S Program Expansion	29	18.00	2,169,000		2,169,000
4	Secondary Added Cost Formula	30		644,200		644,200
5	P/S Instructional Equipment	31		1,088,000		1,088,000
6	Short-Term Training	32		650,000		650,000
7	P/S Salary Equity	33		535,000		535,000
<b>Total Line Items</b>			<b>19.46</b>	<b>\$ 5,622,200</b>	<b>\$ (237,000)</b>	<b>\$ 5,385,200</b>
Percentage Increase Over FY 2008 Base			3.61%	11.54%	-2.74%	9.39%

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Div of Professional Technical Education

FUNCTION: Postsecondary Programs

ACTIVITY:

Agency No.: 503

Function No.: 03

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.01		Descriptive Title: New Occupancy - EITC		Agency Priority Ranking 1 of 7	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	1.46				1.46
PERSONNEL COSTS:					
1. Salaries	25,200				25,200
2. Benefits	16,800				16,800
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	42,000	0	0	0	42,000
OPERATING EXPENDITURES by summary object:					
1.	66,500				66,500
2.	149,500				149,500
3.	37,200				37,200
4.	3,800				3,800
TOTAL OPERATING EXPENDITURES:	257,000	0	0	0	257,000
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	299,000	0	0	0	299,000

B:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Funding to cover new occupancy costs associated with the Eastern Idaho Technical College Health Building in Idaho Falls. The funding will cover custodial costs, utilities and other operating costs, such as building security and insurance coverage. Based on a formula for funding per square foot of available space.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

1.46 FTP Custodians

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Faculty, staff and students. Facilities that are clean and well-maintained are conducive to a learning environment and better productivity. Proper security and insurance also enhances the safety aspects of a public facility.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

**REQUEST BY DECISION UNIT**

AGENCY: Div. of Professional Technical Education

FUNCTION: Career Information System

ACTIVITY:

Agency No.: 503

Function No.: 05

Activity No.:

FY 2008 Request

Page 1 of 2 Pages

Original Submission      or Revision No.     

A: Decision Unit No: 12.02		Descriptive Title: CIS		Agency Priority Ranking 2 of 7	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	3.00			(3.00)	0.00
PERSONNEL COSTS:					
1. Salaries	162,800			(162,800)	0
2. Benefits	48,900			(48,900)	0
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	211,700		0	(211,700)	0
OPERATING EXPENDITURES by summary object:	25,300			(25,300)	0
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	25,300		0	(25,300)	0
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0		0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	237,000	0	0	(237,000)	0

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base? In the recent past CIS was funded from a combination of state general funds, federal funds and school/agency subscriptions. Both personnel and operating costs were allocated from all three fund sources. As of July 12, 2005 the U.S. Senate Subcommittee on Labor, HHS, and Education Appropriations reviewed the FY06 appropriations bill and voted to eliminate funding for Section 118 of the Carl D. Perkins grant. Section 118 supported occupation and employment information. Idaho's portion of this grant was designated to the Idaho Career Information System, and constituted approximately 18% of the total organizational budget. This loss combined with the inability of the subscription fees to fund normal maintenance level increases creates a need for additional state funding to maintain the current level of service.

The FY2008 maintenance budget for Idaho Career Information System is \$729,803. Currently the organization has two revenue sources. Subscriptions fees are anticipated to generate \$289,613.00 in FY08, and state general fund appropriations totaling \$203,200. This leaves a need for \$236,990.00 in general account fund to maintain the existing level of CIS services.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.  
Positions are being shifted from other funds to general state funds

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Div. of Professional Technical Education

FUNCTION: Career Information System

ACTIVITY:

Agency No.: 503

Function No.: 05

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

Original Submission     or Revision No.    

A: Decision Unit No: 12.02

Descriptive Title: CIS

Agency Priority Ranking 2 of 7

- b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.  
Positions are being shifted from dedicated funds to general state funds
- c. List any additional operating funds and capital items needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Support is critical to ensure this resource remains available to all Idaho citizens at a reasonable cost. CIS is a tool that currently is used by 93% of all school districts in the State, all Department of Commerce and Labor Job Service offices, Division of Vocational Rehabilitation offices, correctional facilities, Workforce Development service providers, and in more than 20 locations on College and University campuses for over 26 years.

CIS is the only comprehensive source of career information available in the state of Idaho. Each entity above has chosen to use and support CIS as their system of choice for this information. This collaboration has allowed the delivery of a high-quality, Idaho-specific product at a much lower cost than other available options. If CIS is not able to support operations, each entity above would need to seek or develop alternative forms of similar information. This process would result in substantial cost to each of the entities. In addition, replacement information would be of less quality, comprehensiveness, and timeliness in comparison to the Idaho Career Information System.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

AGENCY: Div. of Professional Technical Education  
 FUNCTION: Postsecondary Programs  
 ACTIVITY:

Agency No.: 503  
 Function No.: 03  
 Activity No.:

FY 2008 Request  
 Page 1 of 1 Pages  
 Original Submission      or Revision No.     

A: Decision Unit No:12.03		Descriptive Title: P/S Program Expansion			Agency Priority Ranking 3 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	18.00				18.00
PERSONNEL COSTS:					
1. Salaries	720,000				720,000
2. Benefits	288,000				288,000
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	1,008,000	0	0	0	1,008,000
OPERATING EXPENDITURES by summary:	153,000				153,000
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	153,000	0	0	0	153,000
CAPITAL OUTLAY by summary object:					
1. On-going instructional equipment	108,000				108,000
2. One-time program startup costs	900,000				900,000
3.					
4.					
TOTAL CAPITAL OUTLAY:	1,008,000	0	0	0	1,008,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	2,169,000	0	0	0	2,169,000

B:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This budget request would provide funding to begin or expand 18 new professional-technical programs in Idaho's six technical colleges. Postsecondary technical education is becoming the new minimum requirement for the majority of jobs in Idaho and the US. Idaho's population has grown as have businesses that require highly skilled labor. The continued success of Idaho's economy depends on an increasing supply of technically trained employees and entrepreneurs. Professional-Technical education is Idaho's primary source of these workers. The past few years have been difficult for the technical colleges. Budget pressures have resulted in a focus on maintaining existing programs - with limited funding available for growing new ones. This budget request addresses both the increased skills needed in existing jobs and the need to fill new positions fueled by growth. Specific programs that will be targeted include those related to manufacturing, healthcare, graphics arts/printing and veterinary technician. Funds for the new programs will be distributed according to the percentage of people served in each region. Those regions with the lowest percentage of people served will receive the most programs.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

This request would fund 18 new faculty positions.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

This request would serve Idaho citizens throughout the state who need postsecondary professional-technical training. It would also serve the businesses who depend on a highly trained workforce in order to remain competitive. This request will serve 503 students per year.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Div. of Professional Technical Agency No.: 503  
 FUNCTION: General Programs Function No.: 02  
 ACTIVITY: Activity No.:

FY 2008 Request  
 Page 1 of 1 Pages  
 Original Submission      or Revision No.     

A: Decision Unit No: 12.04		Descriptive Title: Secondary Formula			Agency Priority Ranking 4 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:	644,200				644,200
LUMP SUM:					
GRAND TOTAL	644,200	0	0	0	644,200

B:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

During the FY 06 Legislative Session, the Joint Finance Committee appropriated \$300,000 to begin the process of implementing the recommendations made by an independent study of the professional-technical added-cost formula. The study revealed that the formula fell short of meeting the ever increasing added-costs of instruction, extended contracts, travel expenses, purchased services, specialized materials and supplies, and equipment. The study recommended that the formula be adjusted to meet the current needs of programs including equipment upgrading and replacement, one-time start up costs, innovative program costs, web-based instruction, student leadership development, and career-technical guidance.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

To fully implement the recommendations of the study, \$684,900 is needed. Assuming the Secondary Added-Cost Workload adjustment is funded, an additional \$644,200 is needed. Therefore, this enhancement request is for \$644,200.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

This enhancement request will allow the Division to fully implement the recommendations of the independent study. Funds will be used to pay for the increased added costs of instruction including extended contracts, travel expenses, purchased services, specialized materials and supplies, new equipment and equipment replacement needs, one-time start up costs, innovative program costs, and added costs of web-based instruction.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

### REQUEST BY DECISION UNIT

AGENCY: Div. of Professional Technical Education  
 FUNCTION: Postsecondary Programs  
 ACTIVITY:

Agency No.: 503  
 Function No.: 03  
 Activity No.:

FY 2008 Request  
 Page 1 of 1 Pages  
 Original Submission      or Revision No.     

A: Decision Unit No: 12.05		Descriptive Title: P/S Instructional Equipment			Agency Priority Ranking 5 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	1,088,000	0	0	0	1,088,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,088,000	0	0	0	1,088,000

B:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

This request addresses ongoing requirements to provide state of the art equipment and technology to insure that instruction and training is current with business and industry certification standards. Many of the teaching laboratories in the technical college system are quickly becoming outdated as industries and technologies evolve. The technical colleges must keep their instructional equipment current in order to provide quality industry relevant training necessary to compete in a global marketplace. This request is submitted in an effort to sustain the level of training that is needed by graduates as they compete for jobs following graduation. The percentage of budget dedicated to instructional equipment has steadily declined from FY97 levels of 6.3% to a low of 2.2% in FY03, and 2.48% in FY06. This request would increase the percentage of budget dedicated to instructional equipment to 5%. Last year's one time appropriations, although definitely needed and beneficial, did not ensure the ongoing need to maintain state of the art instructional equipment. Funds will be distributed based on the institution's relative FY07 instructional base.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

Institution	Amount		
BSU	218,124	CSI	165,728
EITC	147,298	ISU	308,806
LCSC	120,833	NIC	127,211

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The benefactors from this request for instructional equipment funding are technical college students, the employers who hire them, and the economic health of our state. State of the art equipment is essential for training programs to deliver quality instruction and teach the relevant technical certification skills that are needed by business and industry. High-tech equipment is expensive, but students must learn how to use the modern machinery and equipment that are used in today's workplace. A program that teaches students to use state of the art equipment will result in graduates who are in demand and well qualified to function in our high tech world. Technical college programs are seriously in need of modern equipment in their programs to remain relevant to the industries for which they train students. We live in a highly competitive world, and our program graduates must be given a competitive edge as they enter the workplace and begin their careers.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

### REQUEST BY DECISION UNIT

AGENCY: Div. of Professional Technical Education

FUNCTION: General Programs

ACTIVITY:

Agency No.: 503

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.06		Descriptive Title: Short-Term Training			Agency Priority Ranking 6 of 7	
DESCRIPTION	General	Dedicated	Federal	Other	Total	
FULL TIME POSITIONS (FTP)						
PERSONNEL COSTS:						
1. Salaries						
2. Benefits						
3. Group Position Funding						
TOTAL PERSONNEL COSTS:	0	0	0	0	0	
OPERATING EXPENDITURES by summary object:						
1.						
2.						
3.						
4.						
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0	
CAPITAL OUTLAY by summary object:						
1.						
2.						
3.						
4.						
TOTAL CAPITAL OUTLAY:	0	0	0	0	0	
T/B PAYMENTS:	650,000					650,000
LUMP SUM:						
GRAND TOTAL	650,000	0	0	0	0	650,000

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base? This is an on-going request of \$150,000 that reflects the technical college system's need to enhance their ability to meet the training needs of the local/regional business and industry's workforce. A strong economy, new technology, in addition to low unemployment rates, creates a need for more short-term training to meet the constantly changing needs of a globally competitive workplace. Employees often require upgrade training in their knowledge and skills to meet the changing workplace demands. The technical colleges work closely with the Department of Commerce and Labor and their local economic development agencies to provide training support needed to encourage and promote the expansion and location of new businesses to Idaho. There has been an overall increase of 27% in the short term student full time equivalent enrollment over the last two years.

Additionally it is a one-time request of \$500,000 for live-fire training and testing equipment. The Division of Professional Technical Education (PTE) provides resources for the training of emergency service personnel across the state. PTE is accredited by the International Fire Service Accreditation Congress (IFSAC). This accreditation allows the testing that is provided for the fire service community to be nationally recognized. The National Fire Protection Association (NFPA) standards were updated in 2002 and the standards now reference the ability to provide live-fire training and testing. This request would provide new equipment to meet the NFPA standards. The equipment would be housed at one of the technical colleges and would be moved around the state to provide training for the fire service community.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full- or part-time, benefit eligibility, anticipated dates of hire, and terms of service.

No additional positions are necessary to implement this request.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

This request will enhance the ability of current personnel to meet the needs of the businesses and industries they serve, in their respective service areas

c. List any additional operating funds and capital items needed.

The resources needed to implement this request would be the cost of moving the live-fire training equipment around the state.

This cost would be incorporated into the emergency services training budget to provide statewide training for emergency services personnel.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

On-going request \$150,000 One-time request \$500,000

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Employees needing upgrade training and customized training as well as new and expanding business and industry employers will benefit from this request. Idaho benefits from a well-trained workforce that is adaptable and flexible, meets the needs of existing, expanding and new business and industry, and is responsive to the public sector needs of Idahoans. This request addresses the need to increase funding for short-term/workforce training activities provided by the technical colleges which support the efforts of economic development.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

### REQUEST BY DECISION UNIT

AGENCY: Div. of Professional Technical Education

FUNCTION: Postsecondary Programs

ACTIVITY:

Agency No.: 503

Function No.: 03

Activity No.:

FY 2008 Request

Page 1 of 1 Pages

Original Submission      or Revision No.     

A: Decision Unit No: 12.07		Descriptive Title: P/S Salary Equity			Agency Priority Ranking 7 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	411,500				411,500
2. Benefits	123,500				123,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	535,000	0	0	0	535,000
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	535,000	0	0	0	535,000

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Idaho's technical college salaries are considerably lower than salaries offered by business and industry to individuals with the same level of expertise and experience. Business and industry are the source of technical college instructors, but hiring well-qualified instructors has become extremely difficult. Even those individuals who would enjoy teaching are reluctant to reject higher salaries to accept employment for lower wages in technical colleges. As professional-technical faculty are selected for their expertise, experience, and education, their salaries should reflect the higher end of business and industry salary ranges. Providing technical instructor salaries that are competitive with business and industry is critical to maintaining quality instruction.

There are instances where students who hold no more than one or two year technical certificates begin work in entry-level positions for business or industry at salaries that are \$5,000 to \$10,000 more per year than their instructors are paid. If technical colleges are restricted to hiring instructors who will accept low wages, instructors may not deliver the level of quality performance in the classroom or be at the top of their professions. In numerous instances, salaries are not competitive with comparable instructors in neighboring states.

The institutions have also been impacted by the new classification system implemented by the legislature this past year. Many staff are significantly lower than their target and the tech colleges do not have funding to address the adjustments.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

This request would benefit those who deliver and benefit from professional-technical programs in Idaho. Programs could open on a more timely basis and qualified faculty and staff could be recruited and retained.

Distribution will be as follows:

BSU \$108,900; CSI \$80,800; EITC \$74,300; ISU \$151,500; LCSC \$59,000; NIC \$60,500; Total \$535,000

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**AGENCY LINE ITEMS**  
**IDAHO DIVISION OF VOCATIONAL REHABILITATION**

**MOTION**

A motion to include for final FY 2008 budget development the following specific Line Items, in priority order, for Idaho Division of Vocational Rehabilitation, as displayed on Page 37.

1. VR Transition House @ \$198,700 and 2.00 FTP (\$178,700 General Funds, \$20,000 Dedicated Funds)
2. Job Site Development @ 3.00 FTP. No funding is required.
3. Extended Employment Services Program Improvement @ \$200,000 (General Funds)
4. Pass Plan Writers @ \$134,500 and 2.00 FTP (\$28,600 General Funds, \$105,900 Other Funds)
5. New Vehicles @ \$29,300 (\$6,200 General Funds, \$23,100 Federal Funds)
6. Pure State Kidney Program positions @ \$72,700 (General Funds)
7. Expand Epilepsy Outreach @ \$28,700 (General Funds)
8. Additional staffing for Magic Valley @ \$18,600 (General Funds)

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Idaho Division of Vocational Rehabilitation**  
**FY 2008 Line Items**

			FTP	General	Other Funds	Total	
1	FY 2008 BASE (Information Only)		150.00	\$ 8,386,600	\$15,601,000	\$ 23,987,600	
2	LINE ITEMS						
3	Priority	FY2008 Line Items					
4	1	VR Transition House	38-39	2.00	\$ 178,700	20,000	\$ 198,700
5							
6	2	Job Site Development	40	3.00			
7							
8	3	Extended Employment Services Program Improvement	41		200,000		200,000
9							
10	4	Pass Plan Writers	42	2.00	28,600	105,900	134,500
11							
12	5	New Vehicles	43		6,200	23,100	29,300
13							
14	6	PSK Positions	44		72,700		72,700
15							
16	7	Expand Epilepsy Outreach	45		28,700		28,700
17							
18	8	Additional staffing for Magic Valley	46		18,600		18,600
19							
20	Total Line Items		7.00	\$ 533,500	\$ 149,000	\$ 682,500	
21	Percentage Increase Over FY 2008 Base		4.67%	6.36%	0.96%	2.85%	

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho Division of Vocational Rehabilitation  
 FUNCTION: Vocational Rehabilitation  
 ACTIVITY:

Agency No.: 523  
 Function No.: 02  
 Activity No.:

FY 2008 Request  
 Page \_1\_ of \_2\_ Pages  
 Original Submission \_\_\_ or Revision No. \_\_\_

A: Decision Unit No: 12.01		Descriptive Title: VR Transition House		Agency Priority Ranking 1 of 8	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2.00				
PERSONNEL COSTS:					
1. Salaries	68,200				68,200
2. Benefits	28,900				28,900
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	97,100	0	0	0	97,100
OPERATING EXPENDITURES by summary object:					
1. Communications	800				800
2. Travel	2,300				2,300
3. Administrative Supplies	500				500
4. Institution & Resident Supplies	29,400				29,400
5. Utility Charges	3,000				3,000
6. Rentals and Operating Leases	8,800	20,000			28,800
7. Misc Expenditures	7,200				7,200
TOTAL OPERATING EXPENDITURES:	52,000	20,000	0	0	72,000
CAPITAL OUTLAY by summary object:					
1. Office Equipment	9,300				9,300
2. Specific Use Equipment	20,300				20,300
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	29,600	0	0	0	29,600
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	178,700	20,000	0	0	198,700

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

2.00 FTP for a VR Transition House Manager and a VR Transition Assistant Manager , one-time funding for office equipment and household furnishings, and on-going funding for operational costs for administration of this project. The budget being proposed would provide the necessary funds to provide the services to manage a transitional home for individuals with disabilities. The Transformation Work Group Vision states, " Mental health is essential to overall health. Across Idaho, persons with mental illnesses and their families have access to a comprehensive and integrated system of care providing them the ability to live full productive lives in their own communities." IDVR fully supports this vision and proposes to address a service gap for individuals with disabilities regarding the huge need for housing. Our proposed Transition House will provide needed housing, resources, services, and support to approximately 75 individuals with mental illness. The Transition Home will also work closely with the Department of Correction in placing offenders with mental illness. If offenders were no longer faced with meeting basic survival needs immediately upon release from incarceration, they can concentrate on dealing with issues such as substance abuse, lack of organizational and social skills, stress management, and poor impulse control resulting in anti-social behavior and subsequent re-offending. The agency does not currently staff for this activity.

2. What resources are necessary to implement this request? \$178,700 of State General Funds and \$20,000 of dedicated funds to implement this request. The \$29,600 for Capital Outlay would be one-time and the remaining \$169,100 would be on-going.

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. 1 FTP VR House Manager, Pay Grade= 39, Full-time, eligible for benefits, July 1, 2007 is anticipated date of hire and will be a permanent position. 1 VR Assistant House Manager, Pay Grade= 37, Full-time, eligible for benefits, July 1, 2007 is anticipated date of hire and will be a permanent position.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho Division of Vocational Rehabilitation

FUNCTION: Vocational Rehabilitation

ACTIVITY:

Agency No.: 523

Function No.: 02

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.01

Descriptive Title: VR Transition House

Agency Priority Ranking 1 of 8

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. VR counselors will be assigned to work closely with each resident of the house. VR Counselors would provide the needed caseload management activity to assist the resident to obtain and maintain employment. The two new FTPs would be supervised by the Regional Manager for the Treasure Valley Corrections Unit.

c. List any additional operating funds and capital items needed.

The agency is requesting one-time authority to purchase office equipment and household furnishings for this project. Included in this request is on-going funding for operational costs of maintaining the house, training activities, travel, supplies and transportation of clients.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

The residents at the Transition Home will be charged monthly rent. Financial need will be addressed with each resident and the expectation will be that the residents will be responsible for monthly rental expenses. Realistically we are aware of the challenges that this population faces regarding financial resources. Offenders transition from prison to the community often do not have the financial resources to cover living expenses. When appropriate additional funds will be requested from the Department of Corrections. Non-offenders also face the financial challenges due to lack of employment. The Transition House will work aggressively to assist the residents in obtaining and maintaining employment, which will lead to independence and allowing them to pay monthly living expenses including rent.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted? VR Clients with mental illness. The expected impact of this funding is to provide transitional housing to those clients. If this is not funding, this project will not progress.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

### REQUEST BY DECISION UNIT

AGENCY: Idaho Division of Vocational Rehabilitation Agency No.: 523  
 FUNCTION: Vocational Rehabilitation Function No.: 02  
 ACTIVITY: Activity No.:

FY 2008 Request  
 Page \_1\_ of \_1\_ Pages  
 Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.02		Descriptive Title: Job Site Development		Agency Priority Ranking 2 of 8	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)			3.00		3.00
PERSONNEL COSTS:					
1. Salaries	21,200		78,100		99,300
2. Benefits	9,100		33,500		42,600
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	30,300	0	111,600	0	141,900
OPERATING EXPENDITURES by summary object:					
1. Communications	300		900		1,200
2. Travel	500		1,900		2,400
3. Administrative Supplies	400		1,600		2,000
4. Rentals and Operating Leases	7,700		28,300		36,000
TOTAL OPERATING EXPENDITURES:	8,900	0	32,700	0	41,600
CAPITAL OUTLAY by summary object:					
1. Computer Equipment	1,600		6,000		7,600
2. Office Equipment	1,800		6,600		8,400
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	3,400	0	12,600	0	16,000
T/B PAYMENTS:	(42,600)		(156,900)		(199,500)
LUMP SUM:					
GRAND TOTAL	0	0	0	0	0

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

3 FTP Job Developers and Support staff personnel costs and administrative costs. These positions are needed for a change in the structure of the present service delivery model. The job developers will work with the business community to develop new job opportunities for agency clientele and will save the agency funds by reducing the amount paid to a variety of private for profit and private not for profit vendors. This implementation will improve the agency's control over the activity of job site development and placement services and will improve the agency's performance by increasing the productivity measure of closures through improved placement activity. During a pilot project over the last six months, the Division has seen results from relationship development efforts. Of the clients assisted to date, 6 have obtained employment. Currently, the Division is assisting 11 clients in all the various stages of the job search process with more referrals daily from counselors. The Division is planning to reacquire (or introduce for the first time) as many HR representatives from state agencies with the alternate hire process as possible.

2. What resources are necessary to implement this request?

No additional resources are needed. The agency is requesting that a shift from Trustee & Benefit authority in the amount of \$42,600 in State General Funds and \$156,900 Federal Grant Funds be provided to fund the personnel and administrative costs for 3 FTP.

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

2 Job Developers, Pay Grade= 39, Full-time, eligible for benefits, July 1, 2007 is anticipated date of hire and will be permanent positions.

1 Vocational Rehabilitation Assistant, Pay Grade = 34, Full Time, eligible for benefits, July 1, 2007 is anticipated date of hire and will be a permanent position.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

No existing agency human resources will be redirected to this new effort. The structure of our service delivery model will change and the agency the agency will increase productivity measure of closures through improved placement activity.

c. List any additional operating funds and capital items needed.

The agency is requesting authority to purchase office equipment and computer equipment for the three new positions. This includes lap tops for the job developers with portable printers, desk top computer for support staff, printers, fax machine, side chairs, task chairs, 3 desks, file cabinets, paper shredder, bookcase and other miscellaneous office furniture and equipment. There is also a request for operating funds to provide for office space of 100 sq ft per person as well as travel, supplies and cell phones.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

This is an on-going request and no additional funds are requested.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The VR clients are being served with what is planned to be a better quality services with the increase in productivity based on improved placement activity at closure of cases. If this request is not funded, the division will not have resources to continue the pilot project or expand future interest in this area.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho Division of Vocational Rehabilitation Agency No.: 523  
 FUNCTION: Extended Employment Services Function No.: 05  
 ACTIVITY: Activity No.:

FY 2008 Request  
 Page \_1\_ of \_1\_ Pages  
 Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.03		Descriptive Title: Program Improvement			Agency Priority Ranking 3 of 8
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					0.00
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. Communications					0
2. Travel					0
3. Administrative Supplies					0
4. Rentals and Operating Leases					0
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1. Computer Equipment					0
2. Office Equipment					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:	200,000				200,000
LUMP SUM:					
GRAND TOTAL	200,000	0	0	0	200,000

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

\$200,000 of Trustee & Benefit funding to provide additional resources to Community Rehabilitation Providers for the movement of 50 clients from the waiting list.

With the average annual cost per client of \$4,000, the Division will be able to move 50 or 15% of the clients off of the waiting list. Since its transfer to the Division, the program's waiting list has grown from 175 to 330. The agency does currently have 2 FTP for this activity with \$ of State General Funds in the base.

2. What resources are necessary to implement this request?

\$200,000 of State General Funds.

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

No new positions requested.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

Current staff in this program will implement and monitor progress.

c. List any additional operating funds and capital items needed.

None.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This is an ongoing request for \$200,000 of State General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Waiting list clients in the Extended Employment Services program. The Division will remove 50 of those clients from the waiting list. If this is not funded, there will be no reduction in the current waiting list.

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

### REQUEST BY DECISION UNIT

AGENCY: Idaho Division of Vocational Rehabilitation Agency No.: 523  
 FUNCTION: Vocational Rehabilitation Function No.: 02  
 ACTIVITY: Activity No.:

FY 2008 Request  
 Page \_1\_ of \_1\_ Pages  
 Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No:12.04		Descriptive Title: Pass Plan Writers		Agency Priority Ranking 4 of 8	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)			2.00		2.00
PERSONNEL COSTS:					
1. Salaries	15,400		57,000		72,400
2. Benefits	6,300		23,300		29,600
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	21,700	0	80,300	0	102,000
OPERATING EXPENDITURES by summary object:					
1. Communications	200		700		900
2. Travel	500		1,700		2,200
3. Administrative Supplies	100		600		700
4. Rentals and Operating Leases	5,100		18,900		24,000
TOTAL OPERATING EXPENDITURES:	5,900	0	21,900	0	27,800
CAPITAL OUTLAY by summary object:					
1. Computer Equipment	700		2,500		3,200
2. Office Equipment	300		1,200		1,500
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	1,000	0	3,700	0	4,700
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	28,600	0	105,900	0	134,500

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

2 FTP Plan for Achieving Self Support (PASS) writers. Request includes funding for Personnel, Operating and one-time Capital outlay expenditures for these two new positions. This will provide a resource to VR staff and clients for utilizing SSA Work Incentives. In this application, PASS Plans are intended for use in funding vocational rehabilitation needs resulting in employment. The PASS plan recipient is expected to no longer need SSA or vocational rehabilitation services once their employment is stable and secure at the end of their PASS plan implementation. PASS Plans therefore offer an additional avenue as a comparable benefit to the Division. Using PASS Plans for costs associated with the client's rehabilitation plan has enormous financial advantages to IDVR by conserving resources. Over the past year the average PASS plan accepted by SSA in Idaho has the value of about \$10,000. This added resource can dramatically improve the quality of our efforts in rehabilitation of individuals with severe disabilities. At any given time well over 300 clients of the agency can benefit from a PASS plan, but there are insufficient resources both in personnel and dollars in place to develop the written plans. Each plan may take 20 hours or more of focused work to develop and write, but once submitted to SSA if done in conjunction with an IDVR Individual Plan of Employment (IPE), they will be accepted by SSA for implementation. The personnel writing the plans need a significant skill level in writing and understanding of disabilities. This training can be provided by IDVR staff once the correct personnel are hired. When the PASS plan approach is used in conjunction with IDVR efforts, the client and the community are both winners.

2. What resources are necessary to implement this request?

\$134,500 increase in funding - \$28,600 in General Funds and \$105,900 in Federal Grant Funds.

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. 2 PASS Plan writers, Pay Grade= 39, Full-time, eligible for benefits, July 1, 2007 is anticipated date of hire and will be permanent positions.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. This improvement will allow the Division to continue to serve the increasing numbers of clients who are eligible for services despite limited financial resources. PASS plans provide an additional avenue as a comparable benefit to the Division. Two full time position could write and submit over 100 plans a year realizing more than a million dollars of revenue for benefits to individuals with severe disabilities in the State of Idaho leading towards total independence as the plans are implemented over time for these individuals.

c. List any additional operating funds and capital items needed.

The agency is requesting authority to purchase office equipment and computer equipment for the two new positions. This includes lap tops for the employees with portable printers, side chairs, task chairs, 1 desk, file cabinet and other miscellaneous office furniture and equipment. There is also a request for operating funds to provide for office space of 100 sq ft per person as well as travel, supplies and cell phones.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc. The funds requested represent the state and federal share of funding for our Vocational Rehabilitation program. The request for Capital Outlay is one-time and all other funding is on-going.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

VR clients receiving SSA benefits. The expected impact would be a conservation of resources by the Division and recipients would no longer need SSA benefits. If this is not funded, the Division would seek alternative resources in order to conduct further activity in this area.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Vocational Rehabilitation

FUNCTION: VR

ACTIVITY:

Agency No.: 523

Function No.: 02

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.05		Descriptive Title: New Vehicles for Fleet			Agency Priority Ranking 5 of 8
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1. Communications					0
2. Employee Development					0
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1. Motorized Equipment	6,200		23,100		29,300
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	6,200	0	23,100	0	29,300
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	6,200	0	23,100	0	29,300

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

2 new vehicles. The Division has experienced an increase in demand for our services with the Adult and Juvenile Corrections populations. As a result, the Division has personal mileage reimbursed for the counselors in this area statewide. Analysis shows the purchase of new vehicles will be more economical than reimbursing employees for personal mileage. The current cost per mile to operate our fleet is \$ .12 per mile. The average annual mileage for our fleet is 13,600. The agency could save approximately \$5,600 (13,600 X .445) - (.12 X 13,600) on an annual basis with the purchase of two new vehicles as opposed to reimbursing personal mileage.

2. What resources are necessary to implement this request?

\$6,200 State General Funds and \$23,100 of Federal Grant Funds. This is a one-time request.

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

No positions requested for this line item.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

None.

c. List any additional operating funds and capital items needed.

This request involves the purchase of two new state vehicles.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc. This is a one-time request for capital outlay authority with 21.3% State General Funds and 78.7% Federal Grant Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

VR clients will be served by the additional vehicles. The new region serving juvenile and adult correction populations would have vehicles and reduce the cost of personal mileage reimbursements for the Division. If this is not funded, the Division will continue to reimburse personal mileage for travel related to serving this population.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Vocational Rehabilitation

FUNCTION: Renal Disease

ACTIVITY:

Agency No.: 523

Function No.: 01

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.06		Description: New postions for State Program			Agency Priority Ranking 6 of 8
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	48,000				48,000
2. Benefits	24,700				24,700
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	72,700	0	0	0	72,700
OPERATING EXPENDITURES by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	72,700	0	0	0	72,700

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

\$72,700 of State General Funds to fund the personnel costs dedicated to this program. The Division had always provided personnel supported by the Federal program for Vocational Rehabilitation for the administration of this state only program. The Federal cognizant for the Vocational Rehabilitation issued a 107 Annual review report on December 13, 2005. In this report it was found that the Division will need to code their time in order to satisfy the reporting requirements for thos employees working on a federal award and an non-federal award. Furthermore, the Division has been charging personnel costs associated with the Pure State Kidney Program to the Vocational Rehabilitation program and grant. OMB Circular A-87 requires that costs charged to the grant be allocable. The Division has submitted an indirect cost rate plan, which has not been approved. Once approved, the division will be limited to this rate as to the amount of indirect costs it can charge to the Vocational Rehabilitation program. We must correct our current practice of charging the Federal grant for costs allocated to state grants. Current staffing for this acitivity consists of staff dedicated to the Federal Program.

2. What resources are necessary to implement this request?

\$72,700 of State General Funds to fund personnel costs..

- List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.  
No new positions just the existing time dedicated to PSK will now be charged to the PSK program.
- Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.  
Current staff in this program will implement and monitor progress.
- List any additional operating funds and capital items needed.  
None.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

This is an ongoing request for \$72,700 of State General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Idaho citizens with end stage renal disease are served by this request. The expected impacts is to improve our compliance with the Federal cognizant and the requirments of the Allocable Cost principles as stated in the OMB circular A-87. If this is not funded, we will continue our non-compliance with the rules of our Federal cognizant.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Vocational Rehabilitation

FUNCTION: Epilepsy

ACTIVITY:

Agency No.: 523

Function No.: 03

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.07		Descriptive Title: Expand outreach services		Agency Priority Ranking 7 of 8	
<b>DESCRIPTION</b>	<b>General</b>	<b>Dedicated</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:	28,700				28,700
LUMP SUM:					
<b>GRAND TOTAL</b>	<b>28,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28,700</b>

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?  
\$28,700 to expand outreach services to citizens of the State of Idaho. Funds spent in prior year for outreach services exceeded the contract by \$27,938. Futures dollars to subsidize these services are no longer available. Requesting \$28,700, which is this shortfall plus 3% inflationary factor.

2. What resources are necessary to implement this request?  
\$28,700 of State General Funds to fund Trustee & Benefits.  
a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.  
None.  
b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.  
No human resources will be shifted.  
c. List any additional operating funds and capital items needed.  
None.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)  
This is an ongoing request for \$28,700 of State General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?  
Idaho citizens with a need for outreach services provided by the Epilepsy Foundation. There will be an expansion in outreach expected from this funding. If this is not funded, Epilepsy Foundation will have to develop other resources to continue funding its outreach services.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Vocational Rehabilitation

FUNCTION: Epilepsy

ACTIVITY:

Agency No.: 523

Function No.: 03

Activity No.:

FY 2008 Request

Page \_1\_ of \_1\_ Pages

Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.08		Description: New postions for State Program			Agency Priority Ranking 8 of 8
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	0	0	0	0	0
OPERATING EXPENDITURES by summary object:					
1.					
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:	18,600				18,600
LUMP SUM:					
GRAND TOTAL	18,600	0	0	0	18,600

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as

necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

\$18,600 of State General Funds to fund an increase in personnel for the Epilepsy Foundation.

In order to better serve the Magic Valley, the Foundation would increase their half-time service specialist to three-quarter time.

2. What resources are necessary to implement this request?

\$18,600 of State General Funds.

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.  
No new positions.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.  
No existing human resouces will be redirected.

c. List any additional operating funds and capital items needed.  
None.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This is an ongoing request for \$18,600 of State General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

Citizens of the Magic Valley will receive adequate services from the Epilepsy Foundation. There will be an expansion in outreach expected from this funding.

If this is not funded, services for the Magic Valley area will be inadequate.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**AGENCY LINE ITEMS**  
**IDAHO PUBLIC TELEVISION**

**MOTION**

A motion to include for final FY 2008 budget development the following specific Line Items, in priority order, for Idaho Public Television, as displayed on Page 49.

1. Idaho Experience Production @ \$284,500 and 3.00 FTP (General Funds)

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Idaho Public Television**  
**FY 2008 Line Items**

			FTP	General	Other Funds	Total
FY 2008 BASE (Information Only)			33.00	\$ 1,658,600	\$ 865,800	\$ 2,524,400
LINE ITEMS						
	Priority	FY2008 Line Items	Detail Page			
1	1	Idaho Experience Production	50	3.00	\$ 284,500	\$ 284,500
2						
3						
4	Total Line Items			3.00	\$ 284,500	\$ 284,500
5	Percent Change From Base			9.09%	17.15%	11.27%

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

### REQUEST BY DECISION UNIT

AGENCY: Idaho Public Television  
 FUNCTION: Idaho Public Television  
 ACTIVITY: N/A

Agency No.: 520  
 Function No.: 01  
 Activity No.:00

FY 20\_\_ Request  
 Page \_\_ of \_\_ Pages  
 Original Submission X or Revision No. \_\_\_\_

A: Decision Unit No: 12.01	Descriptive Title: Idaho Experience			Agency Priority Ranking 1 of 1	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	3.00				
PERSONNEL COSTS:					
1. Salaries	100,900				100,900
2. Benefits	49,600				49,600
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	150,500	0	0	0	150,500
OPERATING EXPENDITURES by summary object:					
1. 5151 Professional Services	55,000				55,000
2. 5251 Administrative Services	10,000				10,000
3. 5351 Travel Costs	13,000				13,000
4. 5701 Specific Use Supplies	19,000				19,000
TOTAL OPERATING EXPENDITURES:	97,000	0	0	0	97,000
CAPITAL OUTLAY by summary object:					
1. 6401 Computers	4,500				4,500
2. 6701 Office Supplies	2,500				2,500
3. 6630 Motorized Vehicle	30,000				30,000
4.					0
TOTAL CAPITAL OUTLAY:	37,000	0	0	0	37,000
GRAND TOTAL	284,500	0	0	0	284,500

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

IdahoPTV is requesting funds and personnel to create a television multi-media series that would examine our state's rich legacy of historical events. This on-going effort would have an extensive website component and be aligned with Idaho school curriculum. Similar to the PBS program, THE AMERICAN EXPERIENCE, the series would be produced in a collaborative effort with The Historical Society, and other educational institutions.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

Web Developer, pay grade 40A, full time classified, hire date July 1 2007.

Writer/Reporter/Producer, pay grade 39, full time classified, hire date July 1, 2007.

Director/Videographer, pay grade 36, full time classified, hire date July 1, 2007.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

Resources that will be redirected are the Executive Producer's management of the series. There will be added administrative issues in overhead reconciling travel and paying bills. The series will utilize the studios, production control, and editing suites already in place. A vehicle would be needed to insure travel was possible.

c. List any additional operating funds and capital items needed.

IdahoPTV would need new computers for use by the new positions along with workspace modifications. A vehicle is listed to accomodate the travel that would be needed. This series will be filmed throughout Idaho and some limited out-of-state locations.

3. Please break out fund sources with anticipated expenditures in the financial data matrix.

The series would be funded by General Fund as indicated above.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The population of Idaho would be impacted most. There are historical issues unique to Idaho that should be documented for a viewing audience. Idaho schools would be benefitted by the extensive web site planned for this series and DVD's, web streaming, and on-air programming would be distributed by IdahoPTV. Certain programs from this series may have a national broadcast potential.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**AGENCY LINE ITEMS**  
**IDAHO STATE HISTORICAL SOCIETY**

**MOTION**

A motion to include for final FY 2008 budget development the following specific Line Items, in priority order, for the Idaho State Historical Society, as displayed on Page 53.

1. Museum Restoration Initiative @ \$118,600 (General Funds)
2. Historic Records Reclamation Initiative @ \$125,600 (General Funds)
3. History Day Enhancement Project @ \$49,300 (General Funds)
4. Centennial Heritage Revitalization Initiative @ \$226,700 (General Funds)
5. Historic Property Preservation & Conservation @ \$146,800 (General Funds)
6. Cemetery Preservation Initiative @ \$199,300 (General Funds)

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Idaho State Historical Society**  
**FY 2008 Line Items**

			FTP	General	Other Funds	Total
1	FY 2008 BASE (Information Only)		50.36	\$ 2,239,900	\$ 2,520,900	\$ 4,760,800
2	LINE ITEMS					
3	Priority FY2008 Line Items	Detail Page				
4	1 Museum Restoratin Initiative	54-55	2.00	118,600		118,600
5						
6	2 Historic Records Reclamation Initiative	56-57	2.00	125,600		125,600
7						
8	3 History Day Enhancement Project	58-59	1.00	49,300		49,300
9						
10	4 Centennial Heritage Revitalization Initiative	60-61	4.50	226,700		226,700
11						
12	5 Historic Property Preservation & Conservation	62-63		146,800		146,800
13						
14	6 Cemetery Preservation Initiative	64-65	1.00	199,300		199,300
15						
16	Total Line Items		10.50	\$ 866,300		\$ 866,300
17	Percentage Increase Over FY 2008 Base		20.85%	38.68%		18.20%

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society  
 FUNCTION: Historic Preservation & Education  
 ACTIVITY:

Agency No.: 522  
 Function No.: 01  
 Activity No.:

FY 2008 Request  
 Page \_1\_ of \_2\_ Pages  
 Original Submission \_\_\_ or Revision No. \_\_\_

A: Decision Unit No: 12.01		Descriptive Title: Museum Restoration Initiative			Agency Priority Ranking 1 of 6
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2.00				
PERSONNEL COSTS:					
1. Salaries	68,000				68,000
2. Benefits	30,600				30,600
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	98,600	0	0	0	98,600
OPERATING EXPENDITURES by summary object:					
1. Supplies	20,000				20,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	20,000	0	0	0	20,000
CAPITAL OUTLAY by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	118,600	0	0	0	118,600

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The Idaho State Historical Museum was the first museum west of the Mississippi accredited by the American Museums Association(AMA) more than 30 years ago and will soon lose this important designation due primarily to a lack of adequate staffing and funding support for exhibit development and the preservation of the historic artifacts it holds. This request is for 2 museum curators to assist in the development of public exhibits and the accessioning, cataloging, and preservation of the growing backlog of unprocessed prehistoric and historic artifacts and other material held at the Idaho Historical Museum. There is currently one full-time curator on staff (although the museum manager qualifies as a curator but primarily handles administrative duties). Improvements to exhibits and conservation activity are entirely funded through small dedicated funds allocated to that purpose and from financial contributions from the public. The AMA has cited the lack of funding support from the State of Idaho for the operation of the museum for which it is responsible as a primary contributor to the anticipated denial of reaccreditation due in 2007.

2. What resources are necessary to implement this request?

The request is for two museum curator positions to handle the accessioning and cataloging of the backlog of prehistoric and historic artifacts and other material at the Idaho Historical Museum, as well as to assist with the upgrading of existing and development of new public exhibits at the facility. Some capital expenditures would be required for material to process artifacts and create new exhibits.

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

Two permanent museum curators (2 FTE; pay grade 38; both full-time; both full benefits; both with a hiring date of July 1, 2007 with not set time for position expiration).

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. Other than an adjustment in supervisory responsibilities by administrative personnel to coordinate individual work assignments for an expanded staff, there would be no shifting of duties within the agency. Existing operations and the public would benefit from updated and new exhibits at the museum, as well as access to artifacts processed and preserved by the additional personnel for use in creation of such public displays.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society

FUNCTION: Historic Preservation & Education

ACTIVITY:

Agency No.: 522

Function No.: 01

Activity No.:

FY 2008 Request

Page 2 of 2 Pages

Original Submission      or Revision No.     

A: Decision Unit No: 12.01

Descriptive Title: Museum Restoration Initiative

Agency Priority Ranking 1 of 6

c. List any additional operating funds and capital items needed.

Operating expenditures of \$20,000 will be required to meet the needs for office and curatorial supplies to be used by the new positions to adequately fulfill their responsibilities.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests). Non-general funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

(See matrix above). All requested allocations for this item would come from General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded, who and what are impacted?

If this request is not funded, the state of Idaho will assure that the national accreditation of its State Historical Museum will end and the number and quality of its offerings (particularly traveling exhibits of national stature) will be reduced. In addition, the ability to attract support for museum operations will deteriorate due to the perceived lack of professionalism that results from a loss of accreditation. The backlog of accessions (new items) coming to the Idaho Historical Museum but due for appropriate cataloguing and preservation will continue to grow, thus restricting children and adult citizens of Idaho from learning about Idaho history through the exhibits and programs produced using these artifacts and other materials.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society  
 FUNCTION: Historic Preservation & Education  
 ACTIVITY:

Agency No.: 522  
 Function No.: 01  
 Activity No.:

FY2008 Request  
 Page 1 of 2  
 Original Submission X or Revision No. \_\_\_\_

12.02	Historic Records Reclamation Initiative			Agency Priority F Ranking 2 of 6	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2.00				2.00
PERSONNEL COSTS:					
1. Salaries	46,800				46,800
2. Benefits	28,800				28,800
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	75,600	0	0	0	75,600
OPERATING EXPENDITURES by summary object:					
5700	40,000				40,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	40,000	0	0	0	40,000
CAPITAL OUTLAY by summary object:					
6700	7,000				7,000
6800	1,000				1,000
6400	2,000				2,000
4.					0
TOTAL CAPITAL OUTLAY:	10,000	0	0	0	10,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	125,600	0	0	0	125,600

B: Use the financial data matrix above to summarize requested resources by fund source and by expenditure class at the summary object level. Attach as many pages as necessary to respond in a narrative fashion to the following questions:

1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The workload for processing incoming government records (as required by Idaho State Code) and accessing public information requests at the Public Archives and Research Library has increased substantially due to escalated transfer of stored records by state and local government entities as well as homeland security mandates that have taken place since 9/11/2001. Staffing is already well below national standard for handling the agency's records holdings and is increasingly inadequate due to skyrocketing requests for public records held in the State Archives (which have increased by 600 percent in four years). There are currently three full-time archivists on staff (of the 13-15 recommended by national standards) with archival funding of approximately \$148,000 from the General Fund in the base. A federal grant from the National Archives and Records Administration of \$40,000 (but currently unauthorized for 2006-7) has covered some travel for record retrieval for the past two years.

2. What resources are necessary to implement this request?

The request is for one receptionist to handle the requests for records from government agencies and the public, and an archivist to research records requests and to professionally catalogue and process incoming records and documents. Equipment (computers, desks) would be required to meet the requirements placed on these positions and office and archival supplies would also be necessary.

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

One permanent receptionist (1 FTE; pay grade 25; full-time status; full benefits; hire date of July 1, 2007 with not set time for position expiration) and one permanent archivist (1 FTE; pay grade 37; full time status; full benefits; hire date of July 1, 2007 with no set time for position expiration).

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. Other than an adjustment in supervisory responsibilities by administrative personnel to coordinate individual work assignments for an expanded staff, there would be no shifting of duties within the agency. Existing operations and the public would benefit from access to records and documents processed by the additional personnel.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society  
FUNCTION: Historic Preservation & Education  
ACTIVITY:

Agency No.: 522  
Function No.: 01  
Activity No.:

FY2008 Request  
Page 2 of 2  
Original Submission ☒ or Revision No. \_\_\_\_

12.02	Historic Records Reclamation Initiative	Agency Priority R Ranking 2 of 6
<p>c. List any additional operating funds and capital items needed.</p> <p>Equipment costs expect to be about \$10,000 in order for the new employees to meet the requirements for workstations, including desks, chairs, telephones, file cabinets, computers, and other such capital equipment as deemed necessary to fulfill their responsibilities. An additional \$40,000 will be needed for office and archival supplies to be used by the new positions.</p> <p>3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests). Non-general funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.</p> <p>(See matrix above). All requested allocations for this item would come from General Funds.</p> <p>4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded, who and what are impacted?</p> <p>The Public Archives and Research Library processes, stores and retrieves records and documents as deemed necessary by Idaho statute. (Although some records are provided by other entities, those of a permanent and/or historical nature will always be requested from the PARL). All citizens of Idaho and individuals/organizations from the other states and countries have need for public records, such as birth, death, wedding, military, and legal documents. With the increased need for personal and medical histories in conjunction with homeland security inquiries, citizens are requesting such records at an increasing rate. With the handling of such material up by 600 percent in four years, the need for adequate archival staffing has gone beyond critical at the agency. If this request is not funded, the workload will continue to spiral out of control for the current staff and historical public records will not be available, due to the backlog that is already plaguing the Archives staff. Failure to meet requests in a timely manner increases the possibility of legal action against the state for failure to comply with open records statutes.</p>		

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society  
 FUNCTION: Historic Preservation & Education  
 ACTIVITY:

Agency No.: 522  
 Function No.: 01  
 Activity No.:

FY 2008 Request  
 Page 1 of 2  
 Original Submission X or Revision No. \_\_\_\_

12.03	History Day Enhancement Project			Agency Priority R Ranking 3 of 6	
Description	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	1.00				1.00
PERSONNEL COSTS:					
1. Salary	34,000				34,000
2. Benefits	15,300				15,300
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	49,300	0	0	0	49,300
OPERATING EXPENDITURES by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	0	0	0	0	0
CAPITAL OUTLAY by summary object:					
1.					0
2.					0
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	49,300	0	0	0	49,300

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The Idaho History Day education program coordinated statewide by the Idaho Historical Museum has grown rapidly due to increased promotion and interest throughout the state. Students in grades 6 through 12 complete research projects based on a theme related to history, and conduct presentations in the form of static exhibits, written reports, oral presentations or plays with multiple cast members during competition that takes place in the spring at a regional and state level. State winners are eligible for the National History Day competition in Maryland. Participation in the program has grown 84% in the past four years (from 659 students in 2003 to 1,213 students in 2006). With the strong possibility that Idaho History Day projects will qualify as being among those identified by the Idaho Department of Education as fulfilling a research project requirement for high school seniors to graduate, an additional and substantial increase in competitors is being anticipated in grade 12. One staff member at the museum has been assigned part time duty to coordinate the program, along with carrying out all other duties related to education programs offered by the museum. There is an overdue need for an additional full-time education specialist to coordinate Idaho History Day and support other educational programs at the museum. Funding for basic operational needs have come primarily from fees charged to participant, but are not adequate to cover the cost of an additional staff member.

2. What resources are necessary to implement this request?

The request is for one full-time permanent education specialist to coordinate Idaho History Day and support other educational programs in place at the State Historical Museum.

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

One permanent education specialist at the Idaho History Museum (1 FTE; pay grade 38; full-time permanent; full benefits; hiring date of July 1, 2007 with no set time for position expiration).



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society

Agency No.: 522

FY 2008 Request

FUNCTION: Historic Preservation & Education

Function No.: 01

Page 2 of 2

ACTIVITY:

Activity No.:

Original Submission X or Revision No. \_\_\_\_

12.03

History Day Enhancement Project

Agency Priority R Ranking 3 of 6

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. Other than an adjustment in supervisory responsibilities by administrative personnel to coordinate individual work assignments for an expanded staff, there would be no shifting of duties within the agency. Existing operation, educators and students would benefit from adequate resources to better coordinate Idaho History Day and other services provided by the museum.

c. List any additional operating funds and capital items needed.

None directly related to this request.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests). Non-general funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

(See matrix above). All requested allocations for this request would come from General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded, who and what are impacted?

This request will impact all schools in Idaho serving grades 6 through 12, plus home schooled students in those grades, who are eligible to participate in the Idaho History Day competition, as well as receive information and services provided by the Idaho Historical Museum. In 2006 there were 1,213 Idaho students involved in IHD competition at the regional, state and national level. If this request is not funded, the ability to adequately coordinate Idaho History Day and provide appropriate services to the increasing number of participants will be in jeopardy.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society  
 FUNCTION: Historic Preservation & Education  
 ACTIVITY:

Agency No.: 522  
 Function No.: 01  
 Activity No.:

FY 2008 Request  
 Page 1 of 2  
 Original Submission X or Revision No. \_\_\_\_

12.04	Centennial Heritage Revitalization Initiative			Agency Priority Ranking 4 of 6	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	4.50				4.50
PERSONNEL COSTS:					
1. Salaries					0
2. Benefits					0
3. Group Position Funding	73,700				73,700
TOTAL PERSONNEL COSTS:	73,700	0	0	0	73,700
OPERATING EXPENDITURES by summary object:					
5700	18,000				18,000
2.					0
3.					0
4.					0
TOTAL OPERATING EXPENDITURES:	18,000	0	0	0	18,000
CAPITAL OUTLAY by summary object:					
6400	10,000				10,000
6200	125,000				125,000
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	135,000	0	0	0	135,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	226,700	0	0	0	226,700

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

In conjunction with the 2007 celebration that will take place during the centennial year of the agency's creation, the Historical Society proposes that a three-year Centennial Heritage Revitalization Initiative be funded to support a series of special projects that will deal with a growing backlog of preservation needs that exist throughout the various divisions of the agency. In essence, the initiative would mirror the original intent of the agency to preserve the heritage of Idaho by recognizing the importance of preserving our state's heritage. The request is intended to provide temporary staffing to work on needs that have continued to accumulate over several decades due to a lack of both staffing and funding for these activities.

2. What resources are necessary to implement this request?

To successfully implement the first year of a three-year project, the agency is requesting a General Fund allocation for Personnel Costs of \$73,725 for 4.5 temporary FTEs; \$135,000 in Capital Outlay; and \$18,000 in Operating Expense (for a total of \$226,725 in year one) Year two and year three will request \$350,000 in each year).

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

The first year of the initiative calls for the addition of 1 temporary professional museum curator (1.0 FTP, pay grade 38, full-time temporary, no benefits, expected 1 to 3 year service); 1 temporary professional archival conservator (1.0 FTP, pay grade 37, full-time temporary, no benefits, expected 1 to 3 year service), 1 professional archaeology conservator (1.0 FTP, pay grade 38, full-time temporary, no benefits, expected 1 to 3 year service); 1 temporary professional interpretive specialist (1.0 FTP, pay grade 36, full-time temporary, no benefits, expected 1 to 3 year service); and a part-time temporary office assistant (.5 FTP, pay grade 25, full-time temporary, no benefits, expected 1 or 2 year service) to accomplish the goals. All would be hired in July of 2007 for a one year period (with additional one year extensions depending on the specific position and funding availability for the second and third year of the initiative).

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. Other than an adjustment in supervisory responsibilities by administrative personnel to coordinate initiative projects in each division, there would be no shifting of duties within the agency. Existing operations and the public would benefit from access to resources made available in the material earmarked for processing by the additional temporary personnel.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society

FUNCTION: Historic Preservation & Education

ACTIVITY:

Agency No.: 522

Function No.: 01

Activity No.:

FY 2008 Request

Page 2 of 2

Original Submission X or Revision No. \_\_\_\_

12.04

Centennial Heritage Revitalization Initiative

Agency Priority Ranking 4 of 6

c. List any additional operating funds and capital items needed.

Equipment needed to accomplish goals of the initiative will include computers for the specialized tasks to be completed at the various divisions and locations of the Historical Society, including use to input the backlog of records, documents, artifacts, textiles, archaeological items and material, and oral histories. Supplies will include acid free paper, boxes, file folders, binders, and other archival and preservation supplies to protect and store these records and items for future generations. The capital expenditure for the Old Pen Visitor Entry restoration and repairs project would be coordinated by contract through the Division of Public Works.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests). Non-general funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

(See matrix above). All requested allocations for this item would come from General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded, who and what are impacted?

This first-year component will take place at sites where divisions of the Idaho State Historical Society are located. The State Historical Museum and its storage warehouse will be the location of artifact and exhibit restoration work. The Idaho History Center will be the home base for historic records and documents processing. It will also be the location for indexing and digitizing Japanese-American oral histories. The 1871 Assay Office will be used in conducting the preservation of the backlog of archaeological artifacts. The Old Idaho Penitentiary will be the base for creation of interpretive information and signage as well at the site of the restoration and repair work to deal with safety issues at the Old Pen Visitor Entry.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

HISTORICAL SOCIETY

Historic Sites Maintenance & Interpretation

ACTIVITY:

Agency No.: 522

Function No.: 04

Activity No.:

FY 2008 Request

Page 1 of 2

Original Submission X or Revision No. \_\_\_\_

12.04	Historic Property Preservation & Conservation			Agency Priority F Ranking 5 of 6	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. Repair & Maint. Services/Supplies	146,800				146,800
2.					
3.					
4.					
TOTAL OPERATING EXPENDITURES:	146,800				146,800
CAPITAL OUTLAY by summary object:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	146,800				146,800

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The request is being made for an allocation of additional resources from the General Fund to provide for the preservation and conservation of the historic sites of the State. In fiscal year 2001 the Historical Society began an effort to increase its maintenance and repair budget for buildings over a four-year period. Due to the holdbacks in fiscal year 2002, the sites maintenance appropriation of \$93,200 was reduced by \$31,000 and completely eliminated in fiscal year 2003. The agency was allocated \$93,200 for FY07 to restore the previous amount it had received five years earlier. The Society has three individuals assigned to maintenance and repair and is asking for no increase in personnel. The agency is responsible for repairing and maintaining historic sites around the State of Idaho. In addition to the Old Idaho Penitentiary Historic District in Boise, the Society maintains the Rock Creek Station and Stricker Homesite near Hansen, four structures at the Franklin Historic Site, the Pierce Courthouse Historic Site, the 1871 Assay Office in Boise, and the 1910 Bureau of Reclamation Building in Boise. All sites and structures continue to deteriorate without sufficient funds to see to their preservation and restoration to an appropriate condition.

2. What resources are necessary to implement this request?

According to State formula, an agency's budget should allocate a minimum of three percent of the value of buildings for which it is responsible to handle routine repairs and upkeep. The Division of Risk Management values the historical buildings, for which the Historical Society has responsibility, at more than \$8 million. That would require an allocation of \$240,000 to a building repair and maintenance budget to meet those guidelines. The current allocation is \$93,200.

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipates dates of hire, and terms of service.

No additional personnel are being requested in this decision unit.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. The Historic Sites Administrator, as well as two Maintenance Craftsmen, will continue to see that historic sites are restored and maintained with portions of the additional funds. In addition, time will be allocated from current hands-on work to identify and oversee contracting for some major projects, thus allowing increased work to be done on buildings without the addition of permanent staff. In other words, only new projects will be implemented that have been delayed due to the current lack of funding resources.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

HISTORICAL SOCIETY

Historic Sites Maintenance & Interpretation

ACTIVITY:

Agency No.: 522

Function No.: 04

Activity No.:

FY 2008 Request

Page of

Original Submission X or Revision No. \_\_\_\_

12.04

Historic Property Preservation & Conservation

Agency Priority R Ranking 5 of 6

c. List any additional operating funds and capital items needed.

All the additional \$146,800 requested would be allocated for expenditures related to dealing with the more than \$2 million backlog in maintenance and repair needs identified in the 2003 Site and Structure Status Report prepared on the 61 buildings for which the agency is responsible.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests). Non-general funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

(See matrix above). All requested allocations for this item would come from General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded, who and what are impacted?

Adequate maintenance and repair of state-owned buildings is of long-term benefit to all citizens of Idaho due to the reduced cost of major restoration or renovation that is likely to otherwise be required place later at a much greater expense. If this request for an additional \$146,800 is not funded for fiscal year 2008, the state-owned historic sites will continue to deteriorate, creating even more expensive restoration in the future, and the citizens of the State of Idaho will ultimately lose some important historic and cultural sites for visiting and utilizing.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society  
 FUNCTION: Historic Preservation & Education  
 ACTIVITY:

Agency No.: 522  
 Function No.: 01  
 Activity No.:

FY 2008 Request  
 Page 1 of 2  
 Original Submission X or Revision No. \_\_\_\_

12.06	CEMETERY PRESERVATION INITIATIVE			Agency Priority R Ranking 6 of 6	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	1.00				1.00
PERSONNEL COSTS:					
1. Salaries	34,000				34,000
2. Benefits	15,300				15,300
3. Group Position Funding					0
TOTAL PERSONNEL COSTS:	49,300	0	0	0	49,300
OPERATING EXPENDITURES by summary object:					
1. Computer Services	10,000				10,000
2. Professional Services	130,000				130,000
					0
					0
TOTAL OPERATING EXPENDITURES:	140,000	0	0	0	140,000
CAPITAL OUTLAY by summary object:					
1. Computer Equipment	6,000				6,000
2. Office Equipment	4,000				4,000
3.					0
4.					0
TOTAL CAPITAL OUTLAY:	10,000	0	0	0	10,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	199,300	0	0	0	199,300

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

The Cemetery Records Preservation Program is a three year, two-phase program that will provide the means for gathering and preserving valuable cemetery records – information that contains important data on the history of Idaho's communities. Phase I requires that cemeteries throughout the state be inventoried so that historic site information (including burial data, cemetery size and historical significance) can be gathered and then made available for use. Phase II provides for the establishment of a grant program that will assist individual cemeteries with development of both a computerized database of all burials in a particular cemetery and a computerized Geographic Information System (GIS) map showing grave locations. Cities, counties, cemetery districts, private cemeteries and others will be able to apply for grant money through this initiative. There is currently no staff and no funding for this proposal.

2. What resources are necessary to implement this request?

Implementing Phase I of the initiative and a portion of Phase II (issuing grants) will require an allocation of \$199,300 in fiscal year 2008, followed by a commitment of \$250,000 each in FY09 and FY10 for the remainder of Phase II (a total of \$700,000 over three years) .

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

One temporary professional grant/contact operations analyst (1.0 FTP, pay grade 38, full-time temporary, full benefits, expected 1 to 3 year service). Engineering and computer consultant needs would be done on a contractual basis.

b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted. Other than an adjustment in responsibilities by administrative personnel to supervise the additional temporary employee coordinating the initiative, there would be no shifting of duties within the agency. Existing operations (particularly within the Public Archives and Research Library Division) would benefit from the availability of a database for all statewide burial and family history information

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho State Historical Society  
FUNCTION: Historic Preservation & Education  
ACTIVITY:

Agency No.: 522  
Function No.: 01  
Activity No.:

FY 2008 Request  
Page 2 of 2  
Original Submission X or Revision No. \_\_\_\_

12.06

CEMETERY PRESERVATION INITIATIVE

Agency Priority R Ranking 6 of 6

c. List any additional operating funds and capital items needed.

Engineering/GIS consultant contracting of \$15,000 and contracted computer consulting of \$15,000 will be needed. Grant funds will be made available to local cemetery entities totaling \$100,000 in the first year. Operating expenditures of \$13,800 will be required to meet the needs for office equipment, communications, and travel.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests). Non-general funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

(See matrix above). All requested allocations for this item would come from General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded, who and what are impacted?

Governmental agencies and the public will benefit from the information that will be gathered, both in long range planning (as in routing decisions for transportation planning decisions) and as a research tool for students, historians, genealogists, and citizens studying family history.

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**AGENCY LINE ITEMS**  
**IDAHO COMMISSION FOR LIBRARIES**

**MOTION**

A motion to include for final FY 2008 budget development the following specific Line Items, in priority order, for the Idaho Commission for Libraries, as displayed on Page 69.

1. Read to Me @ \$207,200 (General Funds)

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Idaho Commission for Libraries**  
**FY 2008 Line Items**

			<b>FTP</b>	<b>General</b>	<b>Other Funds</b>	<b>Total</b>
1	<b>FY 2008 BASE (Information Only)</b>		<b>41.00</b>	<b>\$ 2,663,900</b>	<b>\$ 1,574,400</b>	<b>\$ 4,238,300</b>
2	<b>LINE ITEMS</b>					
3	<b>Priority</b>	<b>FY2008 Line Items</b>	<b>Detail</b>			
			<b>Page</b>			
4	<b>1</b>	<b>Read To Me</b>	<b>70-71</b>	<b>207,200</b>		<b>207,200</b>
5						
6	<b>Total Line Items</b>			<b>207,200</b>		<b>207,200</b>
7	<b>Percent Change From Base</b>			<b>7.78%</b>		<b>4.89%</b>

# BUSINESS AFFAIRS AND HUMAN RESOURCES

## AUGUST 9-11, 2006

### REQUEST BY DECISION UNIT

AGENCY: Idaho Commission for Libraries Agency No.: 521  
 FUNCTION: Function No.:  
 ACTIVITY: Activity No.:

FY 2008\_ Request  
 Page \_1\_ of \_2\_ Pages  
 Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.01		Descriptive Title: Read to Me			Agency Priority Ranking 1 of 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	20,000				20,000
2. Benefits	12,200				12,200
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	32,200	0	0	0	32,200
OPERATING EXPENDITURES by subobject:					
1. Educational materials	30,000				30,000
2. Professional services	30,000				30,000
3. Printing	25,000				25,000
4. Travel/supplies/surveys	15,000				15,000
TOTAL OPERATING EXPENDITURES:	100,000	0	0	0	100,000
CAPITAL OUTLAY by subobject:					
1.					
2.					
3.					
4.					
TOTAL CAPITAL OUTLAY:	0	0	0	0	0
T/B PAYMENTS:	75,000				75,000
LUMP SUM:					
GRAND TOTAL	207,200	0	0	0	207,200

B: 1. What is being requested and why? What is the agency current staffing level for this activity and how much funding by source is in the base?

Idaho Reading Indicator scores show many children entering kindergarten lack early literacy skills. Data from the past five years show that while subtle improvements have been made in skills of students entering kindergarten, those most at-risk students, including those who do not speak English, begin school far behind their counterparts. This funding request for the Read to Me program would focus on increasing kindergarten readiness among all children and maintaining or increasing reading skills during the summer months for early elementary students. It would establish and strengthen local libraries as centers for early literacy, parent education, and family support using the national Family Place library model.

The Idaho Commission for Libraries' (ICFL) mission is to "assist libraries to build the capacity to better serve their clientele". The project fits into the Commission's mission by providing leadership, training, print and electronic resources, seed money and incentive programs to encourage libraries to reach families with critical literacy needs. Libraries will use the funds to develop deposit collections and programs for daycares, bilingual materials, translation services, books in a bag projects, early literacy workshops for parents and care givers and other ways to expand outreach efforts in local communities to children in the 0-6 age range. Public and school libraries will work together to better meet the needs of all children by enhancing summer reading outreach efforts to involve more students in the early grades.

The program will focus on Idaho children 0-6 with at least one risk factor. Nearly half of all children entering kindergarten come from families with one or more risk factors, defined as: (1) having a mother with less than a high school education; (2) living in a family that received foods stamps or welfare payments; (3) living in a single-parent household; or, (4) having parents whose primary language is not English.

Although not all children who are at risk do poorly in school, those with risk factors are, on average, more prone to lower achievement. [From Entering Kindergarten: Findings from The Condition of Education 2000. National Center for Education Statistics, U.S. Department of Education] More than 15 percent of Idaho's children under the age of five are Hispanic. [Source: Hispanic Profile Data Book for Idaho, published by the Idaho Commission on Hispanic Affairs] All indications are that this population is projected to increase slightly in the next three years.

Idaho schools cannot currently serve children under five by law. While a few programs like Success by Six serve preschool age children, programs have long waiting lists and do not begin to meet the identified need. No other public institution focuses on summer reading. Idaho public libraries are established in 150 communities around the state and have programs that enhance early reading skills in a fun and inviting manner. Programs funded through the Read to Me line item request will utilize best practices to strengthen kindergarten readiness capabilities and allow libraries to reach more families.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

REQUEST BY DECISION UNIT

AGENCY: Idaho Commission for Libraries      Agency No.: 521  
FUNCTION:      Function No.:  
ACTIVITY:      Activity No.:

FY 2008\_ Request  
Page 2 of 2 Pages  
Original Submission \_\_\_\_ or Revision No. \_\_\_\_

A: Decision Unit No: 12.01	Descriptive Title: Read to Me	Agency Priority Ranking 1 of 1
----------------------------	-------------------------------	--------------------------------

B: Continued

Measurable performance criteria include:

- a significant increase (20%) in the number of Idaho children who are utilizing library resources in targeted areas;
- more libraries will establish or strengthen partnerships with schools and organizations serving families with children;
- more child care providers and parents in Idaho will use library resources and increase best practices in early literacy;
- more children will enter kindergarten with early literacy skills (as indicated by an increase in fall kindergarten IRI scores);
- families with children ages 0-6 in Idaho will be exposed to information about early literacy in a variety of locations; and,
- more children will participate in Idaho Summer Reading Programs.

As the Idaho Commission for Libraries expands development services to enhance the capacity of Idaho libraries to serve their customers, extended time of support services staff is required to provide a greater degree of ongoing assistance for professional staff. Adding a full time position will provide support services to our internal and external customers.

If not funded, parents will have fewer community resources to help them prepare their children for school. More at-risk children will continue to fall behind their peers.

Although not all children who are at risk do poorly in school, those with risk factors are, on average, more prone to lower achievement. [From Entering Kindergarten: Findings from The Condition of Education 2000. National Center for Education Statistics, U.S. Department of Education] More than 15 percent of Idaho's children under the age of five are Hispanic. [Source: Hispanic Profile Data Book for Idaho, published by the Idaho Commission on Hispanic Affairs] All indications are that this population is projected to increase slightly in the next three years.

Idaho schools cannot currently serve children under five by law. While a few programs like Success by Six serve preschool age children, programs have long waiting lists and do not begin to meet the identified need. No other public institution focuses on summer reading. Idaho public libraries are established in 150 communities around the state and have programs that enhance early reading skills in a fun and inviting manner. Programs funded through the Read to Me line item request will utilize best practices to strengthen kindergarten readiness capabilities and allow libraries to reach more families.

Measurable performance criteria include:

- a significant increase (20%) in the number of Idaho children who are utilizing library resources in targeted areas;
- more libraries will establish or strengthen partnerships with schools and organizations serving families with children; • more child care providers and parents in Idaho will use library resources and increase best practices in early literacy;
- more children will enter kindergarten with early literacy skills (as indicated by an increase in fall kindergarten IRI scores);
- families with children ages 0-6 in Idaho will be exposed to information about early literacy in a variety of locations; and,
- more children will participate in Idaho Summer Reading Programs.

As the Idaho Commission for Libraries expands development services to enhance the capacity of Idaho libraries to serve their customers, extended time of support services staff is required to provide a greater degree of ongoing assistance for professional staff. Adding a full time position will provide support services to our internal and external customers.

2. What resources are necessary to implement this request?

ICFL is requesting \$100,000 in operating; \$32,200 in personnel; and \$75,000 in trustee and benefits from the general fund for ongoing statewide program beginning in FY08.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)  
General Fund

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

If not funded, parents will have fewer community resources to help them prepare their children for school. More at-risk children will continue to fall behind their peers.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**INSTITUTION / AGENCY AGENDA**  
**AGENCIES AND INSTITUTIONS OF THE STATE BOARD**

**SUBJECT**

FY08 Capital Budget Requests

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Section V.B.8.c.

**BACKGROUND**

Capital projects are considered and recommended by the Permanent Building Fund Advisory Council (PBFAC), so the capital projects request process is separate from the operating budget request process. The PBFAC (staffed by the Division of Public Works (DPW)), has several major areas of focus: new, renovated or remodeled projects; Americans with Disabilities Act (ADA) projects; asbestos abatement/removal, and building demolition. The State Board of Education reviews and prioritizes major capital projects (as defined by DPW) only, and the DPW staff determines priorities for the remaining areas, such as renovations/remodels.

Major capital projects approved by the State Board of Education are forwarded to the Permanent Building Fund Advisory Council, which reviews and prioritizes all capital projects statewide. The legislature appropriates funds to DPW specifically for major capital projects and makes available funding for renovation and repair and other projects statewide. The Governor also makes a recommendation regarding major capital projects to the legislature.

In the last few years the Board has chosen to not prioritize or recommend any capital facilities to the Permanent Building Fund, requesting that all funding efforts be directed primarily toward Alternation & Repairs, asbestos abatement, etc.

**DISCUSSION**

Institutions and agencies have prepared and submitted their FY 2008 capital budget requests to the Board office and DPW, as shown on Page 3.

**IMPACT**

Only Board-approved major capital projects can be forwarded to the PBFAC. The PBFAC, Governor and Legislature will then be informed of the Board's emphasis based upon the priorities indicated (if any), at the Board's discretion.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**

**AGENCIES AND INSTITUTIONS OF THE STATE BOARD - continued**

**STAFF COMMENTS AND RECOMMENDATIONS**

Projects listed on the following schedule have been prioritized by each institution or agency. Many of these projects were included in the FY 2007 institution request list.

During its 2003 session, the Idaho Legislature approved a slate of projects that were funded by bonds issued by the State Building Authority, commonly referred to as the "bonded projects". Because of that new construction, there were no capital projects requested by the Board for either FY 2005 or FY 2006. There was a general understanding that bonding and constructing several new facilities now was better than having one new educational building each year spread over several years. These bonds will be paid off by annual revenues into the PBFAC.

During the past three years the PBFAC has placed its emphasis on Alteration & Repairs because of the significant backlog in all agencies and institutions. For FY 2008 the PBFAC might choose to recommend one or several major facilities if they were extremely critical. Doing so would cause fewer funds to be recommended for Alteration & Repair projects or other items.

Board action could be to recommend some or all of the projects to the Permanent Building Fund Advisory Council for consideration at its October 2006 meeting, or to recommend no major capital facilities for FY 2008 and have the PBFAC concentrate upon Alteration and Repair and other non-major projects. Previous discussions of the Board have concluded that a project's past ranking on any list should not influence future decisions about where that project should be ranked. Another option available to the Board is to recommend a portion of a project or projects, for planning and design in FY 2008.

Staff recommends the Board recommend to the PBFAC that it continue to concentrate on Alteration and Repair and other non-major capital projects for FY 2008.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**AGENCIES AND INSTITUTIONS OF THE STATE BOARD - continued**

**BOARD ACTION**

This item is for informational purposes only. Any action, including prioritizing the major capital projects requested, will be at the Board's discretion.

**SAMPLE MOTION, IF NEEDED:**

A motion to recommend to the Permanent Building Fund Advisory Council the following major capital project(s), in priority order, for consideration in the FY 2008 budget process, and to forward, for information purposes only, the current list of projects to the Permanent Building Fund Advisory Council so it is aware of the ongoing needs of the institutions.

1. \_\_\_\_\_ <select from Tab 12f, Page 5>
2. \_\_\_\_\_ “
3. \_\_\_\_\_ “
4. \_\_\_\_\_ “

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

**State Board of Education**  
**FY08 Major Capital Request Summary**  
**(\$ in 000's)**

Board Priority	Institution/Agency & Project	Detail Page	Total Project Cost		FY 2008 Request
			Perm. Building Fund	Total Funds	
1	<b>Boise State University</b>				
2	Center for Environmental Science & Economic Development	7	20,300.0	20,300.0	15,000.0
3	<b>Idaho State University</b>				
4	Addition to and Renovation of the Life Science Complex	11	32,996.0	32,996.0	32,996.0
5	Idaho Museum of Natural History Building	14	25,338.0	25,338.0	25,338.0
6	Addition to Family Medicine Clinic	18	8,724.0	8,724.0	8,724.0
7	<b>University of Idaho</b>				
8	East Campus Chilled Water Production Plant	21	4,500.0	4,500.0	4,500.0
9	Science & New Technologies Laboratory/Interdisciplinary Research				
	& Education Facility (Planning/Pre-Design)	27	3,111.0	62,223.0	3,111.0
10	Northern Idaho Classroom/Office Facility (Planning/Pre-Design)	31	400.8	8,000.0	400.8
11	<b>Lewis-Clark State College</b>				
12	Health Science Building	35	16,000.0	16,000.0	16,000.0
13	Coeur D'Alene Center	36	3,500.0	3,500.0	3,500.0
14	Upgrade and Renovation of Administration Building- Phase I				
	(Silverthorne Theatre)	37	1,000.0	1,000.0	1,000.0
15	Renovation of Spalding Hall	38	2,500.0	2,500.0	2,500.0
16	Upgrade and Renovation of Administration Building- Phase II				
	(Offices and Classrooms)	39	3,500.0	3,500.0	3,500.0
17	Remodel and Expansion of Old Science Building	40	1,960.2	1,960.2	1,960.2
18	Renovation and Purchase of New Music Building	41	808.5	808.5	808.5
19	<b>College of Southern Idaho</b>				
20	Health Sciences and Human Services Building	43	21,111.6	21,111.6	21,111.6
21	<b>North Idaho College</b>				
22	Seiter Hall Remodel	47	3,950.0	3,950.0	3,950.0
23	Property Acq. and Development for Education Corridor	48	6,527.3	6,527.3	6,527.3
24	Professional Technical Building	49	14,028.5	14,028.5	14,028.5
25	<b>Eastern Idaho Technical College</b>				
26	Construct parking lot for new Health Care Bldg	51	865.5	865.5	865.5
27	Renovate Technical Building #2	52	940.5	940.5	940.5
28					
29					
30	<b>Total</b>		\$ 172,061.9	\$ 238,773.1	\$ 166,761.9

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**Project Title:** Center for Environmental Science and Economic Development,  
Boise Campus

**Institution/Agency:** Boise State University

---

**Brief Description:** The proposed building will support education, research, and outreach involving environmental science and economic development. The facility will be the first new science and engineering building to be located in the southeast expansion zone consistent with the 2005 Campus Master Plan. The building will be adjacent to the Engineering Technology building, the Micron Engineering Center, and the Harry Morrison Laboratory. The building will have science and engineering laboratories and the layout of the building will promote collaboration between scientists and engineers on important research problems. Laboratories and work areas will be an open design with state-of-the-art flexibility to permit rapid and inexpensive reconfiguration in response to changes in research participants, project needs, and extramural funding.

**Project Scope:** 45,000 **NASF** 70,500 **GSF**

**Estimated Total Cost:** \$24,000,000

**Date Approved by State Board of Education:** June 2006, SBOE approved increase in budget for planning and through design development of \$1,680,000

---

*Source of Construction Funds (by fund source and amount):*

**Total Project Cost**

<b><u>Fund Source</u></b>	<b><u>Amount</u></b>
HUD Grants	\$6,000,000
Permanent Building Fund	\$15,000,000
Private Funding	\$3,000,000

**Previous Appropriations**

<b><u>Fund Source</u></b>	<b><u>Amount</u></b>
N/A	N/A

**Budget Year Request**

<b><u>Fund Source</u></b>	<b><u>Amount</u></b>
Permanent Building Fund	\$15,000,000

## **1. PROJECT DESCRIPTION AND JUSTIFICATION**

The proposed building will be the first new science and engineering building to be located in the southeast expansion zone consistent with the 2005 Campus Master Plan. The building will be adjacent to the Engineering Technology building, the Micron Engineering Center, and the Harry Morrison Laboratory. Eventually, the southeast expansion zone will support a science and engineering complex designed to promote interdisciplinary research, education, and outreach. Each building of the complex will have science and engineering laboratories and facilities appropriate to certain themes, while departmental culture will be preserved in office clusters. The layout of buildings will promote collaboration between scientists and engineers on important research problems, and will include an expansion plan to accommodate new science and engineering facilities consistent with future needs. Laboratories and work areas will be an open design with state-of-the-art flexibility to permit rapid and inexpensive reconfiguration in response to changes in research participants, project needs, and extramural funding.

The proposed building closely fits the requirements of federal (HUD) funding that will partially pay for the project. The HUD funding is awarded to support design and construction of a facility for education, research, and outreach involving environmental science and economic development. The idea is to contribute to the resolution of long-term environmental issues with the understanding that such issues present scientific, technical, legal, economic, historical, political, and ethical dimensions. Contemporary examples include mitigation of noxious weeds, protection of biodiversity, removal of natural and anthropogenic contaminants from groundwater, prediction of climate change, safe extraction of mineral and energy resources, and long-term storage of hazardous materials. Because of the complexity of environmental issues, work on them is most effectively carried out in a facility that promotes close collaboration within a diverse array of independent disciplinary experts. Boise State University is an optimum setting for a facility of this type because of its close proximity to state and federal agencies, emphases in engineering, business, and the social sciences (especially public policy), and a broad array of academic and research programs in the sciences.

Since no single facility can comprehensively address all environmental issues, academic and research activities in the proposed building will focus on geoenvironmental problems. The building will bring together faculty and students from hydrology (surface and ground water), civil and environmental engineering, transportation, near-surface geophysics, biogeochemistry, surficial processes, geology, public policy and administration, and political science. Preliminary analyses indicate that the building can house all of geosciences, all of public policy and political science, all of the civil engineering faculty and staff, and a significant number of new civil engineering labs to supplement those in the nearby Harry Morrison Laboratory. The building will promote better collaboration between scientists and engineers working on Earth systems, house a department with two Ph.D. programs, encourage direct interaction between environmental policy experts and geoscientists and civil engineers, and relocate the fledgling energy policy group to be near engineers and scientists working on alternative energy (wind, hydrogen, and geothermal especially).

Enrollment at Boise State University has grown by an average of 3.2 percent per year over the past five years, and that rate of increase is projected to continue into Fall 2005 and beyond. Graduate enrollment, specifically, has grown an average of 6 percent per

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

year and could experience double-digit increases next year. The headcount at Boise State University in Fall 2005 was 18,599. If this enrollment figure were extrapolated at a 1% annual growth rate to the end of the decade (Fall 2010), enrollment would reach 19,350. Furthermore, trends show that students are increasingly taking more credit hours. Full-time equivalent (FTE) enrollment is expected to increase from 13,513 in Fall 2005 to 14,800 by Fall 2010.

Boise State University currently has 1,167,404 net assignable square feet (NASF) of academic space. This amounts to 87.48 NASF/FTE, based on Fall 2005 enrollment data. The national benchmark (average) for the ratio of net assignable square feet of academic space to full-time equivalent enrollment is 100 NASF/FTE. By this benchmark, Boise State University currently has a deficit of 167,096 NASF.

Boise State University is funding the construction of the Interactive Learning Center on the Boise Campus. The Interactive Learning Center will provide approximately 35,000 NASF of additional academic space. By the end of the decade (Fall 2010), the deficit of net assignable square feet of academic space will increase to 295,000 NASF, if the University's enrollment continues to increase at its projected annual growth rate of 1 percent.

## **2. PROJECT COMPONENTS**

This proposed facility blends academic and research units from the geosciences, civil engineering, public policy, and political science. The new building will support academic programs in these disciplines, and promote interdisciplinary research and community outreach on environmental problems related to complex natural and engineered Earth systems, including associated public policy and economic development issues. Program elements for this project includes teaching laboratories, classrooms, research laboratories, faculty offices, offices for lab technicians, administrative and staff offices, and office space for graduate students.

## **3. ALTERNATIVES**

Modular classroom buildings could be utilized to provide additional classrooms and offices, but the use of these temporary structures should only be considered to meet the short-term needs for the institution. It would not be prudent to utilize modular buildings for research or class laboratory space. The University has purchased land in the expansion zone to accommodate this new facility. Investing in temporary modulares would not be cost effective nor would it meet academic and research needs.

## **4. VACATED SPACES**

In addition to providing up-to-date laboratory, classroom, and office space for the Department of Geosciences and other academic departments, this project would permit the department to vacate some space it currently occupies in the Mathematics/Geosciences Building. These spaces would be made available to meet the critical classroom and faculty office space needs of the Mathematics Department and the University at large (since these uses do not require the laboratory infrastructure required by Geosciences).

**THIS PAGE INTENTIONALLY LEFT BLANK**



SET A  
PROJECT APPROVAL FORM  
PROJECT SUMMARY

Project Title: **Renovation of the Life Science Buildings**

Institution/Agency: Idaho State University

Brief Description: Renovation of the four buildings in the Life Science Complex and Addition to LS-A

Project Scope:

Net Assignable Square Feet: 94,340  
Gross Square Feet: 147,626

Estimated Total Cost: \$32,996,000

---

Source of Construction Funds (by fund source and amount):

Total Project Cost

<u>Fund Source</u>	<u>Amount</u>
PBFAC	\$32,996,000

Previous Appropriations

<u>Fund Source</u>	<u>Amount</u>
PBFAC	0

Budget Year Request

<u>Fund Source</u>	<u>Amount</u>
PBFAC	\$32,996,000

**Project Title: Renovation of the Life Science Buildings**

**Institution: ISU**

**1. Project Description and Justification:**

The four science buildings of the Life Science Complex were constructed in 1970 and have served as science classrooms and laboratories for the health professions and the biological sciences. The buildings are structurally sound but the interiors are functionally obsolete.

With the University's health care mission, biological and other health care centers are developing and require additional laboratory space. This project will add 40,000 sq ft of new space to the complex.

The interior spaces will be renovated to correct electrical and mechanical code problems and the classrooms and laboratories will be remodeled to modern teaching and research standards.

The project will also remove the asbestos from the Nursing Building. There is asbestos sprayed under all floors and in the air plenums.

**2. Functional and/or Design Characteristics or Type of Work to be Undertaken:**

The interior of the four buildings will be renovated to bring classrooms and laboratories up to modern standards. All code problems will be corrected and the electrical and mechanical systems will be renovated.

Asbestos will be removed from the Nursing Building as part of this project.

**3. Alternatives:**

The buildings need to be renovated. The alternative would be to construct new buildings.

**4. Vacated Space:**

No space will be vacated.

## CAPITAL PROJECT COST AND FUNDING SOURCE SUMMARY

Project Title: **Renovation and Addition to the Life Science Buildings**

Building Statistics:

NASF: 94,340

GSF: 147,626

Ratio of Net to Gross: 64%

	Estimated Total Cost	Prior to Budget Year	Budget Year FY 07	2nd Year FY 08	3rd Year FY 09	4th Year FY 10
<b>Project Summary:</b>						
A. Arch. & Engr.(Planning)	\$2,520,000	0	\$2,520,000			
B. Asbestos Abatement Arch/Engr Hygienist Fees.	\$50,000		\$50,000			
Subtotal, Arch & Engr.	\$2,570,000		\$2,570,000			
C.Land Acquisition	0		0			
D.Asbestos Abatement	\$1,950,000		\$1,950,000			
E.Construction:	\$25,200,000	0	\$25,200,000			
F.Furnishings/Moveable Equipment:	\$2,016,000		\$2,016,000			
G. Contingency (5%)	\$1,260,000		\$1,260,000			
<b>TOTAL PROJECT REQUEST:</b>	<b>\$32,996,000</b>	<b>0</b>	<b>\$32,996,000</b>			
<b>SOURCE OF FUNDS:</b>						
Permanent Building Fund	\$32,996,000					
General Education						
Federal						
Bond Sale						
Bond Reserves						
Parking						
Housing food Service Revenue						
Other						
<b>TOTAL:</b>	<b>\$32,996,000</b>					
<b>IMPACT ON OPERATING BUDGET:</b>						
UTILITIES	Reduced					
CUSTODIAL	No Change					
REPAIRS & MAINTENANCE	No Change					

SET A

PROJECT APPROVAL FORM

PROJECT SUMMARY

Project Title: **New Idaho Museum of Natural History Building**

Institution/Agency: Idaho State University

Brief Description: This project will construct a new Idaho Museum of Natural History Building on the Idaho State University Campus

Project Scope:

Net Assignable Square Feet:	75,000
Gross Square Feet:	100,000
Estimated Total Cost:	\$25,338,000

---

Source of Construction Funds (by fund source and amount):

Total Project Cost

<u>Fund Source</u>	<u>Amount</u>
PBFAC	\$25,338,000

Previous Appropriations

<u>Fund Source</u>	<u>Amount</u>
PBFAC	0

Budget Year Request

<u>Fund Source</u>	<u>Amount</u>
PBFAC	\$25,338,000

**Project Title:** New Idaho Museum of Natural History Building

**Institution:** ISU

**1. Project Description and Justification:**

Founded in 1934, the Idaho Museum of Natural History is situated on the Idaho State University Campus. The museum was established to collect and preserve the natural and cultural heritage of the region. In 1986, the state legislature designated the Idaho Museum of Natural History as the state museum of natural history.

Currently, the Idaho Museum of Natural History maintains over 400,000 specimens and artifacts in the collecting disciplines of anthropology, earth sciences and life sciences. The museum has an active education program as well as changing exhibits. The museum is accredited by the American Association of Museums.

The museum is currently housed in 38,000 gsf of a building that was constructed as the university library in 1954. There is not sufficient space for the museum to adequately prepare, catalog, store, research, and display the materials the State of Idaho has charged them with collecting and researching. Much of the space they have is not adequate for storing artifacts.

To adequately accomplish the mission given to the Idaho Museum of Natural History by the people of Idaho, a new building must be constructed to preserve, increase and disseminate knowledge of the natural history of the State of Idaho and the Northern Intermountain West and, by doing so, to enhance in the citizens of Idaho and visitors an understanding of the delight in their natural heritage. The new facility will also allow the faculty of the College of Education to give education students experience in the teaching of informal science education courses. The building will serve as a Science Education Center on the ISU campus.

This project will construct a 100,000 GSF building on Idaho State University property located on the southeast section above Bartz Field. The building will be constructed in such a way that additions can be easily added as private or federal funds become available in the future. It is estimated that the final museum building will be over 200,000 gsf.

**2. Functional and/or Design Characteristics or Type of Work to be Undertaken:**

This building will be constructed south of Bartz Field, adjacent to the University's performing arts center. It will be constructed of materials that compliment the natural environment of the area and the architectural character of the performing arts center.

The building will have classrooms, offices, collection preparation and research, storage, and display areas. The building will serve as the Idaho Museum of Natural History and as a Science Education Center for the ISU campus.

The design of the building must meet the standards established by the American Association of Museums.

Set A

Project Approval Form **New Idaho Museum of Natural History Building**

3. **Alternatives:**

The alternative is to continue operating in the existing space. This space is not adequate for the Idaho Museum of Natural History to meet its mission as established by the people of Idaho.

4. **Vacated Space:**

The space vacated by the Idaho Museum of Natural History will be used to consolidate student services and enrollment management.

Set A  
Project Approval Form

# CAPITAL PROJECT COST AND FUNDING SOURCE SUMMARY

Project Title: **New Idaho Museum of Natural History Building**

Building Statistics:  
NASF: 75,000  
GSF: 100,000  
Ratio of Net to Gross: 75%

	Estimated Total Cost	Prior to Budget Year	Budget Year FY 07	2nd Year FY 08	3rd Year FY 09	4th Year FY 10
<b>Project Summary:</b>						
A. Arch. & Engr.(Planning)	\$2,060,000	0	\$2,060,000			
B. Asbestos Abatement Arch/Engr Hygienist Fees.	0		0			
<b>Subtotal, Arch &amp; Engr.</b>	<b>\$2,060,000</b>		<b>\$2,060,000</b>			
C.Land Acquisition	0		0			
D.Asbestos Abatement	0					
E.Construction:	\$20,600,000	0	\$20,600,000			
F.Furnishings/Moveable Equipment:	\$1,648,000		\$1,648,000			
G. Contingency (5%)	\$1,030,000	0	\$1,030,000			
<b>TOTAL PROJECT REQUEST:</b>	<b>\$25,338,000</b>		<b>\$25,338,000</b>			
<b>SOURCE OF FUNDS:</b>						
Permanent Building Fund	\$25,338,000		\$25,338,000			
General Education						
Federal						
Bond Sale						
Bond Reserves						
Parking						
Housing food Service Revenue						
Other						
<b>TOTAL:</b>	<b>\$25,338,000</b>		<b>\$25,338,000</b>			
<b>IMPACT ON OPERATING BUDGET:</b>						
UTILITIES	\$115,000					
CUSTODIAL	\$66,077					
REPAIRS & MAINTENANCE	\$300,000					

SET A  
PROJECT APPROVAL FORM  
PROJECT SUMMARY

Project Title: **Addition to the Family Medicine Clinic**

Institution/Agency: Idaho State University

Brief Description: This project will add a 25,000 gsf addition to the Family Medicine Clinic

Project Scope:

Net Assignable Square Feet:	18,750
Gross Square Feet:	25,000
Estimated Total Cost:	\$8,724,000

---

Source of Construction Funds (by fund source and amount):

Total Project Cost

<u>Fund Source</u>	<u>Amount</u>
PBFAC	\$8,724,000

Previous Appropriations

<u>Fund Source</u>	<u>Amount</u>
PBFAC	0

Budget Year Request

<u>Fund Source</u>	<u>Amount</u>
PBFAC	\$8,724,000



**Project Title: Addition to the Family Medicine Clinic**

**1. Project Description and Justification:**

This project will add an addition to the Family Medicine Clinic located on upper campus. The current building houses the Family Medical and Dental Residency Programs. The IDEP and Dental Hygiene programs are located on lower campus in two buildings that were converted to the present use. One building is the old LDS Institute constructed in 1929, and the other was a small dormitory constructed in 1954.

The Dental Hygiene and IDEP programs will be moved into the new addition to consolidate the programs, which will allow the programs to share personnel and equipment. Putting these programs together will make much better use of space and resources.

Operating costs will be reduced with the removal of the two older buildings.

**2. Functional and/or Design Characteristics or Type of Work to be Undertaken:**

The addition will be added to the north side of the Family Medicine Clinic. The design and site will compliment the existing building.

The addition will have offices, dental clinic teaching spaces and dental hygiene training and practical experience laboratories. It will be designed to provide students with modern clinical experience.

**3. Alternatives:**

The alternative it to continue using the two existing buildings. West Hall, the old dormitory, is in need of extensive repairs that will be required within the next five years if the building is to continue in operation. The floors on the east and west wings are settling and severe cracking is occurring.

**4. Vacated Space:**

West Hall will be removed. The Dental Arts Building will be evaluated for potential use and will continue service if the cost of renovation is not too high.

CAPITAL PROJECT COST AND FUNDING SOURCE SUMMARY

Project Title: **Addition to the Family Medicine Clinic**

Building Statistics:  
NASF: 18,750  
GSF: 25,000  
Ratio of Net to Gross: 75%

	Estimated Total Cost	Prior to Budget Year	Budget Year FY 07	2nd Year FY 08	3rd Year FY 09	4th Year FY 10
<hr/>						
Project Summary:						
A. Arch. & Engr.(Planning)	\$710,700	0	\$710,700			
B. Asbestos Abatement Arch/Engr Hygienist Fees.	0					
Subtotal, Arch & Engr.	\$710,700		\$710,700			
C. Land Acquisition	0		0			
D. Asbestos Abatement	0		0			
E. Construction:	\$7,107,000	0	\$7,107,000			
F. Furnishings/Moveable Equipment:	\$569,000		\$569,000			
G. Contingency (5%)	\$355,300		\$355,300			
<b>TOTAL PROJECT REQUEST:</b>	<b>\$8,742,000</b>	<b>0</b>	<b>\$8,742,000</b>			
<hr/>						
SOURCE OF FUNDS:						
Permanent Building Fund	\$8,742,000					
General Education						
Federal						
Bond Sale						
Bond Reserves						
Parking						
Housing food Service Revenue						
Other						
<b>TOTAL:</b>	<b>\$8,742,000</b>					
<hr/>						
IMPACT ON OPERATING BUDGET:						
UTILITIES		Reduced with the removal of the dental clinic				
CUSTODIAL		No Change, existing staff				
REPAIRS & MAINTENANCE		No Change, existing staff				

# OFFICE OF THE STATE BOARD OF EDUCATION

## SET A

### PROJECT SUMMARY

**Project Title:** East Campus Chilled Water Production Plant Construction/Installation

**Institution/Agency:** University of Idaho

**Brief Description:**

To meet the strategic goals of the university, expectations and demands of students, faculty, and other partners and constituents, many university instructional and research programs are operating on a twelve-month basis rather than the traditional nine-month model. This situation requires cooling capacity on-demand year around in order to provide educational and research environments conducive to learning and supporting operation of sensitive computer and laboratory equipment.

The East Campus Chilled Water Production Plant project is the third in a series of facilities developed on campus to provide chilled water production capacity in support of building and process cooling needs across campus. This approach to providing chilled water was identified and recommended in a comprehensive infrastructure study for campus funded by the Permanent Building Fund and prepared by CH2M Hill Engineers in 1991. The CH2M Hill study found that there were significant long term and life cycle cost savings to be realized by utilizing central production plants operating steam absorption chillers as opposed to individual building scale chillers for the delivery of building and process cooling capacity.

As currently designed, plant capacity within the two existing campus chilled water production facilities totals 4,510 tons of cooling. Additional projects are either currently funded, or in planning and design, to install chillers in these plants taking them to full capacity. Physical space limitations at those two existing chilled water production plants prevent expansion in their current locations to provide additional bays for additional chillers. At the same time, building projects and substantial renovations are either in construction or in planning and design that will require additional cooling capacity bringing the total central plant system cooling demand to approximately 4,600 tons. This situation will leave the university without any excess capacity or back up capacity in the central cooling system. In addition, new building initiatives and major renovations identified in the university's Six Year Capital Improvement Plan and Long Range Campus Development Plan (LRCDP) will not have access to central cooling capacity without development of the new plant.

**Project Scope:**

**NASF**

**GSF**

Production Plant Building Construction  
(includes a minimum of three large  
chiller bays and two-three small, process  
load chiller bays)

8,750

10,500

- Installation of an initial 750 ton chiller
- Appropriate distribution headers and control systems as required
- Construction of approximately 630 feet of tunnel & installation of steam and chilled water lines.
- Minor revisions to existing infrastructure to allow the proposed plant to be constructed on the identified site

**Estimated Total Cost:**

\$4,500,000

**Date Approved by State Board of Education:**

First request, August 1998 (FY 00)

Second request, July 1999 (FY 01)

Third request, July 2000 (FY 02)

**NOTE:** For the FY 03 through FY 07 requests, the scope of this request was included Set A Document for the Lionel Hampton Center Education, Preservation and Performance Facility

Fourth, individual request, July 2006 (FY 08)

---

*Source of Construction Funds (by fund source and amount):*

**Total Project Cost**

Fund Source

Amount

Permanent Building Fund

\$4,500,000

**Previous Appropriations**

Fund Source

Amount

NA

0

**Budget Year Request**

Fund Source

Amount

Permanent Building Fund

\$4,500,000

**1. PROJECT DESCRIPTION AND JUSTIFICATION**

In 1991 CH2M Hill Engineers prepared a study, funded by the Permanent Building Fund, evaluating options for delivering chilled water to university facilities. This study came in response to mounting concern from faculty, students, and administration regarding critical cooling needs for campus buildings. This need addresses the fact that many campus programs are twelve-month and that technology use requiring cooling is pervasive. This study was a

component of the 1991 Power Plant Critical Maintenance Upgrade Study and a companion to the 1990 Water Systems Improvement Plan and the 1991 Power Distribution Study also prepared by CH2M Hill Engineers. These studies have provided the data and recommendations necessary for the university to systematically upgrade critical infrastructure elements in an efficient, cost effective and timely manner. These studies were further refined, updated, and brought current in 1997 by CH2M Hill as a part of a Utility Infrastructure Review and Assessment report funded by the university.

In their study, CH2M Hill evaluated the two primary means of delivering chilled water to buildings for building and process cooling needs. These two alternate means were central chilled water production and distribution and the use of independent, building scale chillers. CH2M Hill found that the development and use of centralized production facilities for chilled water production was significantly more cost effective than relying on independent, building scale systems, especially when life-cycle cost modeling was used.

As a result of the CH2M Hill study, the university, in partnership with the Division of Public Works, has followed the strategy recommended in the study and developed central chilled water production capacity rather than relying on independent building scale chiller systems. To date, two central chiller plants have been developed. The first chiller plant was developed as an addition to Renfrew Hall. All chiller bays of this plant are now full. The plant has three medium sized steam absorption chillers and one process chilled water chiller and provides a total capacity of 1,275 tons. The second chiller plant was developed in space formerly occupied by coal storage in the university's power plant. It has a maximum design capacity of 3,210 tons and all chiller bays are now filled with operational chillers via PBF allocations in FY 99, FY 00 and FY 01.

The combined capacity of the two existing plants currently provides chilled water for building and process cooling in the following buildings:

- Library;
- Renfrew Hall;
- Agricultural Science 1951 Wing;
- College of Forestry Building (Natural Resources);
- Engineering/Physics Building;
- Engineering/Physics Renovations;
- Idaho Commons;
- Agricultural Biotechnology Laboratory;
- Teaching and Learning Center (University Classroom Center Renovation);
- College of Business and Economics;
- Student Recreation Center;
- and Buchanan Engineering Laboratory.

The university has already realized several benefits of adopting this approach to the delivery of chilled water. The university has saved maintenance costs on the building systems converted to the central chilled water production system and the per unit cost to produce the chilled water for each building compared to the cost of production from the independent systems has also decreased. A secondary benefit with this approach is that the university currently has capacity in the system to pick up the cooling loads for buildings should an independent building scale system fail. Such an instance occurred in the summer of 1996 when a stand-alone chiller at the Agricultural Sciences complex failed. The university was able to make connection to the central chilled water distribution system at a cost less than providing a replacement stand-alone chiller.

Operation and maintenance costs at the Ag. Science complex are now lower as the result of the elimination of one stand-alone chiller. The university anticipates additional operational and maintenance savings, as further reductions in the numbers of stand-alone chillers occur campus wide.

Another important consideration in choosing to adopt this approach to the delivery of chilled water is that cooling loads have greatly increased with the marked increase in use of computer technology and laboratory facilities. The university functions on a twelve-month basis today to meet the demands and expectations for instructional access and for the operation of research and extension activities. Approximately one-third of the university's fall/spring semester enrollment typically carries over to summer session courses taught on campus. It is important to provide and maintain instructional environments that are conducive to learning. One of the most requested items heard from instructors, researchers, and students participating in summer session courses and activities is the need to meet and work in a comfortable environment. Temperature control is an important component of meeting this need.

Additionally, most research programs continue operating during the summer and in some disciplines, actually increase in activity. As research programs and equipment usage continue to become more sophisticated and complex, cooling demands increase. It is vital to the operation of these programs to have consistent cooling available at all times. The CH2M Hill study found that the use of central production and distribution facilities providing the required redundancy is the most efficient method to maintain these cooling levels.

As indicated above, the CH2M Hill study found that the operation of central chilled water production facilities is much more cost effective than operation of independent chillers serving separate buildings. The university is placing great emphasis on effective and efficient management of operations as a strategy to make the best use of available operating funds. In addition, implementation of the university's strategic plan and the Long Range Campus Development Plan (LRCDP) rely heavily on efficient operation and creative approaches to service delivery. Development of the third chilled water production plant is consistent with these operating principles.

## **2. PROJECT COMPONENTS**

Development of the East Campus Chilled Water Production Plant includes construction of the production building (10,500 gsf) to provide space to house three 750 ton steam absorption chillers and up to three 100 ton or smaller steam absorption chillers. It includes the purchase and installation of the first 750 ton chiller and associated manifolds and controls. In addition, approximately 650 feet of utility tunnel will be constructed from the project site north of Idaho Avenue and east of Ash Street along Idaho Avenue to Line Street where it will tie in with an existing utility tunnel leading to the campus power plant. Chilled water supply, return, and distribution piping will also be installed from the new plant to existing lines in the Line Street tunnel connecting the new production plant to the existing production and distribution system. Valves and tees will be provided in the steam distribution, condensate return, and chilled water distribution and return lines as necessary and required to accommodate future loops and improvements in these systems.

### 3. ALTERNATIVES

Three alternatives, including no action, were evaluated during development of this request. The university's adopted alternative is to construct the new chilled water production plant and install the initial 750 ton chiller and construct the utility tunnel and install the piping linking the new plant with the existing central production and distribution systems.

#### Alternative 1 (Adopted): Construction of Production Plant & Installation of the Initial 750 ton Chiller and Tunnel Construction/Piping Installation

This alternative involves the construction of the new chilled water production plant, installation of the initial 750 ton chiller, construction of the utility tunnel from the plant to the existing utility tunnel and installation of the associated piping connecting the new plant with the existing production and distribution system. This alternative provides 750 tons of capacity that immediately provides system backup capacity and sufficient expansion capacity to handle demands from new building projects and substantial renovations identified in the mid-term years of the university's Six-Year Capital Improvement Plan. Development identified for the later-term of the Six-Year Capital Improvement Plan would be served by the installation of a second 750-ton chiller in the proposed plant. This approach is the most cost-effective long-term means of providing chilled water to buildings on campus. This alternative is the preferred and adopted approach to providing the needed expanded capacity for chilled water production for building and process cooling needs on campus.

#### Alternative 2: Rely on Individual Building Chilled Water Production Systems and the Existing Central Chilled Water Production System to Meet Future Demand for Chilled Water

This alternative involves reliance on the existing central chilled water production system and on the installation of individual building scale chillers in new buildings and in buildings substantially renovated to meet the demand for chilled water for building and process cooling. The existing central chilled water production system will be at full designed capacity with the completion of projects currently in planning and design or in the queue for funding. There would be no backup capacity provided in the central system under this alternative. In addition, the CH2M Hill study clearly determined that central production of chilled water for building and process cooling using steam absorption chillers is significantly more cost effective and reliable than using individual building chiller systems. For this reason, this alternative is not favored.

#### Alternative 3: No Action

This alternative implies the reliance on current levels of cooling in existing buildings and the limited installation of cooling capability in new buildings. This alternative is not acceptable for two primary reasons. Today, operations on campus in many areas including a wide variety of instructional programs and in the majority of research programs continue twelve months a year. In addition, the use of, and reliance on computer equipment and sophisticated laboratory equipment in the instructional, research and administrative functions of the university has grown significantly in the last decade. Building and process cooling is required to maintain temperatures and environments capable of supporting these activities.

### 4. VACATED SPACE

There will be no vacated space created by the proposed project.

SET A  
PROJECT APPROVAL FORM

CAPITAL PROJECT COST AND FUNDING SOURCE SUMMARY

Project Title: East Campus Chilled Water Production Plant (Construction/Installation)

Building Statistics:

NASF: 8,750  
GSF: 10,500  
Net to Gross 83%

	Estimated Total Cost	Prior to Budget Year	Budget Year - FY08	2nd Year FY09	3rd Year FY10	4th Year FY11	5th Year FY12	6th Year FY13
<b>PROJECT SUMMARY:</b>								
A. Arch. & Engr. (Project Planning & Design)	375,000		375,000					
Schematic Design								
Definitive Design								
Construction Documents*								
Construction Supervision**								
B. Asbestos Abatement Arch/Eng/Hygienist Fees								
C. Tests, Permits	5,000		5,000					
SUBTOTAL ARCH. & ENGR.	380,000	0	380,000					
D. Moving, Administration								
E. Asbestos Abatement								
F. Construction*** (UI Preliminary Estimate)	3,710,000		3,710,000					
G. Furnishings/Moveable Equipment								
H. Contingency (Project)	410,000		410,000					
TOTAL PROJECT REQUEST	4,500,000	0	4,500,000					
<b>SOURCE OF FUNDS:</b>								
Permanent Building Fund	4,500,000		4,500,000					
General Education								
Federal								
Bond Sale								
Bond Reserve								
Parking Funds								
Housing/Food Service Revenue								
Other Funds, including Gifts (UI Funds)								
Other Funds, Including Gifts (PBF Asbestos)								
TOTAL	4,500,000	0	4,500,000					

Utilities	10,500	10,500	10,500	10,500
Custodial	0	0	0	0
Repairs & Maintenance	5,250	5,250	5,250	5,250

PROPOSED SOURCE OF OPERATING FUNDS (If more than one source, please show relative percentages.)

General Education

\* Includes Reimbursable Expenses

\*\* Includes Fees for On-Site Observation

\*\*\* CH2M Hill Report/MW Engineers Report, cited in text



# OFFICE OF THE STATE BOARD OF EDUCATION

## SET A

### PROJECT SUMMARY

**Project Title:** Interdisciplinary Research & Education Facility (Planning/Pre-Design)

**Institution/Agency:** University of Idaho

**Brief Description:**

The Interdisciplinary Research & Education Facility project involves construction of a new laboratory facility providing modern, well-equipped spaces supporting a broad range of undergraduate and graduate instructional and research programs in selected scientific and technical disciplines at the university. The facility will be designed to foster interdisciplinary collaboration and interaction and will include flexible systems and support infrastructure, allowing reconfiguration of spaces supporting changes in programs and research needs over time. The initial phase of the project will include a comprehensive building and system assessment that will be used to define the overall scope of the project and prepare a refined cost estimate.

<b>Project Scope:</b>	<b>NASF</b>	<b>GSF</b>
Building size:	60,000-70,000	90,000-100,000
Site and Utility infrastructure		
Furnishings, Fixtures and Equipment		
All project fees and related expenses		

**Estimated Total Cost:** \$62,223,000

**Date Approved by State Board of Education:**

First request, July 1999  
Second request, July 2000  
Third request, July 2001  
Fourth request, July 2002  
Fifth request, July 2003  
Sixth request, July 2004  
Seventh request, July 2005  
Eighth request, July 2006

---

*Source of Construction Funds (by fund source and amount):*

<u>Fund Source</u>	<u>Total Project Cost</u>	<u>Amount</u>
Permanent Building Fund		\$10,000,000
Federal Funding		\$22,223,000
Other Funding (inc Gifts)		\$30,000,000

<u>Previous Appropriations</u>	
<u>Fund Source</u>	<u>Amount</u>
Fed FY05 Federal Funding	\$892,500
<u>Budget Year Request</u>	
<u>Fund Source</u>	<u>Amount</u>
Permanent Building Fund	\$3,111,000

## 1. PROJECT DESCRIPTION AND JUSTIFICATION

As the land grant university for the State of Idaho, the University of Idaho places emphasis on problems and challenges facing Idaho and Idahoans. In both undergraduate and graduate education disciplines, especially in scientific and technical fields, enrollment growth and focus upon the university's interdisciplinary programs is leading to a need for additional modern, technically-equipped laboratory and support space. Further, as Idaho's research university, the UI is a main force for research and development in the state with emphasis on selected areas that are key to the economic health and development of Idaho industry. Areas of emphasis in which laboratory space is critical are: Food and Fiber Production, Molecular Biology, Environmental Sciences and Technology, Materials Science, Infrastructure/Construction and Transportation, Computing/Software Systems, and Telecommunications.

The UI Long Range Campus Development Plan identifies 2-3 potential sites that are optimal for this type of facility complex. In some locations it would be necessary to relocate existing programs housed in buildings slated for eventual removal. Selecting a location for the project will be made after the program is fully defined.

This project addresses the specialized laboratory needs of these disciplines for undergraduate, graduate and research programs. The synergies among the various levels of study and scholarship will be fostered in a facility integrating a broad cross section of technical and scientific personnel and programs. Specific facility features and attributes will be detailed during the pre-design phase.

## 2. PROJECT COMPONENTS

The majority of the project complex will consist of instructional and graduate/research laboratories and laboratory support areas (e.g., instrument labs, specialized containment labs, shared equipment rooms, computer laboratories, seminar and conference areas, and offices). It is anticipated that the size of the building will be approximately 90,000 – 100,000 GSF. Purchase of major furnishings, fixtures and equipment necessary to outfit the laboratories, support areas and connections, and necessary enhancements to the university's infrastructure systems will also be included in the project.

### **3. ALTERNATIVES**

Three alternatives have been studied to date.

#### Alternative 1: Construct Multiple Smaller Laboratory Additions

This alternative involves construction of separate undergraduate, graduate and research laboratories, by discipline, as additions to, or immediately adjacent to, existing College buildings. This alternative would provide the necessary space to support the programs, however, project costs are expected to be significantly higher since there would be multiple sites and projects. In addition, this approach does not readily support interdisciplinary interaction and collaboration. The university rejected this alternative.

#### Alternative 2: Construct Separate Laboratory Complexes for Undergraduate and Graduate/Research Programs

This alternative consists of construction of an interdisciplinary laboratory complex for undergraduate instructional and research programs and one for graduate and research programs. This alternative would provide the necessary space to support the programs, however, project costs are expected to be higher since there would be two projects with unnecessary duplication. In addition, this approach does not readily support interdisciplinary interaction and collaboration between undergraduate and graduate students, and researchers. The university rejected this alternative.

#### Alternative 3: Construct a Single Interdisciplinary Laboratory Facility

This option would entail constructing a single complex that integrates undergraduate and graduate/research laboratories into an interdisciplinary science and technology center facilitating collaboration and creating new synergies across academic levels and disciplines. Overall project expenses are expected to be less under this approach since there will be only one site and construction of a single building allows elimination of unnecessary duplication of building systems. This is the university's preferred alternative.

### **4. VACATED SPACE**

It is not anticipated that a great deal of space will be vacated upon completion of the proposed project. Space currently used for instructional laboratories and some research laboratories that may be vacated may be reused to meet additional laboratory space demand. Other prospective uses of vacated space may be for offices and specialized learning areas including computer laboratories, seminar areas, team and group rooms, etc.

SET A  
PROJECT APPROVAL FORM

CAPITAL PROJECT COST AND FUNDING SOURCE SUMMARY

Project Title: Interdisciplinary Research & Education Facility

Building Statistics:

NASF: ~60,000  
GSF: ~100,000  
Net to Gross 60%

	Estimated Total Cost	Prior to Budget Year	Budget Year - FY08	2nd Year FY09	3rd Year FY10	4th Year FY11	5th Year FY12	6th Year FY13
<b>PROJECT SUMMARY:</b>								
A. Arch. & Engr. (Project Planning & Pre-Design)	3,111,000	892,500	3,111,000					
Schematic Design								
Design Development								
Construction Documents*	3,111,000							
Construction Supervision**								
B. Asbestos Abatement Arch/Eng/Hygienist Fees								
C. Tests, Permits	948,000							
SUBTOTAL ARCH. & ENGR.	7,170,000	892,500	3,111,000	0	0	0	0	0
D. Moving, Administration								
E. Asbestos Abatement***								
F. Construction*** (UI Preliminary Estimate)	45,156,000							
G. Furnishings/Moveable Equipment	3,971,000							
H. Contingency (Project)	5,926,000							
TOTAL PROJECT REQUEST	62,223,000	892,500	3,111,000	TBD	TBD	TBD	TBD	TBD
<b>SOURCE OF FUNDS:</b>								
Permanent Building Fund	10,000,000		3,111,000	TBD	TBD	TBD	TBD	TBD
General Education								
Federal	22,223,000	892,500						
Bond Sale								
Bond Reserve								
Parking Funds								
Housing/Food Service Revenue								
Other Funds, including Gifts (UI Funds)	30,000,000							
TOTAL	62,223,000	892,500	3,111,000	0	0	0	0	0

Utilities	TBD						TBD	TBD
Custodial	TBD						TBD	TBD
Repairs & Maintenance	TBD						TBD	TBD

PROPOSED SOURCE OF OPERATING FUNDS (If more than one source, please show relative percentages.)

General Education

\* Includes Reimbursable Expenses

\*\* Includes Fees for On-Site Observation

\*\*\* UI Preliminary Estimate

# OFFICE OF THE STATE BOARD OF EDUCATION

## SET A

### PROJECT SUMMARY

**Project Title:** Northern Idaho Classroom/Office Facility (Planning/Pre-Design)

**Institution/Agency:** University of Idaho

**Brief Description:**

The University of Idaho has responsibility to deliver education, outreach, and extension programs across the State of Idaho. With the tremendous growth in the northern part of the state, there is an ever increasing demand for University of Idaho programs and course delivery. We anticipate the need for an additional facility in the Coeur d' Alene vicinity to meet the classroom and office needs for expanding university programs. This facility will support collaborative programs that provide increased access to education and that ensure relevant education, training, and information services are available in the northern Idaho region. The facility will also enhance regional and statewide economic development by supporting comprehensive educational offerings for building, attracting, and retaining a highly skilled workforce.

Project Scope:	NASF	GSF
Building size:	~24,000	~32,000
Site and utility infrastructure		
Furnishings, Fixtures and Equipment		
All project fees and related expenses		

**Estimated Total Cost:** \$8,000,000

**Date Approved by State Board of Education:**

First request, July 2006

*Source of Construction Funds (by fund source and amount):*

<u>Fund Source</u>	<u>Total Project Cost</u>	<u>Amount</u>
Permanent Building Fund		\$4,000,000
Other (private) sources		<u>\$4,000,000</u>
	Total:	\$8,000,000

<u>Fund Source</u>	<u>Previous Appropriations</u>	<u>Amount</u>
NA		0

<u>Fund Source</u>	<u>Budget Year Request</u>	<u>Amount</u>
Permanent Building Fund		\$400,000

# **1. PROJECT DESCRIPTION AND JUSTIFICATION**

The University, in collaboration with North Idaho College and the City of Coeur d' Alene, envisions the creation of an education corridor in the vicinity of the North Idaho College campus. The University presently leases facilities from the City nearby the NIC campus. Higher education program growth in the region will be concentrated in this education corridor. Expanded facilities are needed to serve the burgeoning population and the corresponding growing demand for higher education services in the region. This new facility will allow the University of Idaho to serve the program needs of citizens in the area, in accordance with its institutional role-and-mission statements.

# **2. PROJECT COMPONENTS**

This facility will be approximately 32,000 square feet and will house classrooms and faculty and staff offices, along with ancillary support spaces. The building will support local interests in expanding science and technology education in Northern Idaho. The preliminary cost estimate for the building is \$8,000,000. The University requests \$400,000 in initial funding (5% of overall project budget) to support initial programming and pre-design work. Work products from this pre-design phase will include detailed program definition, site analysis and feasibility review, infrastructure needs and impacts, room data sheets, adjacency diagrams, and a refined project cost estimate. Graphical materials will also be generated to assist in private fundraising efforts in support of the project.

# **3. VACATED SPACE**

*It is not anticipated that space will be vacated upon completion of the proposed facilities. Rather, the new space created by these facilities will allow for expansion of programs that meet the needs of citizens in this important geographic region of the state.*

SET A  
PROJECT APPROVAL FORM

CAPITAL PROJECT COST AND FUNDING SOURCE SUMMARY

Project Title: Northern Idaho Classroom/Office Facility

Building Statistics:

NASF: ~24,000  
GSF: ~32,000  
Net to Gross 75%

	Estimated Total Cost	Prior to Budget Year	Budget Year - FY08	2nd Year FY09	3rd Year FY10	4th Year FY11	5th Year FY12	6th Year FY13
<b>PROJECT SUMMARY:</b>								
A. Arch. & Engr. (Project Planning & Pre-Design)	400,000		400,000					
Schematic Design								
Design Development								
Construction Documents*	400,000			400,000				
Construction Supervision**								
B. Asbestos Abatement Arch/Eng/Hygienist Fees								
C. Tests, Permits	120,000			120,000				
SUBTOTAL ARCH. & ENGR.	920,000	0	400,000	520,000	0	0	0	0
D. Moving, Administration	0							
E. Asbestos Abatement***	0							
F. Construction*** (UI Preliminary Estimate)	5,800,000			5,800,000				
G. Furnishings/Moveable Equipment	480,000			480,000				
H. Contingency (Project)	800,000			800,000				
TOTAL PROJECT REQUEST	8,000,000	0	400,000	7,600,000				
<b>SOURCE OF FUNDS:</b>								
Permanent Building Fund	4,000,000		400,000	3,600,000				
General Education								
Federal								
Bond Sale								
Bond Reserve								
Parking Funds								
Housing/Food Service Revenue								
Other Funds, including Gifts (UI Funds)	4,000,000			4,000,000				
TOTAL	8,000,000	0	400,000	7,600,000	0	0	0	0

Utilities TBD  
Custodial TBD  
Repairs & Maintenance TBD

PROPOSED SOURCE OF OPERATING FUNDS (If more than one source, please show relative percentages.)

General Education

- \* Includes Reimbursable Expenses
- \*\* Includes Fees for On-Site Observation
- \*\*\* UI Preliminary Estimate



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**CAPITAL BUDGET REQUEST**  
**FY 2008**

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: Lewis-Clark State College

AGENCY PROJECT PRIORITY: 1

PROJECT DESCRIPTION/LOCATION: Health Science Building

CONTACT PERSON: Ronald Smith

TELEPHONE: (208) 792-2240

**PROJECT JUSTIFICATION:**

(A) Concisely describe what the project is.

This project would provide funds needed to build and equip a new Health Sciences facility at Lewis-Clark State College. The proposed building will be approximately 50,000 square feet comprised of laboratory and specialized classroom space as well as faculty offices, conference rooms, and general use classrooms. It will be constructed on property owned currently by the College.

(B) What is the existing program and how will it be improved?

Meriwether Lewis Hall, built in 1970, is 38,860 square feet. It currently houses the Division of Nursing and Health Sciences and the Division of Natural Sciences and Mathematics. Since the late 1970s, the student body at Lewis-Clark State College has more than doubled in size to nearly 3,500, with 564 Nursing and Health Sciences majors and 235 Natural Sciences majors in 2005. Laboratory, classroom, and office space in Meriwether Lewis Hall is at capacity, which severely limits the growth of our programs; especially those in the health sciences. New programs in Radiologic Technology and Licensed Practical Nursing, proposed new programs in Medical Diagnostic Imaging and the continued growth of our BSN program require significantly more space in order to meet the health care needs of the State of Idaho.

(C) What will be the impact on your operating budget?

Utility and maintenance support by formula.

(D) What are the consequences if this project is not funded?

The consequence is to stop the growth of health care programs at Lewis-Clark State College and keep them at their present levels of enrollment.

**ESTIMATED BUDGET:**

Land	\$
A/E fees	\$ <u>1,550,000</u>
Construction	\$ <u>13,175,000</u>
5% Contingency	\$ <u>775,000</u>
F F & E	\$ <u>500,000</u>
Other	
Total	\$ <u>16,000,000</u>

**FUNDING:**

PBF	\$ <u>16,000,000</u>
General Account	
Agency Funds	
Federal Funds	
Other	
Total	\$ <u>16,000,000</u>

**CAPITAL BUDGET REQUEST**  
**FY 2008**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: Lewis-Clark State College

AGENCY PROJECT PRIORITY: 2

PROJECT DESCRIPTION/LOCATION: Coeur D'Alene Center

CONTACT PERSON: Ronald Smith

TELEPHONE: (208) 792-2240

**PROJECT JUSTIFICATION:**

(A) Concisely describe what the project is.

This project would provide funds needed to build and equip a new classroom and office building for the Coeur d'Alene area for Lewis-Clark State College. The proposed building will be approximately 15,000 square feet comprised multi-media classroom space as well as faculty offices, conference rooms, and general use classrooms. It will be constructed on property acquired by the College.

(B) What is the existing program and how will it be improved?

Currently, the Coeur d'Alene site uses leased office space from Harbor Center owned by the University of Idaho. Classroom capacity is limited and Lewis-Clark State College now uses short term leases to provide space in various venues near downtown Coeur d'Alene and the Harbor Plaza. The proposed new building would provide space to provide access to the growing need in the Coeur d'Alene area. Lewis-Clark State has experienced annual double digit growth in student population for several years, and the trend is expected to continue into the foreseeable future.

(C) What will be the impact on your operating budget?

Utility and maintenance support by formula.

(D) What are the consequences if this project is not funded?

The consequence is to deny access to students in the Coeur d'Alene area because of the lack of space for instruction, and/or increase costs to students to pay for additional leased property.

**ESTIMATED BUDGET:**

Land	\$	
A/E fees	\$	<u>330,000</u>
Construction	\$	<u>2,750,000</u>
5% Contingency	\$	<u>170,000</u>
F F & E	\$	<u>250,000</u>
Other		
Total	\$	<u>3,500,000</u>

**FUNDING:**

PBF	\$	<u>3,500,000</u>
General Account		
Agency Funds		
Federal Funds		
Other		
Total	\$	<u>3,500,000</u>

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**CAPITAL BUDGET REQUEST**  
**FY 2008**

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: Lewis-Clark State College

AGENCY PROJECT PRIORITY: 3

PROJECT DESCRIPTION/LOCATION: Upgrade and Renovation of Administration Building- Phase I  
(Silverthorne Theatre)

CONTACT PERSON: Ronald Smith

TELEPHONE: (208) 792-2240

**PROJECT JUSTIFICATION:**

(A) Concisely describe what the project is.

This project would provide renovation funds needed for renovation of the Silverthorne Theatre in the Administration Building which was constructed in 1921. The project would bring the theatre up to code and provide for needed improvements for classroom functions as well as enhance theatre experience on campus.

(B) What is the existing program and how will it be improved?

This project would address needs in the area of theatre arts experience on campus as well as providing an updated common classroom for campus use by renovation of the present theatre which is located in the Administration Building. The theatre is vital if the college is to serve student needs relating to visual and performing arts, music and all facets of human communications. The college now provides a theatre experience by staging productions and practices in the Administration Building auditorium which was constructed in 1921. The present scene shop and dressing room are located in the basement rooms which were not designed for that purpose, are too cramped and do not meet current code requirements. The balcony of the theatre is currently not usable because of the front half of the stage, which was added in the 1970's, is not visible from most of the balcony. Additionally, there are safety issues which would need to be addressed with a renovation of the balcony. While these facilities have been well maintained and are currently in use by our programs, the 1989 evaluation by the Northwest Association of Schools and colleges described the facilities as "deplorable."

(C) What will be the impact on your operating budget? N/A

(D) What are the consequences if this project is not funded?

The alternative to this remodeling project is to remain "as-is", whereby the students at Lewis-Clark State College would be denied access or appropriate use of approximately 8,430 GSF of space. This facility cannot be utilized in all consciousness when considering Life-Safety Code and other code issues, and the need of our students to have classrooms that meet accreditation standards. Classroom areas in this building are not acceptable environments for education if quality is of concern. The breadth of this remodel and expansion project far exceeds the normal physical maintenance capabilities of the college.

**ESTIMATED BUDGET:**

Land	\$	
A/E fees	\$	<u>100,000</u>
Construction	\$	<u>850,000</u>
5% Contingency	\$	<u>50,000</u>
F F & E		
Other		
Total	\$	<u>1,000,000</u>

**FUNDING:**

PBF	\$	<u>1,000,000</u>
General Account		
Agency Funds		
Federal Funds		
Other		
Total	\$	<u>1,000,000</u>

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**CAPITAL BUDGET REQUEST**  
**FY 2008**

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: Lewis-Clark State College

AGENCY PROJECT PRIORITY: 4

PROJECT DESCRIPTION/LOCATION: Renovation of Spaulding Hall

CONTACT PERSON: Ronald Smith

TELEPHONE: (208) 792-2240

**PROJECT JUSTIFICATION:**

(A) Concisely describe what the project is.

This project would provide funds to renovate and equip the offices and classrooms in Spaulding Hall. Spaulding Hall was constructed in 1924. The project would bring the building up to code and provide for needed improvements for classroom functions as well as enhance the offices contained within the building.

(B) What is the existing program and how will it be improved?

Spaulding Hall currently houses all of the Education division programs for the College, the Humanities division, and the Social Sciences division. The Education division is one of our most popular programs, with a historical link to the original mission of the College of providing teacher education and certification and labeled the "Normal School" for the state of Idaho.

The renovation will allow expansion of badly needed classroom space, and updating of heating, electrical and air conditioning systems in the building. From the outside, Spaulding Hall is a unique building that compliments the history and culture of the campus. However, the interior is in disrepair and needs to be brought up to code to address life safety issues caused by old wiring, and a deteriorating infrastructure.

(C) What will be the impact on your operating budget? N/A

(D) What are the consequences if this project is not funded?

The alternative to this remodeling project is to remain "as-is", whereby the students and faculty in the Education division, Humanities division, and Social Sciences division at Lewis-Clark State College would be denied access or appropriate use of space. Classroom and faculty office areas in this building are not acceptable environments for education if quality is of concern. Providing a comfortable working environment for faculty and an acceptable learning environment for students would be sacrificed without the remodel. The breadth of this remodel and expansion project far exceeds the normal physical maintenance capabilities of the college.

**ESTIMATED BUDGET:**

Land	\$	
A/E fees	\$	<u>250,000</u>
Construction	\$	<u>2,125,000</u>
5% Contingency	\$	<u>125,000</u>
F F & E		
Other		
Total	\$	<u>2,500,000</u>

**FUNDING:**

PBF	\$	<u>2,500,000</u>
General Account		
Agency Funds		
Federal Funds		
Other		
Total	\$	<u>2,500,000</u>

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**CAPITAL BUDGET REQUEST**  
**FY 2008**

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: Lewis-Clark State College

AGENCY PROJECT PRIORITY: 5

PROJECT DESCRIPTION/LOCATION: Upgrade and Renovation of Administration Building- Phase II  
(Offices and Classrooms)

CONTACT PERSON: Ronald Smith

TELEPHONE: (208) 792-2240

**PROJECT JUSTIFICATION:**

(A) Concisely describe what the project is.

This project would provide funds to renovate and equip the offices and classrooms in the Administration Building. The Administration Building was constructed in 1921. The project would bring the building up to code and provide for needed improvements for classroom functions as well as enhance the offices contained within the building.

(B) What is the existing program and how will it be improved?

The Main Administration Building currently houses the offices for the central administration for the College including the President, Provost and Academic Vice President, Vice President for Administrative Services, Institutional Research, Human Resources, Budget Officer, Purchasing and Controller's offices, as well as the Academic Business Department. In addition, it contains several classrooms that are used as general classrooms for the entire campus. It also houses the Silverthorne Theatre and classroom.

Since the late 1970s, the student body at Lewis-Clark State College has more than doubled in size to nearly 3,500. Because this building provides a significant amount of teaching and learning classroom space and is the main building visited by the general public in doing business with the College, it is important to provide an environment that supports and encourages the learning activity demanded as a part of the mission for the College with the technical enhancements needed to prepare today's students for success after college.

(C) What will be the impact on your operating budget? Utility and maintenance support by formula.

(D) What are the consequences if this project is not funded?

The alternative to this remodeling project is to remain "as-is", whereby the students at Lewis-Clark State College would be denied access or appropriate use of space. Classroom areas in this building are not acceptable environments for education if quality is of concern. The breadth of this remodel and expansion project far exceeds the normal physical maintenance capabilities of the college.

**ESTIMATED BUDGET:**

Land	\$	
A/E fees	\$	<u>350,000</u>
Construction	\$	<u>2,975,000</u>
5% Contingency	\$	<u>175,000</u>
F F & E		
Other		
Total	\$	<u>3,500,000</u>

**FUNDING:**

PBF	\$	<u>3,500,000</u>
General Account		
Agency Funds		
Federal Funds		
Other		
Total	\$	<u>3,500,000</u>

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**CAPITAL BUDGET REQUEST**  
**FY 2008**

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: Lewis-Clark State College

AGENCY PROJECT PRIORITY: 6

PROJECT DESCRIPTION/LOCATION: Remodel and Expansion of Old Science Building

CONTACT PERSON: Ronald Smith

TELEPHONE: (208) 792-2240

**PROJECT JUSTIFICATION:**

(A) Concisely describe what the project is.

The project would provide renovation funds needed to bring the Old Science Building, constructed in 1909, up to current code requirements and to an acceptable functioning level of operation for its current use as a classroom building. This request will remodel the facility for code compliance (electrical, structural, and mechanical) and make it useful for current and contemplated future classroom needs.

(B) What is the existing program and how will it be improved?

The remodel will allow expansion of badly needed classrooms for biology or nursing and general education.

(C) What will be the impact on your operating budget? N/A

(D) What are the consequences if this project is not funded?

The building will continue to be utilized with the code issues listed and will not be utilized as efficiently and effectively as it would with a remodel.

**ESTIMATED BUDGET:**

Land	
A/E fees	\$ <u>111,430</u>
Construction	\$ <u>1,153,747</u>
5% Contingency	\$ <u>57,793</u>
F F & E	\$ <u>637,230</u>
Other	
Total	\$ <u>1,960,200</u>

**FUNDING:**

PBF	\$ <u>1,960,200</u>
General Account	
Agency Funds	
Federal Funds	
Other	
Total	\$ <u>1,960,200</u>

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**CAPITAL BUDGET REQUEST**  
**FY 2008**

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: Lewis-Clark State College

AGENCY PROJECT PRIORITY: 7

PROJECT DESCRIPTION/LOCATION: Renovation and Purchase of New Music Building

CONTACT PERSON: Ronald Smith

TELEPHONE: (208) 792-2240

**PROJECT JUSTIFICATION:**

(A) Concisely describe what the project is.

The project would provide renovation funds needed to bring the Music Building up to an acceptable functioning level of operation. Funds would also be used to repay the college for the acquisition cost of the property. Remodeling work will include HVAC consolidation, acoustical treatments, ADA approved restrooms and several Life-Safety Code upgrades.

(B) What is the existing program and how will it be improved?

The Music Building is a former church adjacent to the LCSC campus that became available for purchase. Recognizing the value and understanding that the opportunity to purchase the property could not be delayed, LCSC sought and received State Board of Education approval for the purchase. The purchase was with the hope that the Permanent Building Fund would reimburse the College for the acquisition and refurbish the facility for needed classroom space.

The remodel will be designed so that student classrooms in the discipline of music can be utilized effectively. This remodel will allow an area of instruction that has been neglected to work in an acceptable educational environment. Remodeling work will include HVAC consolidation, acoustical treatments, ADA approved restrooms and several Life-Safety Code upgrades.

The acquisition of this building with Permanent Building Funds will allow LCSC to reallocate critically needed physical plant funds into other areas of operation needing major consideration.

(C) What will be the impact on your operating budget? N/A

(D) What are the consequences if this project is not funded?

The building will continue to be utilized with the code issues listed and will not be utilized as efficiently and effectively as it would with a remodel.

**ESTIMATED BUDGET:**

Land	\$ 281,000
A/E fees	\$ 40,215
Construction	\$ 415,761
5% Contingency	\$ 20,809
F F & E	\$ 50,715
Other	
Total	\$ 808,500

**FUNDING:**

PBF	\$ 808,500
General Account	
Agency Funds	
Federal Funds	
Other	
Total	\$ 808,500

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**CAPITAL BUDGET REQUEST**

Set A

FY 2008

Project Approval Form

Agency: College of Southern Idaho

Agency Project Priority: 1

Project Description/Location: The project consists of the construction of a 67,700 square foot Health Sciences and Human Services Building on the north campus of the College of Southern Idaho in Twin Falls, Idaho. The estimated cost is \$21,111,600.

Contact Person: Mike Mason

Telephone: 208-732-6203

Project Title: Health Sciences and Human Services Building

Project Justification:

A. Concisely describe what the project is.

The project is a 67,700 square foot new building located just north of the main campus on campus property. The project includes space for approximately 12 classrooms, 15 specialized health sciences labs, 7 general science labs, 2 conference rooms, student reception/lounge area, 35 two person offices, 18 single person offices, adjunct faculty workroom and a student services area. The student services common area will have spaces for registration, advising and cashiering.

The building will be the first building in the development of the second campus circle in property owned by the college across North College Road. The college has already developed access to sewer near the site but will have to provide for electrical, gas, telephone and water. The fiber optic conduit is already in place. Additionally, a street with curb and gutter and new parking will have to be developed. The piping or covering of a portion of an irrigation ditch will also have to be addressed.

B. What is the existing program and how will it be improved.

The existing program involves the following programs: Registered Nursing, Licensed Practical Nursing, Medical Assisting, Certified Nurse Assistant, Phlebotomy, Surgical Technology, Dental Assisting, Emergency Medical Technician, Human Services, Medication Assistant, Paramedic, Radiological Technology, Addiction Studies and Respiratory Therapy.

The Aspen Building currently houses these programs. In 2001, a 14,000 square foot addition to the existing 19,000 square foot Aspen Building was completed. Since 2001, we have added three new programs and expanded all programs. We need space for the addition of at least two more new educational programs. Currently there are over 1,500 students enrolled in the Health Sciences and Human Service programs.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

Our Biology program has grown over 60% over the last three years. This growth is driven by students in the health services field. New labs located in a new facility will allow us to meet the needs of this ever growing program.

Governor Risch outlined the need for health care professionals in his inaugural address. This building request is in direct response to that need. The building will allow us to increase the capacity of our existing programs by giving us the physical space for instruction. It is also critical that we have additional space to develop new programs in response to community and state wide immediate needs.

Many of our students are place bound and are unable to travel to obtain the needed training for a better job. Within a limited amount of time, we can take a person making minimum wage and provide them training in a health care field that will allow them to earn wages in the \$13 to \$20 per hour range. This is essential for the economic health of our community and state.

Vacated space in the Aspen Building will be utilized for additional classroom spaces for College of Southern Idaho Students as well as higher education students utilizing our campus. We also need to expand our testing center and increase the number of faculty offices. With limited remodeling, this facility could meet those needs.

**C. What will be the impact on your operating budget?**

CSI will seek operating funds through the Idaho State Board of Education Occupancy Cost Formula. The formula provides funding for custodial/cleaning, utilities and maintenance of the building.

The estimated budgetary impact of a 67,700 square foot building is approximately \$279,100 in direct operating costs. An additional 1.5% of construction cost is added for maintenance adequacy. This amount would be approximately \$316,700.

**D. What are the consequences if this project is not funded?**

With the dramatic increases we have seen in our Health Sciences and Human Services over the last few years, we will not be able to meet the demand of students seeking training in these fields. If the project is not funded, we will be in the position of capping programs due to limited physical space and access to specialized training laboratories.

Lack of physical space will also keep us from opening new programs in response to community needs such as workforce training. This will have a negative impact on the economic well being of the state.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

E. Cost Estimates

Rough estimated infrastructure costs are as follows:

Electrical Transformer and Service	\$113,400	
Natural Gas	17,000	
Telephone	11,400	
City Water Service With Fire Hydrants	90,800	
City Sewer Hook-Up	35,000	
Fiber Optic Connection to Campus	30,000	
Street and Sidewalks	110,000	
Parking Lot for 200 Vehicles	200,000	
Irrigation Ditch Covering	31,800	
Trees, Landscaping, Signage	56,700	
	-----	
Total Infrastructure Costs		\$ 696,100
Building Construction Contract - \$180 SF	\$ 8,100,000	
Construction Contingency – 5%	405,000	
	-----	
Projected Building Cost		8,505,000
Furnishings – Labs and Classrooms	589,800	
Architectural and Engineering Services	648,000	
A/E Reimbursables	27,800	
Project Contingency	200,000	
Plan Check Fees	15,000	
Advertising	1,000	
Testing During Construction	18,000	
Site Survey	3,500	
Soil Investigation	15,000	
	-----	
Total Building Cost		1,518,100
		-----
Total Project Cost		\$10,719,200

Estimated Budget:

Land	\$ 0
A/E Fees	648,000
Construction	8,100,000
5% Contingency	405,000
F F & E	870,100
Infrastructure	696,100
	-----
Total	\$10,719,200

Funding:

PBF	\$10,719,200
General Account	0
Agency Fund	0
Federal Funds	0
Other	0
	-----
Total	\$10,719,200

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**CAPITAL BUDGET REQUEST**  
**FY 2008**

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: **North Idaho College**

AGENCY PROJECT PRIORITY: **1**

PROJECT DESCRIPTION/LOCATION: **Seiter Hall Remodel/Renovation**

CONTACT PERSON: Rolly Jurgens

TELEPHONE: 208-769-3340

**PROJECT JUSTIFICATION:**

- (A) Concisely describe what the project is. To remodel the former Science building (Seiter Hall) into general classroom space, which in the past was primarily a laboratory classroom facility. Will include substantial mechanical, electrical, energy conservation upgrades, and roof repair. Remodel will bring the building into current ADA code standards.
- (B) What is the existing program and how will it be improved? All existing programs have been moved to the new Meyer Health Science Building, which opened in fall of 2005. Remodel could add 15 plus classrooms and two classroom auditoriums. Other educational and staff departments will gain much needed office and classroom space.
- (C) What will be the impact on your operating budget? Upgrading with energy efficient systems, and making needed roof repairs will reduce the overall operating budget as the building comes on line.
- (D) What are the consequences if this project is not funded? NIC is in desperate need of general classroom and office space. If funding is not provided, Seiter Hall and its unused lab space will not be conducive for general classroom educational activities. The learning environment will be less than desired, and will reduce educational opportunities in North Idaho, especially in light of current Growth Trends. The building will be under used.

**ESTIMATED BUDGET:**

Land	\$
A/E fees	<b>275,000</b>
Construction	<b>3,166,200</b>
5% Contingency	<b>158,300</b>
F F & E	<b><u>350,500</u></b>
Other	
Total	<b>3,950,000</b>

**FUNDING:**

PBF	<b>\$ 3,950,000</b>
General Account	
Agency Funds	
Federal Funds	
Other	
Total	<b>\$3,950,000</b>

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**CAPITAL BUDGET REQUEST**  
**FY 2008**

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: **North Idaho College**

AGENCY PROJECT PRIORITY: **2**

PROJECT DESCRIPTION/LOCATION: **Property Acquisition for Education Corridor next to NIC**

CONTACT PERSON: Rolly Jurgens

TELEPHONE: 208-769-3340

**PROJECT JUSTIFICATION:**

- (A) Concisely describe what the project is. To acquire the lumber mill property north of campus, and to construct the infrastructure required to support the future needs and growth of the NIC campus.
- (B) What is the existing program and how will it be improved? Currently, the college cannot expand its campus east, west or south, as it is bordered by Cd'A lake, Spokane River, and the historic Fort Grounds neighborhood. With the tremendous growth trends taking place in north Idaho, this land acquisition would allow the future growth of the college; meet the future educational needs of the community, and its other northern counties.
- (B) What will be the impact on your operating budget? At first, it would be limited to site lighting and not greatly affected. As parking lots or other site work and infrastructure are added, there would indeed be additional operating costs, but those are unknown until future plans and funding happens.
- (D) What are the consequences if this project is not funded? The college will not be able to expand beyond its current 46 acres of property, denying additional space for growth and would not be able to meet the future educational needs and growth of the community and north Idaho.

**ESTIMATED BUDGET:**

Land	<b>4,125,000</b>
A/E fees	<b>375,000</b>
Construction	<b>1,930,800</b>
5% Contingency	<b><u>96,500</u></b>
F F & E	
Other	
Total	<b>\$6,527,300</b>

**FUNDING:**

PBF	<b>\$6,527,300</b>
General Account	
Agency Funds	
Federal Funds	
Other	
Total	<b>\$6,527,300</b>

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**CAPITAL BUDGET REQUEST**  
**FY 2008**

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: **North Idaho College**

AGENCY PROJECT PRIORITY: **3**

PROJECT DESCRIPTION/LOCATION: **Professional Technical Building – Post Falls, Id.**

CONTACT PERSON: Rolly Jurgens

TELEPHONE: 208-769-3340

**PROJECT JUSTIFICATION:**

- (A) Concisely describe what the project is. To construct a new Professional Technical Building to create additional space for existing programs, expansion of new professional technical education programs, and to partner with local school districts to provide facilities to support their professional technical education programs as well.
- (B) What is the existing program and how will it be improved? Currently there are business and professional programs, health professions and trades and industry programs. These programs are near capacity with 12% of the student body enrolled in those programs. Nationally, 40% or more enrollments would be in these programs. Construction of this facility would expand professional technical education opportunities, keep up with rapid changes in technology, and increase student enrollments.
- (C) What will be the impact on your operating budget? Would increase in the areas of staffing, utilities and maintenance costs.
- (D) What are the consequences if this project is not funded? In coming and continuing students, local businesses and industries, and local public school districts would not be able to rely on NIC to provide expanded programs or enrollments.

**ESTIMATED BUDGET:**

Land	\$
A/E fees	<b>1,156,900</b>
Construction	<b>11,156,900</b>
5% Contingency	<b>557,800</b>
F F & E	<b><u>1,156,900</u></b>
Other	
Total	<b>14,028,500</b>

**FUNDING:**

PBF	<b>\$14,028,500</b>
General Account	
Agency Funds	
Federal Funds	
Other	
Total	<b>\$14,028,500</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**



# CAPITAL BUDGET REQUEST FY 2008

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: Eastern Idaho Technical College

AGENCY PROJECT PRIORITY: 1.

PROJECT DESCRIPTION/LOCATION: Construct parking lot for New Health Care Bld

CONTACT PERSON: Steve T. Bunnell

TELEPHONE: 208-524-3000 ext 3393

**PROJECT JUSTIFICATION:**

(A) Concisely describe what the project is.

Construct a parking lot on Campus to provide parking for faculty, staff and students that will be using new Health Care Building. This would include design, site work, lighting, concrete, asphalt, striping and signage.

(B) What is the existing program and how will it be improved?

All programs that will operate within the Health Care Building. Adequate parking in proximity of the facility is essential.

(C) What will be the impact on your operating budget?

Minimum impact will occur only power for lighting and snow removal.

(D) What are the consequences if this project is not funded?

Insufficient number of parking spaces adjacent to the new facility.

**ESTIMATED BUDGET:**

Land	\$	
A/E fees	\$	75,000
Construction	\$	750,000
5 % Contingency	\$	37,500
F F & E	\$	
Other		3,000
<b>Total</b>	<b>\$</b>	<b><u>865,500</u></b>

**FUNDING:**

PBF	\$	<u>865,500</u>
General Account		
Agency Funds		
Federal Funds		
Other		
<b>Total</b>	<b>\$</b>	<b><u>865,500</u></b>

Agency Head Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## CAPITAL BUDGET REQUEST FY 2008

Capital Improvement Project Description  
(New Buildings, Additions or Major Renovations)

AGENCY: Eastern Idaho Technical College

AGENCY PROJECT PRIORITY: 2.

PROJECT DESCRIPTION/LOCATION: Renovate Technical Building 2

CONTACT PERSON: Steve T. Bunnell

TELEPHONE: 208-524-3000 ext 3393

### PROJECT JUSTIFICATION:

(A) Concisely describe what the project is.  
Design, and renovate for new usage of the Technical Building 2 after Health Professions programs move into Health Care Building.

(B) What is the existing program and how will it be improved?  
Existing instructional programs & services offered by the College will be served by this renovation and facility improvement.

(C) What will be the impact on your operating budget?  
No impact on operating budget.

(D) What are the consequences if this project is not funded?  
Underutilization of existing instructional space may result.

ESTIMATED BUDGET:		FUNDING:	
Land	\$	PBF	\$ <u>940,500</u>
A/E fees	75,000	General Account	
Construction	750,000	Agency Funds	
5% Contingency	37,500	Federal Funds	
F F & E	75,000	Other	
Other	3,000	Total	\$ <u>940,500</u>
Total	\$ <u>940,500</u>		

Agency Head Signature: 

Date: 5/24/06

**REFERENCE - APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education  
**GOVERNING POLICIES AND PROCEDURES**  
SECTION: V. FINANCIAL AFFAIRS  
Subsection B: Budget Policies

April, 2002

**B. Budget Policies**

**8. Major Capital Improvement Project -- Budget Requests**

**c. Submission of Approved Major Capital Budget Requests**

The Board is responsible for the submission of major capital budget requests for the institutions, school and agencies under this subsection to the Division of Public Works. Only those budget requests which have been formally approved by the Board will be submitted by the office to the executive and legislative branches.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**

**SUBJECT**

1st Reading of Proposed Amendments to Board Policy, Section V.J.4.c – Travel and Moving Expenses.

**APPLICABLE STATUTE, RULE, OR POLICY**

Section 67-5337, Idaho Code (SB 1363, 2006)  
Idaho State Board of Education Governing Policies & Procedures, Sections I.A.4. & 5.

**BACKGROUND**

In July 2004, the State Board of Examiners adopted a statewide maximum moving expense reimbursement not to exceed 10% of an employee's base salary, or \$15,000, whichever is less. In the 2006 legislative session, the Legislature passed Senate Bill 1363 which adopted the same limitations on reimbursement for moving expenses.

**DISCUSSION**

Board policy needs to be updated in order to reflect the current Idaho statute and Board of Examiners rules pertaining to moving expense reimbursement.

**IMPACT**

n/a

**STAFF COMMENTS AND RECOMMENDATIONS**

Staff recommends updating Board policy to reflect the updated Idaho code and Board of Examiners moving policy. Note the exception to the maximum reimbursement that has been included in proposed Board policy, to coincide with newly-enacted state law.

**BOARD ACTION**

A motion to approve for first reading the changes to Idaho State Board of Education Governing Policies & Procedures, Section V.J.4.c. – Travel and Moving Expenses.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**THIS PAGE INTENTIONALLY LEFT BLANK**

**FIRST READING**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

SECTION: V. FINANCIAL AFFAIRS

Subsection: J. Travel and Moving Expenses

August 2006

**J. Travel and Moving Expenses**

**1. Limitations**

Reimbursable travel is restricted to institutional, school and agency business. Reimbursable travel, whether in-state or out-of-state, requires prior approval by the chief executive officer or his or her designee of the institution, school or agency.

**2. Economic Travel**

All travel must be accomplished in the most economic manner overall, taking into account travel time and expense and office or teaching responsibilities.

**3. Certified Airline Travel**

Nonscheduled airline travel by students, or by employees of an institution, school or agency, must be only by aircraft and airline certified by the Federal Aviation Administration.

**4. Policy on Moving Expenses**

**a. Institutional, School or Agency Policies**

Each institution, school and agency must establish a policy and procedures on reimbursement for or payment of moving expenses consistent with policies approved by the State Board of Examiners.

**b. Approval of Expenses**

Reimbursement for or payment of moving expenses requires approval by the chief executive officer before the move and must be consistent with the policy approved by the Board. Exceptions to the maximum reimbursement, as specified in Idaho Code 67-5338 and any rules for the reimbursement of moving expenses promulgated by the Idaho Division of Human Resources, must be approved in advance by the Executive Director.

**c. Reports to the Board**

All reimbursements for, or payment of, moving expenses which exceed a total of ten thousand dollars (\$10,000) for any one (1) employee must be reported to the Board upon request, along with an explanation of the need for the expenditure. Annual reports of all moving expense reimbursements must be reported on each October 1 to the Division of Financial Management and Legislative Services Office.

**THIS PAGE INTENTIONALLY LEFT BLANK**



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

**IDAHO STATUTES**  
**TITLE 67**  
**STATE GOVERNMENT AND STATE AFFAIRS**  
**CHAPTER 53**  
**PERSONNEL SYSTEM**

67-5337. MOVING EXPENSE REIMBURSEMENT. In order for the state to attract  
1 and retain professional staff, it may be necessary to defray normal intrastate  
2 and interstate moving expenses. The head of any department, office or institu-  
3 tion of the state shall have the authority to decide whether or not to reim-  
4 burse moving expenses for current or newly-hired state employees on a case-by-  
5 case basis up to ten percent (10%) of the employee's base salary or fifteen  
6 thousand dollars (\$15,000), whichever is less, and in compliance with rules  
7 for the reimbursement of moving expenses promulgated by the division of human  
8 resources. Exceptions to the maximum moving expense reimbursement may  
be  
9 granted if approved in advance by the department director. Agencies shall sub-  
10 mit a report to the division of financial management and the legislative ser-  
11 vices office by October 1 on all moving expense reimbursements granted in the  
12 preceding fiscal year.

**REFERENCE - APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

SECTION: I. Governing Policies and Procedures

Subsection: A. Policy-Making Authority

April 2004

**4. Conformance with State and Federal Law**

All Board Governing Policies and Procedures and the internal policies and procedures of its institutions, agencies and school will comply with and be in conformance to applicable laws.

**5. Adoption, Amendment, or Repeal of Board Policies**

a. Board policies may be adopted by majority vote at any regular or special meeting of the Board. The adoption, amendment, or repeal of a Board policy may be requested by any member of the Board, the executive director, or any chief executive officer. Persons who are Board employees, or students or student groups, must file a written request with the chief executive officer of an institution, agency or school, or his or her designee, to receive Board consideration. An Idaho resident, other than those described above, may file a written request with the executive director for Board consideration of a proposal. Regardless of the source, a statement of the proposed adoption, amendment, or repeal must be presented to the executive director for transmittal to the Board. If the subject matter of the presentation concerns an agency, institution, school, or department of the Board, the executive director will also notify the appropriate chief executive officer of the nature of the request.

b. Board action on any proposal will not be taken earlier than the next regular or special meeting following Board approval for first reading. During the interim between the first reading and Board action, the chief executive officers will seek to discuss and review the proposal with faculty, staff, or other Board employees and students or student groups, as appropriate. The chief executive officers will transmit summaries of oral statements and written comments on the proposal to the executive director. After thorough consideration, the proposal will be presented by the executive director to the Board for action.

c. The executive director is authorized to make nonsubstantive corrections and amendments to Board Governing Policies and Procedures as may be necessary in such areas as typographical errors, cross-references, and citations of state and federal statutes.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY**

**SUBJECT**

Idaho State University requests permission to revise its institutional license plate decal, which is available through the Idaho Transportation Department.

**APPLICABLE STATUTE, RULE OR POLICY**

Section 49-418A, Idaho Code

**BACKGROUND**

Idaho State University (ISU) sought and received Board approval when the Collegiate License Plate Program first began. Since inception of the program in 1998, sales of the plate have consistently been extremely low. Currently the number of ISU plates sold is 128, vs. 616 for Boise State University and 601 for the University of Idaho. The most common reason given for lack of interest in the current plate is that the 'tiger face' decal does not provide recognition as an ISU plate. While ISU is not changing its institutional logos, the new decal, approved by the university president, is a commonly recognized logo from the Athletics Department. As additional information, the decal on the bottom of the plate reading 'Idaho State University', is not being changed. Similar decals are part of each individual collegiate plate issued in Idaho. ISU is seeking Board approval for this new Collegiate License Plate design in order to increase sales which, in turn, will increase funds for scholarships.

**DISCUSSION**

The statute, in pertinent part, provides as follows:

"(4) All special college and university plates shall be of a color and design comparable to the standard issue of license plates with blue numerals on a red, white and blue background and shall indicate the participating institution.

(a) The standard red, white and blue graphic shall be used, except that the word "Idaho" and "Famous Potatoes" shall appear on every plate, the identification of county shall be omitted, and the inscription "Scenic Idaho" may be omitted.

(b) Each college or university that chooses to participate in this program shall provide that portion of the design which features the particular institution and such design shall be acceptable to the president of the institution. For public colleges and universities, approval of the state board of education and board of regents of the university of Idaho shall also be required.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**IDAHO STATE UNIVERSITY - continued**

Each version of the special college and university plate featuring the participating college or university shall be approved by the department, utilizing a numbering system as determined by the department. Initial costs of the plate program, including the cost of plate design, shall be paid by the participating college or university."

A sample of the proposed design will be distributed at the Board meeting.

**IMPACT**

Current revenues from the ISU Collegiate License Plate program is approximately \$2,275 based on 90 renewals and 37 new sales in 2006. As a comparison the University of Montana has 6,639 Collegiate License Plates registered and has received over \$2M in scholarship money since the late 1980s. Montana State University has over 3,000 such plates sold and registered and generates well over \$100,000 annually for scholarships. While achieving those kinds of numbers may be unrealistic, a strong renewed marketing effort of the new plate will substantially increase much needed scholarship money for ISU.

**STAFF COMMENTS**

Idaho State University will be responsible for paying the costs of plate design, per *Idaho Code*.

Staff recommends approval.

**BOARD ACTION**

A motion to approve the request by Idaho State University to approve a new Collegiate License Plate design.

Moved by\_\_\_\_\_ Seconded by\_\_\_\_\_ Carried Yes\_\_\_\_\_ No\_\_\_\_\_

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

**IDAHO STATUTES**

TITLE 49  
MOTOR VEHICLES  
CHAPTER 4

**MOTOR VEHICLE REGISTRATION**

49-418A. IDAHO COLLEGE AND UNIVERSITY PLATES. (1) Any person who is the owner of a vehicle registered under the provisions of section 49-402 or 49-434(1), Idaho Code, may apply for special plates featuring one (1) of Idaho's colleges or universities. The provisions of this section shall not apply to any vehicle with a registered maximum gross weight over twenty-six thousand (26,000) pounds. Availability of Idaho college and university special license plates for other vehicles may be authorized by rule of the board.

(2) In addition to the regular operating fee, the applicant shall be charged a fee of thirty-five dollars (\$35.00) for the initial issuance of the plates, and twenty-five dollars (\$25.00) upon each succeeding annual registration. Ten dollars (\$10.00) of the initial fee and ten dollars (\$10.00) of the renewal fee shall be deposited in the state highway account to be used by the department to fund highway, road and bridge construction projects and to fund the cost of administration of this special license plate program. The department shall transfer twenty-five dollars (\$25.00) of the initial fee and fifteen dollars (\$15.00) of the renewal fee for deposit to the institution designated on the license plate.

(3) Whenever title or interest in a vehicle registered under the provisions of this section is transferred or assigned, the owner may transfer the special plates to another vehicle upon payment of the required transfer fees. The owner may only display the plates after receipt of new registration from the department.

(4) All special college and university plates shall be of a color and design comparable to the standard issue of license plates with blue numerals on a red, white and blue background and shall indicate the participating institution.

(a) The standard red, white and blue graphic shall be used, except that the word "Idaho" and "Famous Potatoes" shall appear on every plate, the identification of county shall be omitted, and the inscription "Scenic Idaho" may be omitted.

(b) Each college or university that chooses to participate in this program shall provide that portion of the design which features the particular institution and such design shall be acceptable to the president of the institution. For public colleges and universities, approval of the state board of education and board of regents of the university of Idaho shall also be required.

Each version of the special college and university plate featuring the participating college or university shall be approved by the department, utilizing a numbering system as determined by the department. Initial costs of the plate program, including the cost of plate design, shall be paid by the participating college or university.

(5) The state board of education and board of regents of the university of Idaho shall adopt rules to account for receipt and distribution of revenues accruing to participating

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

public colleges and universities from the special license plate program. Revenues from the special plate program shall be used to:

(a) Fund scholarships for Idaho residents attending that college or university.

(b) Match funds contributed in equal amounts from nonstate sources for academic programs, provided that such expenditures for public colleges and universities shall be subject to prior approval by the state board of education and board of regents of the university of Idaho.

(6) For the purposes of this section, nonpublic colleges and universities shall mean and are limited to: Albertson College of Idaho located in Caldwell, Idaho; Northwest Nazarene University located in Nampa, Idaho; and Brigham Young University-Idaho located in Rexburg, Idaho.

(7) Sample college and university license plates may be purchased from the department for a fee of thirty dollars (\$30.00), ten dollars (\$10.00) of which shall be retained by the department for deposit to the state highway account and twenty dollars (\$20.00) shall be transferred by the department to the college or university designated on the license plate. No additional fee shall be charged for personalizing sample plates.

**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

**INSTITUTION / AGENCY AGENDA**  
**BOISE STATE UNIVERSITY**

**SUBJECT**

Boise State University requests approval to purchase real property per the property acquisition strategy presented to the SBOE.

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Section V.I.1 & 2.

**BACKGROUND**

The property acquisition strategy for the south expansion zone was presented to the Board in August 2003 and a letter updating the Board on the progress of the property acquisition process was presented to the Executive Director in August 2005. This is the final property purchase in that area and consists of 9 properties that are owned by one owner.

**DISCUSSION**

As Boise State University completes the planned purchase in the south expansion zone, the final purchase is from one owner. The university has purchased additional properties in the planned expansion zone.

**IMPACT**

A final purchase price has been negotiated with the owner and will be paid from institutional reserves (carry forward funds) at the September 18, 2006, closing.

**STAFF COMMENTS AND RECOMMENDATIONS**

Staff has no comments.

**BOARD ACTION**

A motion to authorize Boise State University to expend institutional resources to purchase real property as part of the campus master plan acquisition.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_ No \_\_\_\_

**REFERENCE – APPLICABLE STATUTE, RULE OR POLICY**

Idaho State Board of Education

**GOVERNING POLICIES AND PROCEDURES**

SECTION: V. FINANCIAL AFFAIRS

Subsection: I. Real and Personal Property and Services

April 2002

---

**I. Real and Personal Property and Services**

**1. Authority**

- a. The Board may acquire, hold, and dispose of real and personal property pursuant to Article IX, Section 2 and Article IX, Section 10, Idaho Constitution, pursuant to various sections of Idaho Code.
- b. Leases of office space or classroom space by any institution, school or agency except the University of Idaho are acquired by and through the Department of Administration pursuant to Section 67-5708, Idaho Code.
- c. All property that is not real property must be purchased consistent with Sections 67-5715 through 67-5737, Idaho Code, except that the University of Idaho may acquire such property directly and not through the Department of Administration. Each institution, school and agency must designate an officer with overall responsibility for all purchasing procedures.
- d. Sale, surplus disposal, trade-in, or exchange of property must be consistent with Section 67-5722, Idaho Code, except that the University of Idaho may dispose of such property directly and not through the Department of Administration.
- e. If the executive director finds or is informed that an emergency exists, he or she may consider and approve a purchase or disposal of equipment or services otherwise requiring prior Board approval. The institution, school or agency must report the transaction in the Business Affairs and Human Resources agenda at the next regular Board meeting together with a justification for the emergency action.

**2. Acquisition of Real Property**

- a. Any interest in real property acquired for the University of Idaho must be taken in the name of the Board of Regents of the University of Idaho.
- b. Any interest in real property acquired for any other institution, school or agency under the governance of the Board must be taken in the name of the state of Idaho by and through the State Board of Education.



**BUSINESS AFFAIRS AND HUMAN RESOURCES**  
**AUGUST 9-11, 2006**

---

- c. This does not preclude a foundation or other legal entity separate and apart from an institution, school or agency under Board governance from taking title to real property in the name of the foundation or other organization for the present or future benefit of the institution, school or agency. (See Section V.E.)
- d. Acquisition of an option, lease, or any other present or future interest in real property by or on behalf of an institution, school or agency requires prior Board approval if the term of the lease exceeds five (5) years or if the cost exceeds two hundred fifty thousand dollars (\$250,000) annually.
- e. Appraisal.

An independent appraiser must be hired to give an opinion of fair market value before an institution, school or agency acquires fee simple title to real property.

- f. Method of sale - exchange of property.

The Board will provide for the manner of selling real property under its control, giving due consideration to Section 33-601(4), applied to the Board through Section 33- 2211(5), and to Chapter 3, Title 58, Idaho Code. The Board may exchange real property under the terms, conditions, and procedures deemed appropriate by the Board.

- g. Execution.

All easements, deeds, and leases excluding easements, deeds, and leases delegated authority granted to the institutions, school and agencies must be executed and acknowledged by the president of the Board or another officer designated by the Board and attested to and sealed by the secretary of the Board as being consistent with Board action.

**THIS PAGE INTENTIONALLY LEFT BLANK**