

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

| TAB | DESCRIPTION | ACTION |
|---|---|--------------------|
| FY2008 APPROPRIATIONS | | |
| 1 | a. Information - Institutions & Agencies b. College & Universities c. Community Colleges d. Professional-Technical Education e. Promise B Scholarship f. Promise A Scholarship | Motions to approve |
| FY2007 STUDENT FEE & TUITION REPORTS | | |
| 2 | a. Boise State University b. Idaho State University c. University of Idaho d. Lewis-Clark State College e. Eastern Idaho Technical College | Motions to approve |
| TUITION WAIVER REPORTS | | |
| 3 | a. Boise State University b. Idaho State University c. University of Idaho d. Lewis-Clark State College | Motions to approve |
| 4 | BOISE STATE UNIVERSITY Land Swap – Boise School District | Motion to approve |
| 5 | BOISE STATE UNIVERSITY Micron Course Fee Arrangement | Motion to approve |
| 6 | IDAHO STATE UNIVERSITY Treasure Valley Building Purchase | Motion to approve |
| 7 | UNIVERSITY of IDAHO Single Bond System – Future Financing Plans | Motion to approve |
| 8 | UNIVERSITY of IDAHO Transfer Gifted Real Property from University of Idaho Foundation | Motion to approve |

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| TAB | DESCRIPTION | ACTION |
|------------|---|-------------------|
| 9 | UNIVERSITY of IDAHO Turf Replacement Project – Kibbie Activity Center | Motion to approve |
| 10 | UNIVERSITY of IDAHO Training Room Renovation Project – Kibbie Activity Center | Motion to approve |
| 11 | UNIVERSITY of IDAHO Self Funded Health Benefits Plan | Information item |
| 12 | DISCUSSION OF POTENTIAL AMENDMENT TO BOARD POLICY Section V.N. - Grants and Contracts | Information item |
| 13 | LEWIS-CLARK STATE COLLEGE Property Acquisition | Motion to approve |
| 14 | FIRST READING OF AMENDMENT TO BOARD POLICY Section I.E.. – Executive Officers | Motion to approve |

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SUBJECT

FY 2008 Appropriation Information – Institutions and Agencies of the State Board of Education

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.B.
Various Legislative Appropriation Bills (see list on next page)

BACKGROUND

The 2007 legislative session resulted in appropriation bills for the agencies and institutions of the Board. Amounts contained in legislative appropriations are not the same as were in the Executive Recommendation or agency request. However, legislative budget writers provided support for education and other state responsibilities within the ability of the overall projected revenue climate.

The table on Page 2 lists the FY 2008 appropriation bills of interest to institutions, agencies and employees of the State Board of Education. At the time of agenda preparation, most of the bills had either been signed by the Governor or had passed both houses and were awaiting the Governor's signature.

DISCUSSION

The appropriations listed in the table provide information for those institutions and agencies of the Board.

IMPACT

Appropriation bills provide spending authority for the agencies and institutions of the State Board of Education in FY 2008, allowing them to offer programs and services to Idaho's citizens.

Statewide Issues

The Legislature provided a fully-funded, 5% amount for employee compensation, to be allocated based upon merit. Across-the-board salary increases will not be allowed. Increased funding for employee health insurance benefits was provided; however, negotiations for the FY 2008 contract with the state's health insurance provider will not be finalized until later in the Spring.

Substantial funding for alteration and repair projects for all state agencies was provided; higher education institutions will benefit greatly from these projects which are managed by the Division of Public Works. Other public works funding included \$10.0 million to the University of Idaho for a livestock and environmental studies center, and \$150,000 for a fish culture experiment station.

Lewis Clark State College and the College of Southern Idaho will receive a total of \$21.1 million for additional health sciences buildings on their respective campuses.

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College and Universities/Agricultural Research/Special & Health Programs

With respect to the College and Universities, the employee compensation amount totaled \$13.1 million. The institutions received a total of \$5.2 million for Replacement Capital Outlay items. This allows for timely replacement of aging equipment and vehicles. New program funds for nursing included 4.5 new positions and training mannequins for nursing programs.

The Higher Education Research Council will be able to allocate an additional \$1.56 million in one-time funding for campus-based research projects, in addition to the ongoing \$1.44 million that was also appropriated.

Agricultural Research and Extension received \$500,000 for replacement items.

The two existing community colleges received additional funding for nursing program expansion and off-campus outreach. The nursing enhancements will allow North Idaho College to expand its use of their new Health Sciences building – provided by the state's higher education bond funds – and will allow the College of Southern Idaho to begin to staff its newly-appropriated nursing building.

Additional health-related appropriations included an increase in the number of medical school seats provided University of Washington medical education program. Two additional students will be accepted by the University in fall 2007, bringing the first year class that year to 20. By the end of four years there will be twenty students enrolled in each of the four years.

The Millennium Fund was used to appropriate \$300,000 to the State Board of Education to issue a Request for Proposals for a medical education study for Idaho. This study, funded in Senate Bill 1210, is to be conducted by an outside consultant and managed by the Board staff. The Legislative intent states:

“The State Board of Education shall engage the services of an external, independent consultant to undertake a comprehensive study of the feasibility and viability of offering a medical degree through: (i) a distributive model in partnership with Idaho's public universities and medical community; and (ii) other delivery models the board deems worthy of consideration. Neither the consultant nor the oversight of this study shall be affiliated with any of Idaho's public universities. The consultant shall report its findings to the State Board of Education not later than November 1, 2007. The State Board of Education shall report the findings of the study and make recommendations to the Second Regular Session of the Fifty-ninth Idaho Legislature.”

The Office of the State Board of Education will manage the process used to engage the consultant.

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Agencies of the Board

The Board office (OSBE) received substantial additional funding to support the statewide K-12 assessment program, including an FY 2007 Supplemental Appropriation of \$1.7 million related to the overlap of assessment contractors; \$400,000 (one-time) for an alignment study of the new assessment program; and \$465,000 for Cut Scores/Performance Level Descriptors/Class Reports, as identified by the current contractor to make certain the Idaho Assessment test is in compliance with Federal law.

Also included in the OSBE appropriation is \$5.0 million for the first new community college district formed in Idaho, and \$129,900 for two positions which will staff the deaf and blind transition committees.

The Division of Professional Technical Education received almost \$600,000 for Replacement Capital Outlay items for the postsecondary vocational schools, and slightly more than \$300,000 for capacity-building at the postsecondary level. An additional \$225,000 was provided in Occupancy Costs for the new health sciences building at Eastern Idaho Technical College.

Agencies of the Board received additional funding for Replacement Capital Outlay equipment, including \$1.5 million for Idaho Public Television to continue converting its broadcast network to digital format.

The State Department of Education indicated they will provide a separate report on public school and related appropriation matters.

STAFF COMMENTS

The information provided will be published on the State Board of Education web page. The bill numbers are shown as hyperlinks, which will take the internet user directly to the bill on the legislature's web site.

BOARD ACTION

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

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Office of the State Board of Education
FY 2008 Appropriations of Interest to Institutions and Agencies

| | General Fund | % Inc. From FY 2007 | Total Fund | Bill # |
|---|---------------------|--|-------------------|------------------------|
| <u>College and Universities</u> | | | | |
| General Education/Systemwide | \$264,227,700 | 8.4% | \$399,011,800 | HB299 |
| Agricultural Research & Extension | 27,665,700 | 5.9% | 32,687,600 | HB284 |
| Community College support | 23,587,700 | 6.9% | 23,887,700 | HB285 |
| Health Education Programs | 9,140,100 | 3.9% | 9,668,400 | SB1201 |
| Special Programs | 10,170,800 | 2.0% | 10,610,800 | HB282 |
| <u>Agencies</u> | | | | |
| Office of the State Board of Education | 10,745,700 | 125.5% | 19,507,700 | HB283 |
| FY 2007 Supp./Assessment | 1,700,000 | | 1,700,000 | SB1187 |
| FY 2007 Supp./Deaf & Blind Coord | | | 833,200 | HB039 |
| Professional-Technical Education | 48,714,300 | 5.9% | 60,215,700 | HB286 |
| Idaho School for Deaf and Blind | 8,105,300 | 5.3% | 8,431,400 | SB1216 |
| Public Broadcasting System | 3,279,900 | 97.8% | 4,229,100 | SB1215 |
| Idaho Commission for the Libraries | 2,879,800 | 8.1% | 4,465,900 | SB1200 |
| Historical Society | 2,375,900 | 24.7% | 5,355,700 | HB257 |
| FY 2007 Supp./Fiscal Mgmt. | 117,300 | | 117,300 | HB221 |
| FY 2008 Additional/Abe Lincoln Bicentenn. | 10,000 | | 10,000 | SB1233 |
| Vocational Rehabilitation, Division | 8,353,000 | 3.0% | 24,675,300 | SB1220 |
| State Department of Education | 5,621,500 | 3.7% | 26,149,000 | SB1231 |
| <u>Public School Support</u> | | | | |
| Division of Facilities | 12,450,000 | 126.4% | 32,772,600 | SB1238 |
| Division of Operations | 525,558,000 | 107.4% | 567,802,800 | SB1236 |
| Division of Teachers | 721,720,900 | 5.3% | 792,414,700 | SB1235 |
| Division of Administrators | 83,089,900 | 4.3% | 85,240,200 | SB1234 |
| Division of Children's Programs | 24,545,000 | 45% | 166,468,100 | SB1237 |
| <u>Statewide Issues</u> | | | | |
| Permanent Building Fund (Maintenance Projects only) | 0 | | 69,558,900 | HB325 |
| Millennium Fund/Medical Education study | 0 | n/a | 300,000 | SB1210 |

Note: Employee compensation amounts are included in the totals for each of the Agencies & Institutions

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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

1. Budget Requests

For purposes of Item 1., the community colleges (CSI and NIC), the State Historical Society, and the State Library are included.

a. Submission of Budget Requests

The Board is responsible for submission of budget request for the institutions, school and agencies under its governance to the executive and legislative branches of government. Only those budget requests which have been formally approved by the Board will be submitted to the office to the executive and legislative branches.

b. Direction by the Office of the State Board of Education

The preparation of all annual budget requests is to be directed by the Office of the State Board of Education which designates forms to be used in the process. The procedures for the preparation and submission of budget requests apply to operational and capital improvements budgets.

c. Preparation and Submission of Annual Budget Requests

Annual budget requests to be submitted to the Board by the institutions, school and agencies under Board governance are due in the Office of the State Board of Education on the date established by the executive director.

d. Presentation to the Board

Annual budget requests are formally presented to the designated committee by the chief executive officer of each institution, school or agency or his or her designee. The designated committee will review the requests and provide recommendations to the Board for their action.

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2. Budget Requests and Expenditure Authority

- a. Budget requests must include projected miscellaneous receipts based on the enrollment of the fiscal year just completed (e.g., the FY 2007 budget request, prepared in the summer of 2005, projected miscellaneous receipts revenue based on academic year 2001 enrollments which ended with the Spring 2005 semester).
- b. Approval by the executive director, or his or her designee, as authorized, for all increases and decreases of spending authority caused by changes in miscellaneous receipts is required.
- c. Miscellaneous receipts collected by an institution will not be allocated to another institution. The lump sum appropriation will not be affected by changes in receipts.

3. Operating Budgets (Appropriated)

Availability of Appropriated Funds

- (1) Funds appropriated by the legislature from the State General Account for the operation of the institutions, school and agencies (exclusive of funds for construction appropriated to the Permanent Building Fund) become available at the beginning of the fiscal year following the session of the legislature during which the funds are appropriated, except when appropriation legislation contains an emergency clause.
- (2) These funds are generally allotted periodically or are disbursed on submission of expenditure vouchers to the Office of the State Controller.

b. Approval of Operating Budgets

- (1) The appropriated funds operating budgets for the institutions, school and agencies under Board supervision are based on a fiscal year, beginning July 1 and ending on June 30 of the following year.
- (2) During the spring of each year, the chief executive officer of each institution, school or agency prepares an operating budget for the next fiscal year based upon guidelines adopted by the Board. Each budget is then submitted to the Board in a summary format prescribed by the executive director for review and formal approval before the beginning of the fiscal year.

c. Budget Transfers and Revisions

(1) Chief Executive Officer Approval

The chief executive officer of each institution, agency, school, office, or department is responsible for approving all budget transfers.

(2) Allotment and Allotment Transfers

Requests for allotments or changes in allotments are submitted by the institution, school or agency to the Division of Financial Management and copies provided concurrently to the Office of the State Board of Education. (Refer to allotment form in the Fiscal Reference Manual of the Division of Financial Management.) The Office of the State Board of Education will coordinate the request for allotments and changes to allotments for the college and universities.

4. Operating Budgets (Nonappropriated -- Auxiliary Enterprises)

a. Auxiliary Enterprises Defined

An auxiliary enterprise directly or indirectly provides a service to students, faculty, or staff and charges a fee related to but not necessarily equal to the cost of services. The distinguishing characteristic of most auxiliary enterprises is that they are managed essentially as self-supporting activities, whose services are provided primarily to individuals in the institutional community rather than to departments of the institution, although a portion of student fees or other support is sometimes allocated to them. Auxiliary enterprises should contribute and relate directly to the mission, goals, and objectives of the college or university. Intercollegiate athletics and student health services should be included in the category of auxiliary enterprises if the activities are essentially self-supporting.

All operating costs, including personnel, utilities, maintenance, etc., for auxiliary enterprises are to be paid out of income from fees, charges, and sales of goods or services. No state appropriated funds may be allocated to cover any portion of the operating costs. However, rental charges for uses of the facilities or services provided by auxiliary enterprises may be assessed to departments or programs supported by state-appropriated funds.

b. Operating Budgets

(1) Reports of revenues and expenditures must be submitted to the State Board of Education at the request of the Board.

(2) All proposed expenditures from accumulated operating reserves in excess of \$50,000 must be reported to the Board at the next scheduled meeting.

5. Operating Budgets (Nonappropriated -- Local Service Operations)

a. Local Service Operations Defined

Local service operations provide a specific type of service to various institutional entities and are supported by charges for such services to the user. Such a service might be purchased from commercial sources, but for reasons of convenience, cost, or control, is provided more effectively through a unit of the institution. Examples are mailing

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services, duplicating services, office machine maintenance, motor pools, and central stores.

- b. The policies and practices used for appropriated funds are used in the employment of personnel, use of facilities, and accounting for all expenditures and receipts.
- c. Reports of revenues and expenditures must be submitted to the State Board of Education at the request of the Board.

6. Operating Budgets (Nonappropriated -- Other)

- a. The policies and practices used for appropriated funds are used in the employment of personnel, use of facilities, and accounting for all expenditures and receipts.
- b. Reports of revenues and expenditures must be submitted to the State Board of Education at the request of the Board.

7. Agency Funds

- a. Agency funds are assets received and held by an institution, school or agency, as custodian or fiscal agent for other individuals or organizations, but over which the institution, school or agency exercises no fiscal control.
- b. Agency funds may be expended for any legal purpose prescribed by the individual or organization depositing the funds with the institution, school or agency following established institutional disbursement procedures.

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

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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.

9. Approval by the Board

Requests for approval of major capital improvement projects must be submitted for Board action. Major capital improvement projects, which are approved by the Board and for which funds from the Permanent Building Fund are requested, are placed in priority order prior to the submission of major capital budget requests to the Division of Public Works.

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SUBJECT

FY 2008 College and University Allocation

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.S.
House Bill 299

BACKGROUND

The legislature appropriates to the State Board of Education and the Board of Regents monies for the general education programs at Boise State University, Idaho State University, University of Idaho, Lewis-Clark State College, and system-wide needs. The Board allocates the lump-sum appropriation to the four institutions based on legislative intent and Board Policy, Section V.S.

DISCUSSION

According to Board policy, the allocation is made in the following order: 1) each institution shall be allocated its prior year base; 2) funds for the Enrollment Workload Adjustment; 3) funds for new occupancy costs; 4) funding of special allocations; and 5) a general allocation based on proportionate share to total budget request.

IMPACT

This action allocates the FY 2008 College and University lump-sum appropriation to the institutions for general education programs, and system-wide needs. The funds allocated along with revenue generated from potential fee increases will establish the operating budgets for the general education program for FY 2008. The FY 2008 Allocation, shown on page 2, consists of the lump-sum appropriation.

STAFF COMMENTS

The allocation of the lump-sum appropriation (HB299) is presented on page 2. In prior years, the Change in Compensation (CEC), has been appropriated in a separate bill. CEC for FY2008 for state agencies, including the college and universities, was included in the appropriation bill for each agency.

BOARD ACTION

A motion to approve the allocation of the FY 2008 legislative appropriations contained in House Bill 299 for Boise State University, Idaho State University, University of Idaho, Lewis-Clark State College, and system-wide needs, as presented on Page 2.

Moved by_____ Seconded by_____ Carried Yes_____ No_____

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College and Universities' Allocation

Summary of FY08 C&U Budget Allocation: Based on Appropriation

Includes General Funds, Endowment and Appropriated Student Fees
HB 299

| | Boise State | Idaho State | Univ of Idaho | Lewis-Clark | System-wide | TOTAL |
|---|-------------|-------------|---------------|-------------|-------------|-------------|
| 1 FY07 Original Appropriation | 118,719,800 | 101,410,900 | 133,037,900 | 20,977,400 | 3,115,000 | 377,261,000 |
| 2 Adjustments: | | | | | | |
| 3 Recission | (7,500) | (561,600) | (5,200) | (1,400) | 0 | (575,700) |
| 4 Addl Std Fees/Revenue/Other | 2,327,200 | 0 | 1,895,500 | 429,300 | | 4,652,000 |
| 5 Remove One-Time Expenditures | (2,126,500) | (1,989,000) | (1,407,600) | (153,500) | | (5,676,600) |
| 6 FY08 Budget Base | 118,913,000 | 98,860,300 | 133,520,600 | 21,251,800 | 3,115,000 | 375,660,700 |
| 7 | | | | | | |
| 8 Maintenance Current Operations (MCO): | | | | | | |
| 9 Benefit Cost Increases (1) | 1,118,100 | 1,030,800 | 0 | 370,300 | | 2,519,200 |
| 10 General Inflation Adjustments | 0 | 0 | 0 | 0 | | 0 |
| 11 Capital Replacement Items: (One Time) | 1,163,300 | 2,159,800 | 1,709,800 | 165,300 | | 5,198,200 |
| 12 Risk Management Costs | 11,700 | 10,500 | 21,200 | 2,200 | | 45,600 |
| 13 Controller's Fees | 25,200 | 35,400 | 32,800 | 35,800 | | 129,200 |
| 14 Treasurer's Fees | 0 | 0 | 0 | 0 | | 0 |
| 15 CEC @ 5.0% | 4,320,500 | 3,671,700 | 4,393,600 | 745,200 | | 13,131,000 |
| 16 Nonstandard Inflationary Increases | | | | | | |
| 17 Enrollment Workload Adjustment | 0 | 0 | 0 | 0 | | 0 |
| 18 Total MCO Increases | 6,638,800 | 6,908,200 | 6,157,400 | 1,318,800 | 0 | 21,023,200 |
| 19 | | | | | | |
| 20 Total MCO | 125,551,800 | 105,768,500 | 139,678,000 | 22,570,600 | 3,115,000 | 396,683,900 |
| 21 | | | | | | |
| 22 Line Items: | | | | | | |
| 23 Gov's Initiative: Nursing | 0 | 84,600 | 0 | 214,400 | 0 | 299,000 |
| 24 Gov's Initiative: HERC (One-Time) | 0 | 0 | 0 | 0 | 1,560,000 | 1,560,000 |
| 25 Occupancy | 103,900 | 200,000 | 0 | 0 | 0 | 303,900 |
| 26 All Other Line Items (One-Time) (2) | 55,000 | 55,000 | 0 | 55,000 | 0 | 165,000 |
| 27 Total Line Items | 158,900 | 339,600 | 0 | 269,400 | 1,560,000 | 2,327,900 |
| 28 | | | | | | |
| 29 Subtotal: Based on Appropriation | 125,710,700 | 106,108,100 | 139,678,000 | 22,840,000 | 4,675,000 | 399,011,800 |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 % Change from FY07 Original Appropriation | | | | | | |
| 33 MCO | 5.6% | 6.8% | 4.6% | 6.3% | 0.0% | 5.6% |
| 34 Line Items | 0.1% | 0.3% | 0.0% | 1.3% | 50.1% | 0.6% |
| 35 Total | 5.7% | 7.1% | 4.6% | 7.6% | 50.1% | 6.2% |
| 36 | | | | | | |
| 37 % Change from FY08 Budget Base (3) | | | | | | |
| 38 MCO | 5.6% | 7.0% | 4.6% | 6.2% | 0.0% | 5.6% |
| 39 Line Items | 0.1% | 0.3% | 0.0% | 1.3% | 50.1% | 0.6% |
| 40 Total | 5.7% | 7.3% | 4.6% | 7.5% | 50.1% | 6.2% |

(1) BSU, ISU and LCSC had an insurance premium holiday removed in FY07, UI did not; amounts reflect restoration of those funds

(2) Simulator at \$55k each plus leased space for each institution

(3) Budget Base includes only ongoing items

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REFERENCE - APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education
GOVERNING POLICIES AND PROCEDURES

SECTION: V. FINANCIAL AFFAIRS

Subsection: S. Allocation of Lump Sum Appropriation:

February 2006

S. Allocation of Lump Sum Appropriation (BSU, ISU, LCSC, UI)

1. Objectives

- a. The funding process should offer maximum institutional flexibility to allocate funds internally to carry out roles and missions established by the Board.
- b. The funding process should be a straightforward approach that can be used by the Board to express system-wide priorities.
- c. There should be a clear and understandable relationship between institutional needs, the system-wide funding request, the legislative appropriations, the allocation of funds, and the ultimate use of the funds.
- d. The funding process should not penalize institutions as the result of decisions related to the internal allocation of resources by other institutions.
- e. Any incentives that the Board uses in the funding process should be explicit.
- f. The funding process should be applied consistently from year-to-year so that there can be some level of predictability in the allocation as well as increased confidence in the outcome.
- g. The funding process should encourage cooperative programs among institutions.
- h. The funding process should be compatible with the Statewide Plan for Higher Education.

2. Methodology

The allocation shall consist of the total of the lump sum general account appropriation and actual land grant endowment receipts. The allocation shall be made in the following order:

- a. Each institution shall be allocated its base allocation of the prior year.
- b. An Enrollment Workload Adjustment shall be applied to the allocation of each institution. The adjustment shall be calculated as follows:
 - (1) A three-(3) year moving average of credit hours multiplied by the program weights shall be used. The three (3) years to be used shall be those which precede the year

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of the allocation and shall consist of two (2) years of actual and one (1) year of estimated credit hours.

- (2) Effective with the FY 1990 allocation, credit hours generated from externally funded sources and contracts shall be removed from this adjustment. Credit hours for in-service teacher education shall not be removed.
- (3) The total budget base of the institutions shall be multiplied by 0.67 and divided by the three-(3)year moving average of total weighted credit hours for the prior year. The resultant amount per credit hour shall be multiplied by the change from the prior three-(3)year moving average of weighted credit hours for each institution to calculate the adjustment by institution.
- (4) Program weights are the weighting factors applied to four (4) categories of instructional disciplines with different weight factors by category and course level. The groups and factors follow.

| | |
|---|--|
| <u>Group I</u> Physical Education Law Letters Library Sciences Mathematics Military Science Psychology Social Sciences | <u>Group II</u> Area Studies Business & Management Education Communications Home Economics Public Affairs Interdisciplinary Studies |
| <u>Group III</u> Agricultural & Natural Resources Architecture & Environmental Design Biological Sciences Fine & Applied Arts Foreign Languages Physical Sciences | <u>Group IV</u> Engineering Health Professions Computer & Information Sciences |

The weighting factors for the above categories are as follows:

| <u>Course Level</u> | <u>Category</u> | | | |
|---------------------|-----------------|------|------|-------|
| | I | II | III | IV |
| Lower Division | 1.00 | 1.30 | 1.60 | 3.00 |
| Upper Division | 1.50 | 1.90 | 2.50 | 3.50 |
| Masters | 3.50 | 3.50 | 6.00 | 6.50 |
| Doctoral | 5.00 | 6.25 | 7.50 | 10.00 |
| Law | 3.50 | -- | -- | -- |

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An additional five percent (5%) emphasis factor is given to the Primary Emphasis areas at each institution. These areas are:

| | |
|---|--|
| <u>Boise State University</u> Business Social Science (includes Economics) Public Affairs Performing Arts (excluding Art) Education Engineering | <u>Idaho State University</u> Health Professions Biological Sciences Physical Sciences Education |
| <u>University of Idaho</u> Agriculture Forestry Mines Engineering Architecture Law Foreign Languages Education | <u>Lewis-Clark State College</u> Business Criminal Justice Nursing Social Work Education |

- c. Operations and maintenance funds (custodial, maintenance, and utilities) for new, major general education capital improvement projects shall be allocated to affect institutions.
- d. Decision units above the base shall be consistent with the legislative budget request. The allocation of these decision units to the institutions shall be based on the proportionate share of each institution in the total budget request for these decision units applied to the increase in appropriations above the base excluding special allocations.
- e. The Board may also allocate funds for special activities or projects at the discretion of the Board.

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 299

BY APPROPRIATIONS COMMITTEE

AN ACT

2 APPROPRIATING MONEYS FOR GENERAL EDUCATION PROGRAMS AT BOISE STATE UNIVERSITY,
3 IDAHO STATE UNIVERSITY, LEWIS-CLARK STATE COLLEGE, THE UNIVERSITY OF IDAHO
4 AND FOR THE OFFICE OF THE STATE BOARD OF EDUCATION FOR FISCAL YEAR 2008;
5 ESTABLISHING AMOUNTS TO BE EXPENDED FOR SYSTEMWIDE PROGRAMS; DIRECTING THE
6 STATE BOARD OF EDUCATION TO PROVIDE A SYSTEM OF REPORTING FACULTY AND
7 STAFF TURNOVER; REAPPROPRIATING CERTAIN UNEXPENDED AND UNENCUMBERED BAL-
8 ANCES; AND EXPRESSING LEGISLATIVE INTENT REGARDING OCCUPANCY COSTS.

9 Be It Enacted by the Legislature of the State of Idaho:

10 SECTION 1. There is hereby appropriated to the State Board of Education
11 and the Board of Regents of the University of Idaho for Boise State Univer-
12 sity, Idaho State University, Lewis-Clark State College, the University of
13 Idaho, and the Office of the State Board of Education the following amount to
14 be expended for the designated programs from the listed funds for the period
15 July 1, 2007, through June 30, 2008:

| | | |
|----|---|-------------------|
| 16 | FOR: | |
| 17 | General Education Programs | \$399,011,800 |
| 18 | FROM: | |
| 19 | General Fund | \$264,227,700 |
| 20 | Agricultural College Endowment Fund | 725,000 |
| 21 | Charitable Institutions Endowment Fund | 688,500 |
| 22 | Normal School Endowment Income Fund | 2,310,000 |
| 23 | Scientific School Endowment Income Fund | 2,138,000 |
| 24 | University Endowment Income Fund | 1,990,000 |
| 25 | Unrestricted Fund | 103,629,900 |
| 26 | UI Restricted Fund | <u>23,302,700</u> |
| 27 | TOTAL | \$399,011,800 |

28 SECTION 2. SYSTEMWIDE PROGRAMS. Of the amount appropriated from the Gen-
29 eral Fund in Section 1 of this act, an amount not to exceed \$100,000 shall be
30 used by the Office of the State Board of Education for systemwide needs; an
31 amount not to exceed \$1,440,000 may be used for the mission and goals of the
32 Higher Education Research Council; an amount not to exceed \$1,560,000 in one-
33 time funds for competitive research grants to be awarded by the Higher Educa-
34 tion Research Council; an amount not to exceed \$1,575,000 may be used for the
35 competitive Idaho Technology Incentive Grant Program to foster innovative
36 learning approaches using technology, and to promote the Idaho Electronic Cam-
37 pus; and an amount not to exceed \$500,000 may be used for teacher preparation
38 activities associated with Idaho's Comprehensive Literacy Act.

39 SECTION 3. PERSONNEL TURNOVER. The State Board of Education shall con-
40 tinue to provide a standardized system for tracking and reporting meaningful
41 data about faculty, nonfaculty exempt, and classified staff turnover at the
42 state's institutions of higher education. These statistics shall be available

1 to the Division of Financial Management and the Legislative Services Office no
2 later than November 1 of each year.

3 SECTION 4. CARRYOVER AUTHORITY. There is hereby reappropriated to the
4 State Board of Education and the Board of Regents for the University of Idaho
5 for Boise State University, Idaho State University, the University of Idaho,
6 Lewis-Clark State College, and the Office of the State Board of Education, any
7 non-General Fund unexpended and unencumbered balances from fiscal year 2007,
8 to be used for nonrecurring expenditures for the period July 1, 2007, through
9 June 30, 2008.

10 SECTION 5. It is legislative intent that no further occupancy costs for
11 postsecondary institutions shall be funded by the Legislature until a written
12 policy has been established which sets forth the eligibility criteria and for-
13 mula by which occupancy costs are to be calculated.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

REFERENCE – APPLICABLE STATUTE, RULE OR POLICY - continued

This is the fiscal year 2008 appropriation for Idaho's 4-year College & Universities in the amount of \$399,011,800.

Statement of Purpose
RS16384C1

This is the fiscal year 2008 appropriation for the college and universities.

Fiscal Note

| | FTP | Gen | Ded | Fed | Total |
|---------------------------------------|-----------------|--------------------|--------------------|----------|--------------------|
| FY 2007 Original Appropriation | 3,720.34 | 243,726,400 | 133,534,600 | 0 | 377,261,000 |
| Reappropriations | 0.00 | 0 | 37,385,400 | 0 | 37,385,400 |
| Other Approp Adjustments | 0.00 | 0 | 0 | 0 | 0 |
| FY 2007 Total Appropriation | 3,720.34 | 243,726,400 | 170,920,000 | 0 | 414,646,400 |
| Non-Cognizable Funds and Transfers | 96.84 | 0 | 4,652,000 | 0 | 4,652,000 |
| Expenditure Adjustments | 0.00 | 0 | (575,700) | 0 | (575,700) |
| FY 2007 Estimated Expenditures | 3,817.18 | 243,726,400 | 174,996,300 | 0 | 418,722,700 |
| Removal of One-Time Expenditures | 0.00 | 0 | (43,062,000) | 0 | (43,062,000) |
| Base Adjustments | 0.00 | 0 | 0 | 0 | 0 |
| FY 2008 Base | 3,817.18 | 243,726,400 | 131,934,300 | 0 | 375,660,700 |
| Benefit Costs | 0.00 | 1,908,000 | 611,200 | 0 | 2,519,200 |
| Inflationary Adjustments | 0.00 | 0 | 0 | 0 | 0 |
| Replacement Items | 0.00 | 3,206,100 | 1,992,100 | 0 | 5,198,200 |
| Statewide Cost Allocation | 0.00 | 174,800 | 0 | 0 | 174,800 |
| Change in Employee Compensation | 0.00 | 12,884,500 | 246,500 | 0 | 13,131,000 |
| FY 2008 Program Maintenance | 3,817.18 | 261,899,800 | 134,784,100 | 0 | 396,683,900 |
| Line Items | | | | | |
| College and Universities | | | | | |
| 1. Salary Competitiveness | 0.00 | 0 | 0 | 0 | 0 |
| 2. New Programs | 4.50 | 299,000 | 0 | 0 | 299,000 |
| 3. Occupancy Costs | 3.92 | 303,900 | 0 | 0 | 303,900 |
| 4. Graduate Assistants | 0.00 | 0 | 0 | 0 | 0 |
| 5. Infrastructure & Maintenance | 0.00 | 0 | 0 | 0 | 0 |
| 6. Governor's Initiative: Nursing | 0.00 | 165,000 | 0 | 0 | 165,000 |
| 7. Governor's Initiative: HERC | 0.00 | 1,560,000 | 0 | 0 | 1,560,000 |
| Lump Sum or Other Adjustments | 0.00 | 0 | 0 | 0 | 0 |
| FY 2008 Total | 3,825.60 | 264,227,700 | 134,784,100 | 0 | 399,011,800 |
| Chg from FY 2007 Orig Approp. | 105.26 | 20,501,300 | 1,249,500 | 0 | 21,750,800 |
| % Chg from FY 2007 Orig Approp. | 2.8% | 8.4% | 0.9% | | 5.8% |

Line Item #2 provides one faculty position for Idaho State University's Boise Fast Track nursing program; and 3 nursing faculty positions and a half-time position for Lewis-Clark State College.

Line Item #3 provides \$103,900 for occupancy costs for BSU's new Interactive Learning Center; and \$200,000 for occupancy costs for ISU's new Rendezvous Center.

Line Item #6 provides one-time funding for the purchase of one simulator mannequin each for BSU, ISU and LCSC.

Line Item #7 provides additional one-time funding for competitive research grants.

Contact: Matt Freeman 334-4740
Legislative Services Office, Budget & Policy Analysis
Statement of Purpose/Fiscal Note

Bill No. _____

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BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

SUBJECT

Allocation of FY 2008 General Fund Appropriation for Community Colleges

REFERENCE

June 2006 Board approved a process for distributing the FY 2007 State General Fund appropriation between North Idaho College (NIC) and the College of Southern Idaho (CSI)

APPLICABLE STATUTE, RULE, OR POLICY

House Bill 285 (2007 Session)

BACKGROUND

The legislature makes an annual appropriation to the State Board of Education for community college support. Traditionally, an informal agreement between the presidents of the two colleges resulted in the allocation of state General Funds equally (50%/50%) between CSI and NIC.

In June, 2006, the Board approved the process for distributing the FY 2007 State General Fund appropriation between NIC and CSI. The Board noted that as the state continues to debate the need for more community colleges in Idaho it is possible the status quo will change. Should that happen, the distribution process would be renegotiated. Although funds for a new community college district were appropriated by the Legislature for FY 2008, this will not affect the distribution formula between CSI and NIC. Therefore, the same process will be used for distributing the FY2008 general fund appropriation.

DISCUSSION

The allocation formula used to distribute the FY 2007 state General Fund appropriation will be used to distribute the FY 2008 General Funds.

IMPACT

The allocation formula is based upon the relative academic Full-Time Equivalent (FTE) students at each institution, and allows for an annual maximum shift in the General fund base between the two community colleges of 1.5%. The following chart shows the actual and allowed shift in academic FTE's and the corresponding shift in the General Fund allocation.

| | CSI | NIC |
|--|------------|------------|
| FY 2006 Base FTE percentage | 50.80% | 49.20% |
| FY 2007 Actual FTE | 54.36% | 45.64% |
| FY 2007 FTE used in allocation (1.5% over Base) | 52.30% | 47.70% |
| FY 2008 Actual FTE | 54.78% | 45.22% |
| FY 2008 FTE used in allocation (1.5% over 2007) | 53.80% | 46.20% |
| FY2008 Allocation foregone by CSI because of cap | \$193,600 | |

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

STAFF COMMENTS

This allocation between NIC and CSI is not connected to the new FY 2008 appropriation that was provided by the Legislature for a new community college in Idaho. That \$5.0 million amount was appropriated as part of the State Board of Education budget and will be transferred to the first new community college district formed, if any, during FY 2008.

This allocation does not include funds for Professional-Technical Education, which are allocated by the Division of Professional Technical Education.

Each institution has reviewed their respective allocation amount and agrees that the proper calculation has been made.

Staff recommends approval of the amounts as shown on Page 3, Line 24, and included in the motion, below.

BOARD ACTION

A motion to approve the FY 2008 allocation of state General Funds for community college support as follows: \$12,356,300 to the College of Southern Idaho, and \$10,788,800 to North Idaho College.

Moved by_____ Seconded by_____ Carried Yes_____ No_____

STATE APPROPRIATION ALLOCATION PROCESS
COLLEGE OF SOUTHERN IDAHO and NORTH IDAHO COLLEGE
Fiscal Year 2008

| | | Fiscal Year 2008 | | |
|----|---|-------------------------|-------------------|---------------------|
| | | (d) CSI | (e) NIC | (f) Total |
| 1 | Prior Year Budget Base | 10,332,100 | 9,423,300 | 19,755,400 |
| 2 | | | | |
| 3 | Current Year MCO and Line Item Increases (1st Yr 2006) | 793,400 | 727,100 | 1,520,500 |
| 4 | 15 Prior Year MCO and Line Item Increases | 1,232,100 | 1,079,700 | 2,311,800 |
| 5 | Cumulative MCO and Line Item Increases | 2,025,500 | 1,806,800 | 3,832,300 |
| 6 | | | | |
| 7 | Prior Year FTE Used to Allocate Base | 52.30% | 47.70% | 100.00% |
| 8 | Percentage of Actual FTE Split Based on FY06 | 54.78% | 45.22% | 100.00% |
| 9 | 8-7 Difference Between Actual and Prior Year FTE Split | 2.48% | -2.48% | 0.00% |
| 10 | | | | |
| 11 | Limit on Annual Change in FTE Allocation | 1.50% | -1.50% | 0.00% |
| 12 | 7+11 FTE Used to Allocate New Base | 53.80% | 46.20% | 0.00% |
| 13 | | | | |
| 14 | Current Year MCO and Line Item Increases | 793,400 | 727,100 | 1,520,500 |
| 15 | 3+14 Current Year Amount Not Allocated by FTE | 2,025,500 | 1,806,800 | 3,832,300 |
| 16 | | | | |
| 17 | 1+15 Current Year Estimated Total Appropriation | 12,357,600 | 11,230,100 | 23,587,700 |
| 18 | -15 Less: Amount Not Allocated by FTE | (2,025,500) | (1,806,800) | (3,832,300) |
| 19 | Less: Reallocate Foregone Allocation | | | |
| 20 | 17+18+19 Current Year New Base | 10,332,100 | 9,423,300 | 19,755,400 |
| 21 | | | | |
| 22 | 20*12 Current Year Base Allocation | 10,628,400 | 9,127,000 | 19,755,400 |
| 23 | Plus: Reallocate Foregone Allocation | | | |
| 24 | 15+22 Current Year Total Appropriation | 12,653,900 | 10,933,800 | 23,587,700 |
| 25 | | | | |
| 26 | Prior Year Total Appropriation | 11,564,200 | 10,503,000 | 22,067,200 |
| 27 | 24/26 Current Year Percentage Increase over Prior Year | 9.42% | 4.10% | 6.89% |
| 28 | | | | |
| 29 | 20*8+15 Current Year Allocation Without 1.5% FTE Limitation | 12,847,500 | 10,740,200 | 23,587,700 |
| 30 | 29-24 Current Year Foregone Allocation Due From/(Due To) | 193,600 | (193,600) | - |
| 31 | Prior Year Foregone Allocation Due From/(Due To) | 406,900 | (406,900) | - |
| 32 | Cumulative Foregone Allocation Due From/(Due To) | 600,500 | (600,500) | - |

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IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 285

BY APPROPRIATIONS COMMITTEE

AN ACT

APPROPRIATING MONEYS FOR COMMUNITY COLLEGE SUPPORT FOR FISCAL YEAR 2008; AND
EXPRESSING LEGISLATIVE INTENT IN REGARD TO ALLOCATION OF GENERAL FUNDS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. There is hereby appropriated to the State Board of Education for Community College Support the following amount to be expended according to the designated expense class from the listed funds for the period July 1, 2007, through June 30, 2008:

FOR:

| | |
|------------------------------|--------------|
| Trustee and Benefit Payments | \$23,887,700 |
|------------------------------|--------------|

FROM:

| | |
|--------------|--------------|
| General Fund | \$23,587,700 |
|--------------|--------------|

| | |
|------------------------|---------|
| Community College Fund | 300,000 |
|------------------------|---------|

| | |
|-------|--------------|
| TOTAL | \$23,887,700 |
|-------|--------------|

SECTION 2. The General Fund moneys appropriated in Section 1 of this act shall be allocated pursuant to the formula as agreed to and set forth in the 2006 document entitled "College of Southern Idaho and North Idaho College: State General Fund Distribution Process."

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

Statement of Purpose RS 16379

This is the fiscal year 2008 appropriation for the Community Colleges in the amount of \$23,145,100.

Statement of Purpose
RS16379

This is the fiscal year 2008 appropriation for the College of Southern Idaho and North Idaho College.

Fiscal Note

| | FTP | Gen | Ded | Fed | Total |
|---------------------------------------|-------------|-------------------|----------------|----------|-------------------|
| FY 2007 Original Appropriation | 0.00 | 22,067,200 | 333,700 | 0 | 22,400,900 |
| Non-Cognizable Funds and Transfers | 0.00 | 0 | 0 | 0 | 0 |
| FY 2007 Estimated Expenditures | 0.00 | 22,067,200 | 333,700 | 0 | 22,400,900 |
| Removal of One-Time Expenditures | 0.00 | 0 | (33,700) | 0 | (33,700) |
| FY 2008 Base | 0.00 | 22,067,200 | 300,000 | 0 | 22,367,200 |
| Benefit Costs | 0.00 | 86,800 | 0 | 0 | 86,800 |
| Inflationary Adjustments | 0.00 | 0 | 0 | 0 | 0 |
| Replacement Items | 0.00 | 137,700 | 0 | 0 | 137,700 |
| Change in Employee Compensation | 0.00 | 750,200 | 0 | 0 | 750,200 |
| Nondiscretionary Adjustments | 0.00 | 103,200 | 0 | 0 | 103,200 |
| FY 2008 Program Maintenance | 0.00 | 23,145,100 | 300,000 | 0 | 23,445,100 |
| Line Items | | | | | |
| Community Colleges | | | | | |
| 1. Nursing Program Expansion | 0.00 | 301,000 | 0 | 0 | 301,000 |
| 2. Off-Campus Outreach | 0.00 | 141,600 | 0 | 0 | 141,600 |
| 3. Salary Competitiveness | 0.00 | 0 | 0 | 0 | 0 |
| Lump Sum or Other Adjustments | 0.00 | 0 | 0 | 0 | 0 |
| FY 2008 Total | 0.00 | 23,587,700 | 300,000 | 0 | 23,887,700 |
| Chg from FY 2007 Orig Approp. | 0.00 | 1,520,500 | (33,700) | 0 | 1,486,800 |
| % Chg from FY 2007 Orig Approp. | | 6.9% | (10.1%) | | 6.6% |

Line Item #1 provides \$241,000 to CSI for two full-time and two part-time registered nursing instructors, and a health career advisor position. This line item also includes \$60,000 for NIC to increase the number of adjunct clinical faculty and to lease an outreach center clinical site in Sandpoint.

Line Item #2 provides \$56,600 to CSI for a workforce development coordinator, and \$85,000 to NIC for on-site workforce instructor training.

Contact: Matt Freeman 334-4740
Legislative Services Office, Budget & Policy Analysis
Statement of Purpose/Fiscal Note

Bill No. _____

INSTITUTION/AGENCY AGENDA
DIVISION OF PROFESSIONAL-TECHNICAL EDUCATION

SUBJECT

Allocation of the State Division of Professional-Technical Education Appropriation for FY 2008

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.C.d.

BACKGROUND

The Idaho Legislature appropriates funds for Professional-Technical Education to the Division of Professional-Technical Education in five designated programs: State Leadership and Technical Assistance, General programs, Postsecondary Programs, Underprepared and Unprepared Adults/Displaced Homemakers, and Career Information System. The Division of Professional-Technical Education requests approval of the allocation of the FY2008 appropriated funds detailed in Exhibit A.

DISCUSSION

The allocation is based on the level of funding in House Bill No. 286, Exhibit B, and the Provisions of the State Plan for Professional-Technical Education. The postsecondary allocation is based on the Annual Plan and Budget Request from the respective Technical Colleges. The State General Fund reflects an overall increase of 5.91%. The Legislature funded maintenance level increases for replacement operating expenses and capital outlay, library books and periodicals (EITC), statewide cost allocation increases, and professional-technical schools. Line item requests for secondary workload adjustment, postsecondary capacity building, occupancy costs (EITC), and the Governor's Initiative: Nursing (CSI, EITC and NIC) were also funded.

IMPACT

Establish FY2008 operating budget for the professional-technical programs at the colleges and universities.

STAFF COMMENTS AND RECOMMENDATIONS

A motion to approve the request from the Division of Professional-Technical Education for the allocation of the FY 2008 appropriation detailed in Exhibit A.

BOARD ACTION

Moved by _____ Seconded by _____ Carried Yes _____ No _____

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 286

BY APPROPRIATIONS COMMITTEE

AN ACT

APPROPRIATING MONEYS FOR PROFESSIONAL-TECHNICAL EDUCATION FOR FISCAL YEAR 2008; REAPPROPRIATING ANY UNEXPENDED AND UNENCUMBERED BALANCES; SETTING FORTH THE CONDITIONS FOR REAPPROPRIATION; EXPRESSING LEGISLATIVE INTENT REGARDING RESOURCE SHARING; DIRECTING THE DISTRIBUTION OF THE FUNDING FOR EMPLOYEE COMPENSATION; AND DIRECTING THE USE OF SALARY SAVINGS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. There is hereby appropriated to the State Board for Professional-Technical Education the following amounts to be expended by the Division of Professional-Technical Education for the designated programs according to the designated expense classes from the listed funds for the period July 1, 2007, through June 30, 2008:

| | FOR PERSONNEL COSTS | FOR OPERATING EXPENDITURES | FOR CAPITAL OUTLAY | FOR TRUSTEE AND BENEFIT PAYMENTS | FOR LUMP SUM | TOTAL |
|---|---------------------------|----------------------------------|--------------------------|---|-----------------|--------------|
| I. STATE LEADERSHIP AND TECHNICAL ASSISTANCE: | | | | | | |
| FROM: | | | | | | |
| General | | | | | | |
| Fund | \$1,656,300 | \$341,200 | \$35,000 | | | \$ 2,032,500 |
| Federal Grant | | | | | | |
| Fund | 328,500 | 16,100 | | | | 344,600 |
| TOTAL | \$1,984,800 | \$357,300 | \$35,000 | | | \$ 2,377,100 |
| II. GENERAL PROGRAMS: | | | | | | |
| FROM: | | | | | | |
| General | | | | | | |
| Fund | \$ 235,900 | \$ 42,400 | \$15,400 | \$11,194,700 | | \$11,488,400 |
| Hazardous Materials/ Waste Enforcement | | | | | | |
| Fund | | | | 67,800 | | 67,800 |
| Federal Grant | | | | | | |
| Fund | 171,700 | 9,300 | | 4,877,200 | | 5,058,200 |
| TOTAL | \$ 407,600 | \$ 51,700 | \$15,400 | \$16,139,700 | | \$16,614,400 |
| III. POSTSECONDARY PROGRAMS: | | | | | | |
| FROM: | | | | | | |
| General | | | | | | |
| Fund | | | | | \$37,618,500 | \$37,618,500 |

| | FOR PERSONNEL COSTS | FOR OPERATING EXPENDITURES | FOR CAPITAL OUTLAY | FOR TRUSTEE AND BENEFIT PAYMENTS | FOR LUMP SUM | TOTAL |
|--|---------------------------|----------------------------------|--------------------------|---|-----------------|--------------|
| Unrestricted | | | | | | |
| Fund | | | | | 456,200 | 456,200 |
| TOTAL | | | | | \$38,074,700 | \$38,074,700 |
| IV. UNDERPREPARED ADULTS/DISPLACED HOMEMAKERS: | | | | | | |
| FROM: | | | | | | |
| General | | | | | | |
| Fund | | | | \$ 239,100 | | \$ 239,100 |
| Displaced Homemaker | | | | | | |
| Fund | | | | 170,000 | | 170,000 |
| Federal Grant | | | | | | |
| Fund | | | | 2,020,700 | | 2,020,700 |
| TOTAL | | | | \$ 2,429,800 | | \$ 2,429,800 |
| V. CAREER INFORMATION SYSTEM: | | | | | | |
| FROM: | | | | | | |
| General | | | | | | |
| Fund | \$ 187,600 | \$ 28,900 | | | | \$ 216,500 |
| Miscellaneous | | | | | | |
| Revenue | | | | | | |
| Fund | 358,500 | 144,700 | | | | 503,200 |
| TOTAL | \$ 546,100 | \$173,600 | | | | \$ 719,700 |
| GRAND | | | | | | |
| TOTAL | \$2,938,500 | \$582,600 | \$50,400 | \$18,569,500 | \$38,074,700 | \$60,215,700 |

SECTION 2. There is hereby reappropriated to the State Board for Professional-Technical Education for the Division of Professional-Technical Education, subject to the provisions of Section 3 of this act, the unexpended and unencumbered balance of any appropriation contained in Section 1, Chapter 389, Laws of 2006, to be used for nonrecurring expenditures, for the period July 1, 2007, through June 30, 2008.

SECTION 3. The reappropriation for the General Fund moneys granted in Section 2 of this act shall be subject to the following provisions:

(1) If the unexpended and unencumbered balance in the General Fund on June 30, 2007, is zero, the reappropriation for the General Fund moneys in Section 2 is hereby declared to be null and void.

(2) If the unexpended and unencumbered balance in the General Fund on June 30, 2007, is greater than zero but less than the total General Fund reappropriation authority granted to all state agencies, that amount reappropriated in Section 2 of this act shall be in the proportion that the reappropriation for the State Board of Education bears to the total General Fund reappropriation authority granted to all state agencies.

SECTION 4. The Legislature reaffirms that the Division of Professional-Technical Education and the Office of the State Board of Education each play unique and vital roles in the state's educational system. The Legislature authorizes these agencies to share administrative resources only to the extent necessary to achieve readily obtainable administrative efficiencies. The shared resources authorized in this section shall be narrowly defined as reception services. Each division administrator shall retain management decision-making autonomy over their respective divisions. The employees of the

1 Division of Professional-Technical Education shall not be considered or used
2 as adjunct staff by the Office of the State Board of Education. Under no cir-
3 cumstances shall this arrangement impair the individual ability of these agen-
4 cies to fulfill their individual missions. This authorization is automatically
5 withdrawn to the extent it is found to be inconsistent with laws or regula-
6 tions pertaining to the use of federal or dedicated funds. The Legislature
7 shall review this authorization each year and reserves its prerogative to
8 withdraw it at any time.

9 SECTION 5. Agencies and institutions shall distribute the funding for
10 employee compensation based on merit as follows:

11 (a) Agencies and institutions are directed to, based on merit, target
12 funding first toward high turnover classifications and individuals below
13 midpoint within their agency.

14 (b) Agencies and institutions are directed to, based on merit, target
15 funding second toward positions within their agency that are below ninety
16 percent (90%) of the Compa-Ratio.

17 (c) Agencies and institutions are directed to target any remaining fund-
18 ing based on merit using the merit matrix required by Idaho Code.

19 Agencies and institutions shall create compensation and distribution plans to
20 ensure that they are consistent with the policies contained herein. Agency
21 directors and institutional presidents shall approve all compensation and dis-
22 tribution plans and ensure that implementation of the plans is consistent with
23 policies contained herein. Each agency and institution shall forward, for
24 informational purposes, approved copies of the compensation and distribution
25 plans to the Legislative Services Office and the Division of Financial Manage-
26 ment by June 1, 2007. The effective date of implementation of ongoing salary
27 adjustments shall be June 17, 2007.

28 SECTION 6. The Division of Professional-Technical Education is hereby
29 directed to allocate salary savings, based on performance, to provide for
30 employee salary needs before other operational budget priorities are consid-
31 ered. Where applicable, employees whose salaries are below the midpoint of
32 their pay grade or occupational groups with significant turnover rates shall
33 be considered first in the order of salary savings distributions.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

DIVISION OF PROFESSIONAL-TECHNICAL EDUCATION

EXHIBIT A

Allocation of State Division of Professional-Technical Education

FY 2008 Appropriation

| | FY07 Allocation | FY08 Allocation |
|--|--------------------|--------------------|
| Program 01 (State Leadership and Technical Assistance) | | |
| By Standard Class: | | |
| Personnel Costs | \$ 1,876,600 | \$ 1,984,800 |
| Operating Expenses | 379,600 | 357,300 |
| Capital Outlay | 34,500 | 35,000 |
| Totals | \$ 2,290,700 | \$ 2,377,100 |
| By Source of Revenue: | | |
| General Funds | 1,875,200 | 1,966,600 |
| Federal Funds | 351,300 | 344,600 |
| One-time General Funds | 64,200 | 65,900 |
| Totals | \$ 2,290,700 | \$ 2,377,100 |
| Program 02 (General Programs) | | |
| By Major Program Area: | | |
| Secondary Formula | \$ 10,813,827 | \$ 10,944,137 |
| Professional-Technical School Added Cost | 1,718,500 | 1,770,000 |
| General Programs Leadership | 276,600 | 293,700 |
| Special Programs | | |
| Federal Leadership | 686,569 | 774,703 |
| Tech Prep | 624,444 | 0 |
| Advanced Learning Partnership | 0 | 420,000 |
| Adult/Retraining | 760,240 | 759,240 |
| Support and Improvement Services | 1,652,620 | 1,652,620 |
| Totals | \$ 16,532,800 | \$ 16,614,400 |
| By Source of Revenue | | |
| General Funds | \$ 11,364,000 | \$ 11,469,100 |
| Federal Funds | 5,084,900 | 5,058,200 |
| Dedicated Funds | 68,800 | 67,800 |
| One-time General Funds | 15,100 | 19,300 |
| Totals | \$ 16,532,800 | \$ 16,614,400 |

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

Program 03 (Postsecondary Programs)

By Technical College:

| | | |
|---------------------------------|----------------------|----------------------|
| Boise State University | 7,111,257 | 7,212,618 |
| College of Southern Idaho | 5,837,320 | 6,008,125 |
| Eastern Idaho Technical College | 5,828,396 | 6,312,852 |
| Idaho State University | 10,069,411 | 10,171,733 |
| Lewis-Clark State College | 3,942,828 | 4,011,594 |
| North Idaho College | 4,245,188 | 4,357,778 |
| Totals | <u>\$ 37,034,400</u> | <u>\$ 38,074,700</u> |

By Source of Revenue:

| | | |
|------------------------|----------------------|----------------------|
| General Funds | \$ 35,032,800 | \$ 36,946,700 |
| Unrestricted Funds | 464,800 | 456,200 |
| One-time General Funds | <u>1,536,800</u> | <u>671,800</u> |
| Totals | <u>\$ 37,034,400</u> | <u>\$ 38,074,700</u> |

Allocation of State Division of Professional-Technical Education

FY 2008 Appropriation

| FY07 | FY08 |
|-------------------|-------------------|
| <u>Allocation</u> | <u>Allocation</u> |

Program 04 (Underprepared Adults/Displaced Homemaker Program)

By Major Program:

| | | |
|-----------------------------|---------------------|---------------------|
| Postsecondary Formula | \$ 2,031,500 | \$ 2,020,700 |
| Displaced Homemaker Program | <u>409,100</u> | <u>409,100</u> |
| Totals | <u>\$ 2,440,600</u> | <u>\$ 2,429,800</u> |

By Source of Revenue:

| | | |
|-----------------|---------------------|---------------------|
| General Funds | \$ 239,100 | \$ 239,100 |
| Federal Funds | 2,031,500 | 2,020,700 |
| Dedicated Funds | <u>170,000</u> | <u>170,000</u> |
| Totals | <u>\$ 2,440,600</u> | <u>\$ 2,429,800</u> |

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

| | | | |
|----|--|------------------|----------------|
| 76 | Program 05 (Career Information System) | | |
| 77 | | | |
| 78 | By Standard Class: | | |
| 79 | Personnel Costs | \$ 505,500 | \$ 546,100 |
| 80 | Operating Expenses | 189,000 | 173,600 |
| 81 | Capital Outlay | <u>7,200</u> | <u>0</u> |
| 82 | Totals | \$ 701,700 | \$ 719,700 |
| 83 | | | |
| 84 | By Source of Revenue: | | |
| 86 | General Funds | \$ 203,200 | \$ 213,900 |
| 87 | Miscellaneous Revenue | 488,300 | 503,200 |
| 88 | One-Time General Funds | <u>10,200</u> | <u>2,600</u> |
| 89 | Totals | \$ 701,700 | \$ 719,700 |
| 90 | | | |
| 91 | By Source of Revenue: | | |
| 92 | General Funds | \$ 48,714,300 | \$ 50,835,400 |
| 93 | Federal Funds | 7,467,700 | 7,423,500 |
| 94 | Dedicated Funds | 238,800 | 237,800 |
| 95 | Unrestricted Funds | 464,800 | 456,200 |
| 96 | Miscellaneous Revenue | 488,300 | 503,200 |
| 97 | One-time General Funds | <u>1,626,300</u> | <u>759,600</u> |
| 98 | Totals | \$ 59,000,200 | \$ 60,215,700 |

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BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

SUBJECT

Idaho Promise Scholarship – Approve Category B Award.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho Administrative Procedures Act (IDAPA) 08.01.05.102.01
Sections 33-4305 and 33-4308, Idaho Code

BACKGROUND

The Idaho Promise Scholarship Category B award is available for all Idaho students attending college for the first time and who have a high school grade point average of at least 3.0 or an ACT score of 20 or above. This scholarship is limited to two years and to students younger than 22 years of age. Students must maintain at least a 2.5 GPA while taking an average of 12 credits to remain eligible for the scholarship. State law requires the State Board of Education to annually set the amount of the award based on the legislative appropriation and the number of eligible students.

DISCUSSION

In addition to Board action regarding scholarship approval (below), a related situation may occur. During the 2004 session, the Idaho Legislature enacted permissive legislation that allows the State Board of Education to increase the annual individual amount up to \$600 and the total award up to \$1,200. If actual awards are lower than projected, the Board may choose to increase the amount of the award for the Spring 2008 semester.

The legislative appropriation for the Promise Category B Scholarship for FY 2008 is \$4,446,700. Idaho's colleges and universities have estimated the number of eligible freshman in academic year 2007-08 to be approximately 8,880 students. With the award set at \$500 per student per year, the total amount awarded to all eligible students would be \$4,440,000. This leaves \$6,700 remaining.

If additional funds become available at the end of the fall semester, staff will recommend an increase in the award amount for the spring 2008 semester (October, 2007 Board Meeting)

IMPACT

Provides a merit-based scholarship to Idaho high school students in an attempt to motivate students to excel in high school and attend an Idaho college. Estimated number of students receiving scholarships is 8,880.

STAFF COMMENTS AND RECOMMENDATIONS

Staff recommends approval of the Promise Category B scholarship in the amount of \$250 per semester (\$500 annually).

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
STATE BOARD OF EDUCATION – continued

BOARD ACTION

A motion to approve the amount of the Idaho Promise Scholarship, Category B, to be \$250 per semester per student (\$500 annually) for those current recipients who maintain eligibility and for qualified first year entering students under the age of 22 in the academic year 2007-08.

Moved by_____ Seconded by_____ Carried Yes_____ No_____

REFERENCE - APPLICABLE STATUTE, RULE OR POLICY

ADMINISTRATIVE RULES
IDAPA 08.01.05.102.01

102. MONETARY VALUE OF THE SCHOLARSHIP.

01. Monetary Value. The monetary value of each scholarship shall be set annually by the Board in accordance with Sections 33-4307(3) et seq., Idaho Code.
(3-15-02)

02. Duration. The grant covers up to one (1) educational year or equivalent for attendance at an eligible postsecondary educational institution.
(3-15-02)

IDAHO STATUTES
Title 33, Sections 4305 and 4308

TITLE 33
EDUCATION
CHAPTER 43
SCHOLARSHIPS

33-4305. PURPOSES. The purpose of this act is:

(1) To establish a state scholarship program for the most talented Idaho secondary school graduates or the equivalent, consisting of category A students with outstanding academic qualifications and category B students with a cumulative grade point average for grades nine (9) through twelve (12) of 3.0 or better or achieving an ACT score of 20 or better or who become eligible after the student's first semester or who meet any other criteria as may be established by the state board of education and the board of regents of the university of Idaho, who will enroll in undergraduate nonreligious academic and professional-technical programs in eligible postsecondary institutions in the state; and

(2) To designate the state board of education and the board of regents of the university of Idaho as the administrative agency for the state scholarship program.

33-4308. MAXIMUM NUMBER OF GRANTS.

(1) The total number of grants to eligible category A students shall not exceed one hundred (100) per year, nor a cumulative total number of grants of four hundred (400) outstanding at any given time.

(2) The total number of grants to category B students will be determined annually by the state board of education and the board of regents of the university of Idaho based on the number of eligible students, the individual award amount and the availability of funds.

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BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

SUBJECT

Idaho Robert R. Lee Promise Scholarship – Approve Category A Award.

APPLICABLE STATUTE, RULE, OR POLICY

Sections 33-4305 (2) and 33-4307 (2) (a), Idaho Code

BACKGROUND

The intent of the Idaho Robert R. Lee Promise Scholarship Category A award is to encourage the best and brightest Idaho students to attend an Idaho college or university. Applicants are ranked based on academic and professional-technical high school records, and ACT or COMPASS scores. The provisions of the Idaho Code §33-4307.2a require the State board of Education to annually the amount of the award. The amount of the award has been \$3000 per year (\$1,500 per semester) since the fall 2001 semester.

DISCUSSION

The Joint-Finance and Appropriation committee appropriated \$331,300 for the FY 2008 academic year. This appropriation will fund approximately 110 total scholarships. There are 72 the eligible renewal applications from returning students. The remaining funds will provide for 38 new scholarships to be awarded. 75 percent of the new scholarships are awarded to students pursuing academic programs and 25 percent are awarded to professional-technical students.

During this application year there were over 800 applicants for the Category A scholarships. 279 applicants met or exceeded the eligibility qualifications for this scholarship.

IMPACT

The legislature provided \$331,300 for the Category A Scholarship Program for the 2007-2008 academic year.

STAFF COMMENTS AND RECOMMENDATIONS

Staff recommends approval of the Promise Category A scholarship in the amount of \$3000 per year (\$1500 per semester).

BOARD ACTION

A motion to approve the amount of the Idaho Promise Scholarship, Category A, to be \$3000 per year (\$1500 annually) for those applicants who are selected to receive or renew the Idaho Robert R. Lee Promise Category A scholarship for the academic year 2007-08.

Moved by_____ Seconded by_____ Carried Yes_____ No_____

REFERENCE - APPLICABLE STATUTE, RULE OR POLICY

IDAHO STATUTES
Title 33, Sections 4305 and 4307

TITLE 33
EDUCATION
CHAPTER 43
SCHOLARSHIPS

33-4305. PURPOSES. The purpose of this act is:

- (1) To establish a state scholarship program for the most talented Idaho secondary school graduates or the equivalent, consisting of category A students with outstanding academic qualifications and category B students with a cumulative grade point average for grades nine (9) through twelve (12) of 3.0 or better or achieving an ACT score of 20 or better or who become eligible after the student's first semester or who meet any other criteria as may be established by the state board of education and the board of regents of the university of Idaho, who will enroll in undergraduate nonreligious academic and professional-technical programs in eligible postsecondary institutions in the state; and
- (2) To designate the state board of education and the board of regents of the university of Idaho as the administrative agency for the state scholarship program.

33-4308. ELIGIBILITY -- MAXIMUM AMOUNTS -- CONDITIONS. A grant may be awarded to an eligible student for matriculation at an eligible postsecondary educational institution in the state of Idaho if:

- (2) The grant for category A students is as follows:
 - (a) The grant payment to an individual per educational year for attendance on a full-time basis is not in excess of an amount determined annually by the state board of education or in excess of the total educational costs as certified by an official of the eligible postsecondary institution to be attended by the individual receiving the grant, whichever is less.

INSTITUTION / AGENCY AGENDA
COLLEGE AND UNIVERSITIES

SUBJECT

FY08 Student Tuition & Fee Rates (Academic Year 2007-2008)

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.R.
Section 33-3717 and 33-3717A, Idaho Code

BACKGROUND

Section V.R. (Pages 21-26) contains the Board policy that defines fees, identifies the process to change fees, and establishes the approval level required for the various student fees (chief executive officer or the Board). The policy states:

“In setting fees, the Board will consider recommended fees as compared to fees at peer institutions, percent fee increases compared to inflationary factors, fees as a percent of per capita income and/or household income, and the share students pay of their education costs. Other criteria may be considered as is deemed appropriate at the time of a fee change. An institution cannot request more than a ten percent (10%) increase in the total full-time student fee unless otherwise authorized by the Board.”

A chart comparing these factors can be found on Page 11.

DISCUSSION

Per Board policy, Boise State University (BSU), Idaho State University (ISU), University of Idaho (UI), Lewis-Clark State College (LCSC), and Eastern Idaho Technical College (EITC) notified students of proposed fee increases, conducted public hearings, and the respective President's now recommend to the Board student fee and tuition rates for FY08.

Staff requested that institutions be prepared to discuss at the April meeting what programs will be affected if the entire recommended fee, or some other level of fee increase is approved.

Data for each institution can be found behind separate mini-tabs (bookmarks if viewed electronically). The page following has a mini-Table of Contents to assist with locating documents provided by each institution.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
COLLEGE AND UNIVERSITIES – continued

Fee Recommendation - Summary

Full-time resident fee increases being recommended by the institutions for FY08 (academic year 2007-2008) are as follows:

| | <u>Fee</u> | <u>% Inc.</u> |
|---------------------------------|------------|---------------|
| Boise State University | \$4,490 | 8.09% |
| Idaho State University | 4,420 | 5.49% |
| University of Idaho | 4,450 | 5.95% |
| Lewis-Clark State College | 4,092 | 5.00% |
| Eastern Idaho Technical College | 1,634 | 3.50% |

Reference Documents

Page 7 displays a page from the FY08 Idaho Legislative Budget Book showing the reduction in the percentage of the General Fund allocated to College & Universities over the last 22 years. The General Fund allocated to College & Universities in 1986 was 15.0% and now is only 9.4% in 2007. This reduction is one significant reason for fee and tuition fee increases in previous years.

A chart on Page 8 compares the current fiscal year WICHE states' fees and tuition fee averages for residents and nonresidents for the universities, and Lewis-Clark State College. This list has been used for comparison by the Board in previous years.

Fee History

The chart on page 9 shows:

- Past 3 year's average percentage growth in resident undergraduate fees
- Cost of attendance
- Idaho per capita income
- Institutional aid

Cost of Attending College

The chart on page 10 displays, for FY03-06, the cost of attendance -- which is composed of room & board, student fees, personal expenses, transportation, and books & supplies. These costs represent the averages at the four 4-year institutions. These costs are compared to the Per Capita Income, Average Annual Wage, and the Average Annual Student Loan. The chart shows that the increases in income are offset by the increase in the cost of attendance while the average amount of student loans is increasing.

INSTITUTION / AGENCY AGENDA
COLLEGE AND UNIVERSITIES – continued

The chart on page 11 shows the sources of revenues used to meet the cost of attendance for 2006. For a family with an average income of \$50,000, there is an unmet cost of attendance of \$4,284 after an expected family contribution of \$4,430. The unmet cost of attendance would need to come from personal debt, savings, and/or other sources.

For a family with an average income of \$75,000, there is an additional capacity of \$2,606 after an expected family contribution of \$8,714. Interestingly, the unmet cost of attendance for the family at \$50,000 went up \$1,048 since 2005, and the additional capacity for the family at \$75,000 went down by the same amount since 2005.

Fee Recommendations - Detailed

Page 13 summarizes the recommended fees and tuition increases followed by two charts displaying current (FY07) and proposed (FY08) fee levels for Idaho resident undergraduate and graduate students.

The detailed fee proposals for each institution are contained in separate mini-tabs (BSU, ISU, UI, LCSC, and EITC) and consist of:

- narrative justification of the fee increase request and planned uses of the additional revenue;
- schedule detailing the fee and tuition fee changes;
- schedule projecting the amount of revenue generated from the fee and tuition fee changes;
- schedule displaying a 5-year history of Board-approved fees and the FY08 requested fees.
- peer institution comparison, 3-year history including current year fees

IMPACT

A portion of the additional revenue to support FY08 institutional operating budgets is generated by increased student fees and tuition fees. Additional student fee revenue will be collected, as noted in the spreadsheets, for institutional uses. Institutions will be present to discuss the need for the additional fee revenue and how that revenue will be used.

INSTITUTION / AGENCY AGENDA
COLLEGE AND UNIVERSITIES – continued

STAFF COMMENTS

For the current year, FY07, Idaho's undergraduate resident fee for universities is 11.6% below the WICHE average, and Lewis Clark State College is 5.8% below the WICHE average. The Board has previously stated its intention to have non-resident tuition be at the WICHE average. As seen on the chart on page 8, Idaho is currently approximately 12.1% below the WICHE average for universities and 2.4% below the WICHE average for Lewis-Clark State College.

Included with each institution's Notice of Fee Hearing is a document which provides the detail for each fee amount. The notice presented at the campus hearing is for one semester, while historically the recommendation being made by the respective President's to the Board is displayed as an annual (two semester) amount.

Also, the amounts proposed by the institution to the students may not be the same amount being recommended to the Board. Institutions may have adjusted their request following discussions with students. Referring to the schedules for each institution as follows: BSU minitab, Page 8; ISU minitab, Page 8; UI minitab, Page 6; LCSC minitab, Page 6; and EITC minitab, Page 4, compare the columns labeled "FY07 Initial Notice" and "Recommended Fees – FY07 Fees". Shown are the proposed and recommend fee levels.

Institution Revenue Background

Student fees are one source of income for institutions of higher education. State support (General Fund appropriation), grants and contracts, auxiliary revenues (including athletics) and miscellaneous revenue are other sources of income for institutions.

Student fees constitute a significant portion of the increased revenue available to an institution each year. For example, in FY07 the increase in revenues from fees approved by the Board totaled \$10.3 million. This total consisted of \$11.6 million (113%) from fee increases and (\$1.3 million) (-13%) due to enrollment decreases.

Even though actual fee revenue in FY06 increased by \$16 million over the previous year, college and universities were able to carry over \$37.4 million in unspent, appropriated student fees. It is unknown how much of the non-appropriated student fees collected in 2006 were not spent that same year. Carryover has grown 92% since FY01, while in the same time period student FTEs have grown 10.6%.

INSTITUTION / AGENCY AGENDA
COLLEGE AND UNIVERSITIES – continued

Page 17 shows that in the last six years the college and universities have carried over a total of \$187 million, of which \$136 million is unrestricted, unspent fee revenue. Since FY01, the college and universities have carried over at least 30% of their appropriated spending authority for student fees each year until FY06, when they carried over 21%. The carryover expressed on a per-student FTE amount is trending up and has increased by 71% since FY01 to a total of \$1,002 per FTE in FY06. Unspent fees are held in unrestricted net asset balances. See the FY06 Net Asset Balances report on page 18.

As carryover funds increase, so do unrestricted net asset balances, which are used for a variety of purposes, including servicing debt for revenue bonds. Funds are earmarked for multi-year projects (specifically facility planning and construction), various department fund balances, facility repair and replacement, library acquisitions, and other designations. It should be noted these funds may be used for different purposes at the discretion of the institution. Unrestricted net assets have grown 48% in the last five years from \$97 million to \$143 million.

Staff has reviewed the information provided by the institutions and provided additional material for Board member review prior to setting of fees for FY08.

Enrollment

A critical part of the student fee review process at each institution includes projecting enrollment for the upcoming year. For each institution, on the page following the 'Changes to Student Fees' detail, is a page labeled 'Potential Student Fee Revenue Changes for FY08: Due to Enrollment and Fee Changes'. Each institution has projected its enrollment for the upcoming academic year, when coupled with the proposed fee increase, drives the total new fee revenue expected for that institution. Although the assumptions included in the enrollment projection are not outlined specifically, each institution may wish to comment upon their individual circumstance.

BOARD ACTION

Proposed Board action for each institution is included on the following page.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA

AGENCIES AND INSTITUTIONS OF THE STATE BOARD - continued

BOISE STATE UNIVERSITY:

A motion to approve the annual student fee rates for FY08 for Boise State University at an overall increase of \$_____/_____% , to include tuition, facility fees, and activity fees.

Moved by_____ Seconded by_____ Carried Yes_____ No_____

IDAHO STATE UNIVERSITY:

A motion to approve the annual student fee rates for FY08 for Idaho State University at an overall increase of \$_____/_____% , to include tuition, facility fees, and activity fees.

Moved by_____ Seconded by_____ Carried Yes_____ No_____

UNIVERSITY OF IDAHO:

A motion to approve the annual student fee rates for FY08 for the University of Idaho at an overall increase of \$_____/_____% , to include matriculation or tuition, facility fees, and activity fees.

Moved by_____ Seconded by_____ Carried Yes_____ No_____

LEWIS-CLARK STATE COLLEGE:

A motion to approve the annual student fee rates for FY08 for Lewis-Clark State College at an overall increase of \$_____/_____% , to include tuition, facility fees, and activity fees.

Moved by_____ Seconded by_____ Carried Yes_____ No_____

EASTERN IDAHO TECHNICAL COLLEGE:

A motion to approve the annual student fee rates for FY08 for Eastern Idaho Technical College at an overall increase of \$_____/_____% , to include tuition, facility fees, and activity fees.

Moved by_____ Seconded by_____ Carried Yes_____ No_____

Twenty-Two Year History of General Fund

Original Appropriations: FY 1986 to FY 2007

Millions of Dollars

| Fiscal Year | Public Schools | College & Universities | All Other Education | Total Education | Health & Welfare* | Adult & Juv Corrections | All Other Agencies | Total Gen Fund |
|-------------|----------------|------------------------|---------------------|-----------------|-------------------|-------------------------|--------------------|----------------|
| 2007** | \$1,291.6 | \$243.7 | \$148.4 | \$1,683.7 | \$502.4 | \$178.0 | \$229.7 | \$2,593.7 |
| 2006 | \$987.1 | \$228.9 | \$141.8 | \$1,357.9 | \$457.7 | \$152.2 | \$213.2 | \$2,180.9 |
| 2005 | \$964.7 | \$223.4 | \$138.3 | \$1,326.3 | \$407.6 | \$142.8 | \$205.5 | \$2,082.1 |
| 2004 | \$943.0 | \$218.0 | \$131.3 | \$1,292.3 | \$375.8 | \$140.6 | \$195.3 | \$2,004.1 |
| 2003 | \$920.0 | \$213.6 | \$130.4 | \$1,264.0 | \$359.6 | \$145.0 | \$199.3 | \$1,967.9 |
| 2002 | \$933.0 | \$236.4 | \$142.1 | \$1,311.5 | \$358.0 | \$147.3 | \$227.5 | \$2,044.3 |
| 2001 | \$873.5 | \$215.0 | \$121.1 | \$1,209.5 | \$282.1 | \$123.2 | \$189.2 | \$1,804.0 |
| 2000 | \$821.1 | \$202.0 | \$110.4 | \$1,133.4 | \$270.7 | \$108.5 | \$162.1 | \$1,674.7 |
| 1999 | \$796.4 | \$192.9 | \$103.5 | \$1,092.8 | \$252.7 | \$106.4 | \$159.0 | \$1,610.8 |
| 1998 | \$705.0 | \$178.6 | \$94.4 | \$978.0 | \$236.6 | \$90.3 | \$134.0 | \$1,438.9 |
| 1997 | \$689.5 | \$178.0 | \$94.4 | \$961.9 | \$238.5 | \$78.6 | \$133.7 | \$1,412.7 |
| 1996 | \$664.0 | \$171.0 | \$88.8 | \$923.8 | \$224.3 | \$73.5 | \$127.3 | \$1,348.8 |
| 1995 | \$620.5 | \$164.5 | \$87.8 | \$872.8 | \$226.9 | \$50.3 | \$114.2 | \$1,264.2 |
| 1994 | \$528.0 | \$146.0 | \$75.7 | \$749.7 | \$192.5 | \$44.2 | \$98.1 | \$1,084.6 |
| 1993 | \$497.0 | \$139.0 | \$73.1 | \$709.1 | \$163.9 | \$37.5 | \$96.6 | \$1,007.1 |
| 1992 | \$487.5 | \$141.4 | \$74.0 | \$703.0 | \$146.9 | \$37.5 | \$100.0 | \$987.4 |
| 1991 | \$450.1 | \$133.3 | \$67.9 | \$651.3 | \$132.7 | \$32.3 | \$93.3 | \$909.5 |
| 1990 | \$394.3 | \$115.5 | \$58.3 | \$568.0 | \$101.1 | \$25.1 | \$79.4 | \$773.7 |
| 1989 | \$356.0 | \$106.0 | \$52.3 | \$514.3 | \$84.0 | \$19.3 | \$68.2 | \$685.8 |
| 1988 | \$343.0 | \$101.7 | \$50.2 | \$494.9 | \$79.3 | \$17.0 | \$66.2 | \$657.3 |
| 1987 | \$314.0 | \$90.7 | \$46.5 | \$451.2 | \$71.7 | \$15.3 | \$62.7 | \$600.9 |
| 1986 | \$304.0 | \$88.0 | \$46.5 | \$438.5 | \$71.5 | \$14.9 | \$62.7 | \$587.7 |

Percentage of Total

| Fiscal Year | Public Schools | College & Universities | All Other Education | Total Education | Health & Welfare* | Adult & Juv Corrections | All Other Agencies | Total |
|-------------|----------------|------------------------|---------------------|-----------------|-------------------|-------------------------|--------------------|-------|
| 2007** | 49.8% | 9.4% | 5.7% | 64.9% | 19.4% | 6.9% | 8.9% | 100% |
| 2006 | 45.3% | 10.5% | 6.5% | 62.3% | 21.0% | 7.0% | 9.8% | 100% |
| 2005 | 46.3% | 10.7% | 6.6% | 63.7% | 19.6% | 6.9% | 9.9% | 100% |
| 2004 | 47.1% | 10.9% | 6.6% | 64.5% | 18.8% | 7.0% | 9.7% | 100% |
| 2003 | 46.8% | 10.9% | 6.6% | 64.2% | 18.3% | 7.4% | 10.1% | 100% |
| 2002 | 45.6% | 11.6% | 7.0% | 64.2% | 17.5% | 7.2% | 11.1% | 100% |
| 2001 | 48.4% | 11.9% | 6.7% | 67.0% | 15.6% | 6.8% | 10.5% | 100% |
| 2000 | 49.0% | 12.1% | 6.6% | 67.7% | 16.2% | 6.5% | 9.7% | 100% |
| 1999 | 49.4% | 12.0% | 6.4% | 67.8% | 15.7% | 6.6% | 9.9% | 100% |
| 1998 | 49.0% | 12.4% | 6.6% | 68.0% | 16.4% | 6.3% | 9.3% | 100% |
| 1997 | 48.8% | 12.6% | 6.7% | 68.1% | 16.9% | 5.6% | 9.5% | 100% |
| 1996 | 49.2% | 12.7% | 6.6% | 68.5% | 16.6% | 5.4% | 9.4% | 100% |
| 1995 | 49.1% | 13.0% | 6.9% | 69.0% | 17.9% | 4.0% | 9.0% | 100% |
| 1994 | 48.7% | 13.5% | 7.0% | 69.1% | 17.8% | 4.1% | 9.0% | 100% |
| 1993 | 49.3% | 13.8% | 7.3% | 70.4% | 16.3% | 3.7% | 9.6% | 100% |
| 1992 | 49.4% | 14.3% | 7.5% | 71.2% | 14.9% | 3.8% | 10.1% | 100% |
| 1991 | 49.5% | 14.7% | 7.5% | 71.6% | 14.6% | 3.5% | 10.3% | 100% |
| 1990 | 51.0% | 14.9% | 7.5% | 73.4% | 13.1% | 3.2% | 10.3% | 100% |
| 1989 | 51.9% | 15.5% | 7.6% | 75.0% | 12.3% | 2.8% | 9.9% | 100% |
| 1988 | 52.2% | 15.5% | 7.6% | 75.3% | 12.1% | 2.6% | 10.1% | 100% |
| 1987 | 52.3% | 15.1% | 7.7% | 75.1% | 11.9% | 2.5% | 10.4% | 100% |
| 1986 | 51.7% | 15.0% | 7.9% | 74.6% | 12.2% | 2.5% | 10.7% | 100% |

* Juvenile Corrections moved from Health and Welfare to "Adult & Juv Corrections" in FY 1996 and the Department of Environmental Quality and Veterans Services moved to "All Other Agencies" in FY 2001.

** 2007 adjusted for H1 of 2006 Special Session which increased public schools General Fund by \$250,645,700.

College & Universities

State Ranking by Type of Institution - WICHE States 2006 - 2007 Tuition & Fees

Annual Resident Undergraduate

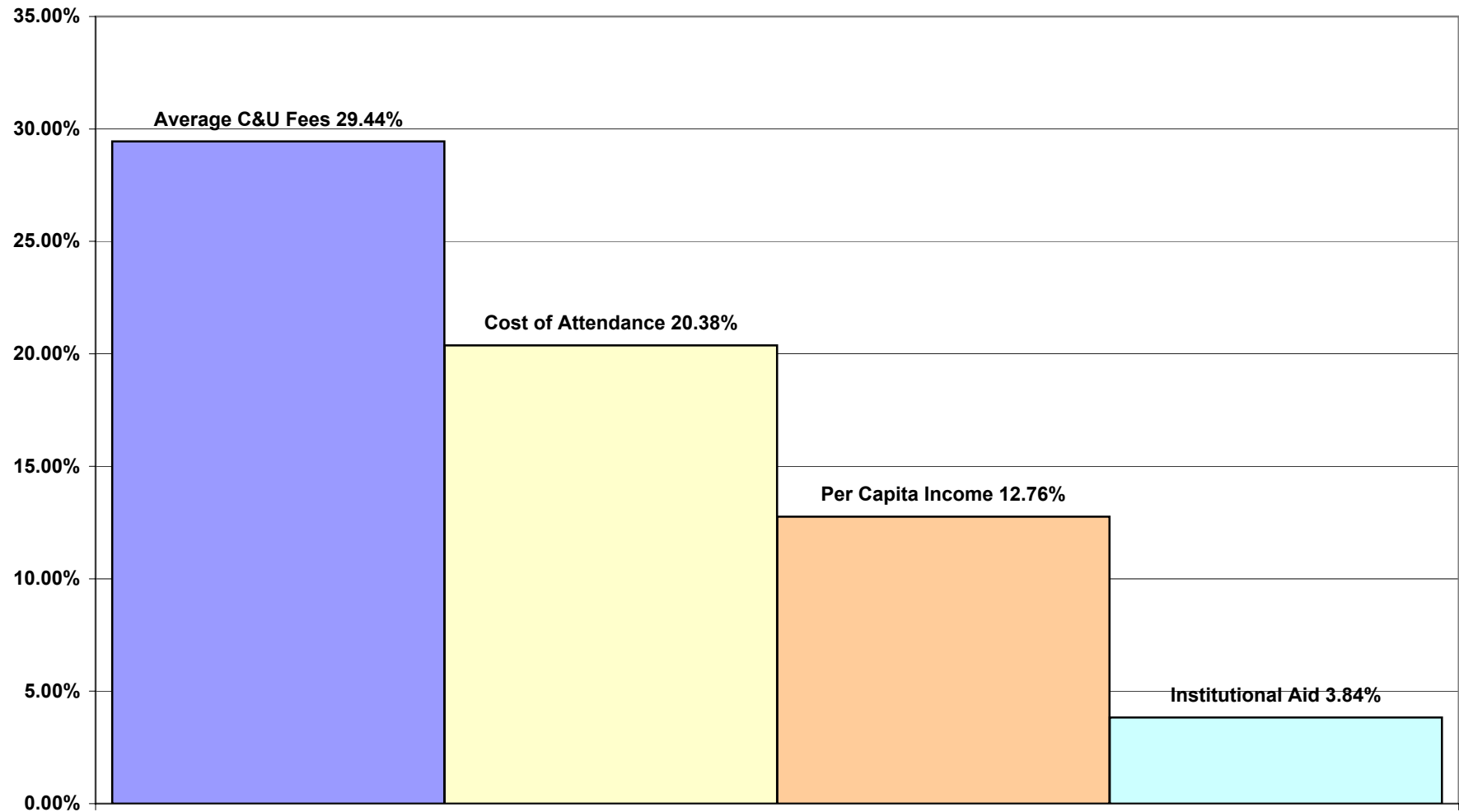
| Rank | Universities (BSU, ISU, UofI) | Amount | % of Average | Rank | Other Institutions (LCSC) | Amount | % of Average |
|------|-------------------------------|--------------|--------------|------|---------------------------|--------------|--------------|
| 1 | 1 Washington | 5,884 | 124.4% | 1 | Oregon | 5,415 | 130.9% |
| 2 | 2 North Dakota | 5,757 | 121.7% | 2 | South Dakota | 5,163 | 124.8% |
| 3 | 3 Oregon | 5,608 | 118.6% | 3 | North Dakota | 4,882 | 118.0% |
| 4 | 4 Montana | 5,323 | 112.6% | 4 | Montana | 4,642 | 112.2% |
| 5 | 5 Colorado | 5,120 | 108.3% | 5 | Hawaii | 4,523 | 109.3% |
| 6 | 6 South Dakota | 5,062 | 107.0% | 6 | Washington | 4,430 | 107.1% |
| 7 | Average | 4,729 | 100.0% | 7 | Average | 4,136 | 100.0% |
| 8 | 7 Arizona | 4,720 | 99.8% | 8 | Idaho | 3,897 | 94.2% |
| 9 | 8 Hawaii | 4,523 | 95.6% | 9 | Colorado | 3,753 | 90.7% |
| 10 | 9 California | 4,491 | 95.0% | 10 | Utah | 3,199 | 77.3% |
| 11 | 10 Alaska | 4,445 | 94.0% | 11 | New Mexico | 3,106 | 75.1% |
| 12 | 11 Utah | 4,306 | 91.1% | 12 | Nevada | 2,490 | 60.2% |
| 13 | 12 New Mexico | 4,296 | 90.8% | | | | |
| 14 | 13 Idaho | 4,181 | 88.4% | | | | |
| 15 | 14 Nevada | 3,708 | 78.4% | | | | |
| 16 | 15 Wyoming | 3,515 | 74.3% | | | | |

Annual Nonresident Undergraduate

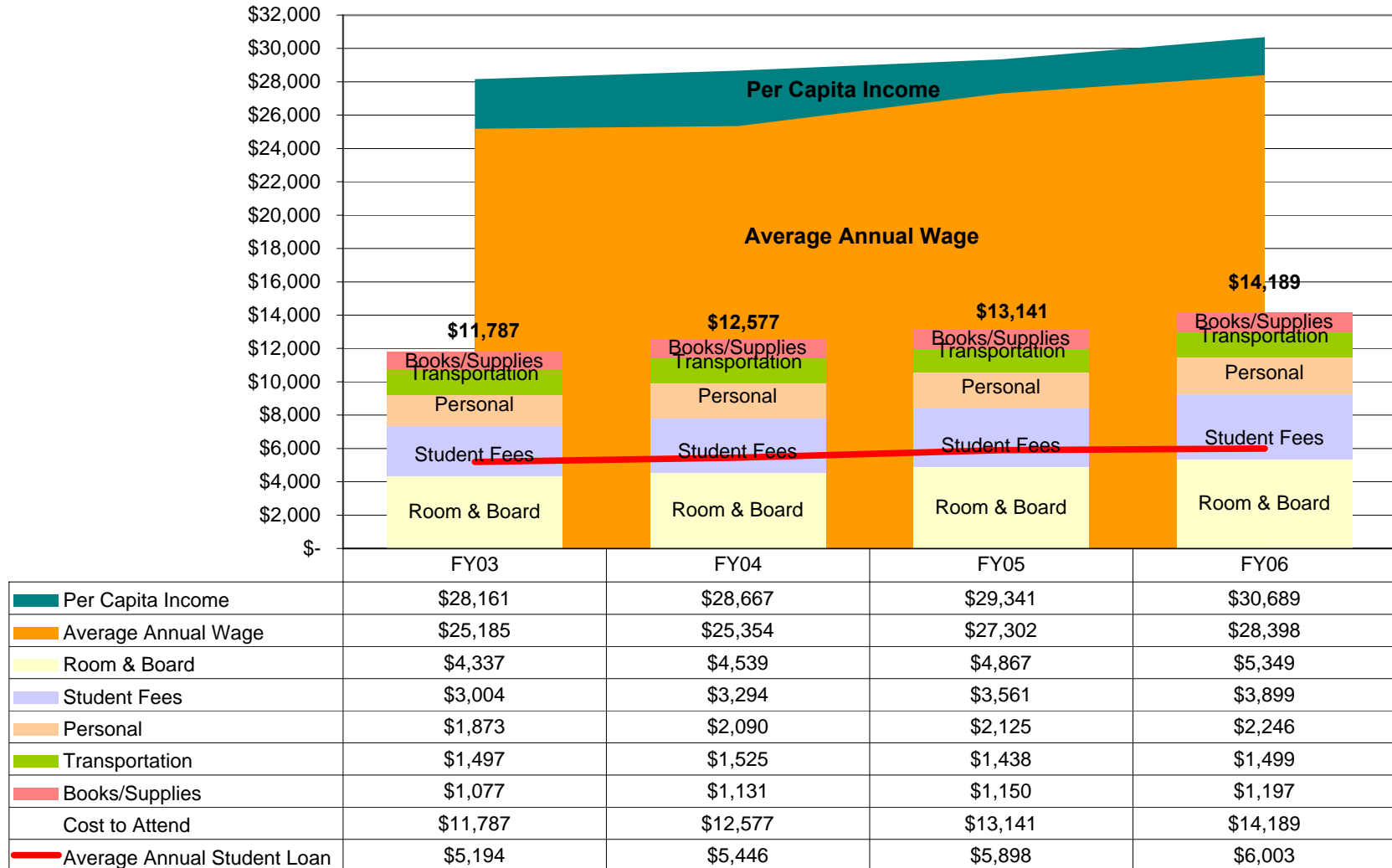
| Rank | Universities (BSU, ISU, UofI) | Amount | % of Average | Rank | Other Institutions (LCSC) | Amount | % of Average |
|------|-------------------------------|---------------|--------------|------|---------------------------|---------------|--------------|
| 1 | 1 Colorado | 19,832 | 137.0% | 1 | Washington | 14,094 | 126.9% |
| 2 | 3 Washington | 18,353 | 126.7% | 2 | Oregon | 13,662 | 123.0% |
| 3 | 2 California | 18,023 | 124.5% | 3 | Montana | 13,547 | 121.9% |
| 4 | 4 Oregon | 17,921 | 123.8% | 4 | Colorado | 12,945 | 116.5% |
| 5 | 5 Arizona | 15,403 | 106.4% | 5 | Average | 11,109 | 100.0% |
| 6 | 6 Montana | 15,004 | 103.6% | 6 | Idaho | 10,841 | 97.6% |
| 7 | Average | 14,479 | 100.0% | 7 | South Dakota | 10,350 | 93.2% |
| 8 | 7 New Mexico | 14,031 | 96.9% | 8 | Utah | 10,103 | 90.9% |
| 9 | 8 North Dakota | 13,741 | 94.9% | 9 | North Dakota | 10,004 | 90.1% |
| 10 | 9 Nevada | 13,619 | 94.1% | 10 | Hawaii | 9,247 | 83.2% |
| 11 | 10 Utah | 13,021 | 89.9% | 11 | New Mexico | 8,721 | 78.5% |
| 12 | 11 Alaska | 12,815 | 88.5% | 12 | Nevada | 8,690 | 78.2% |
| 13 | 12 Idaho | 12,731 | 87.9% | | | | |
| 14 | 13 Hawaii | 12,395 | 85.6% | | | | |
| 15 | 14 South Dakota | 10,249 | 70.8% | | | | |
| 16 | 15 Wyoming | 10,055 | 69.4% | | | | |

Note: Data obtained from WICHE 2006-2007 Detailed Tuition & Fees Tables, November, 2006.

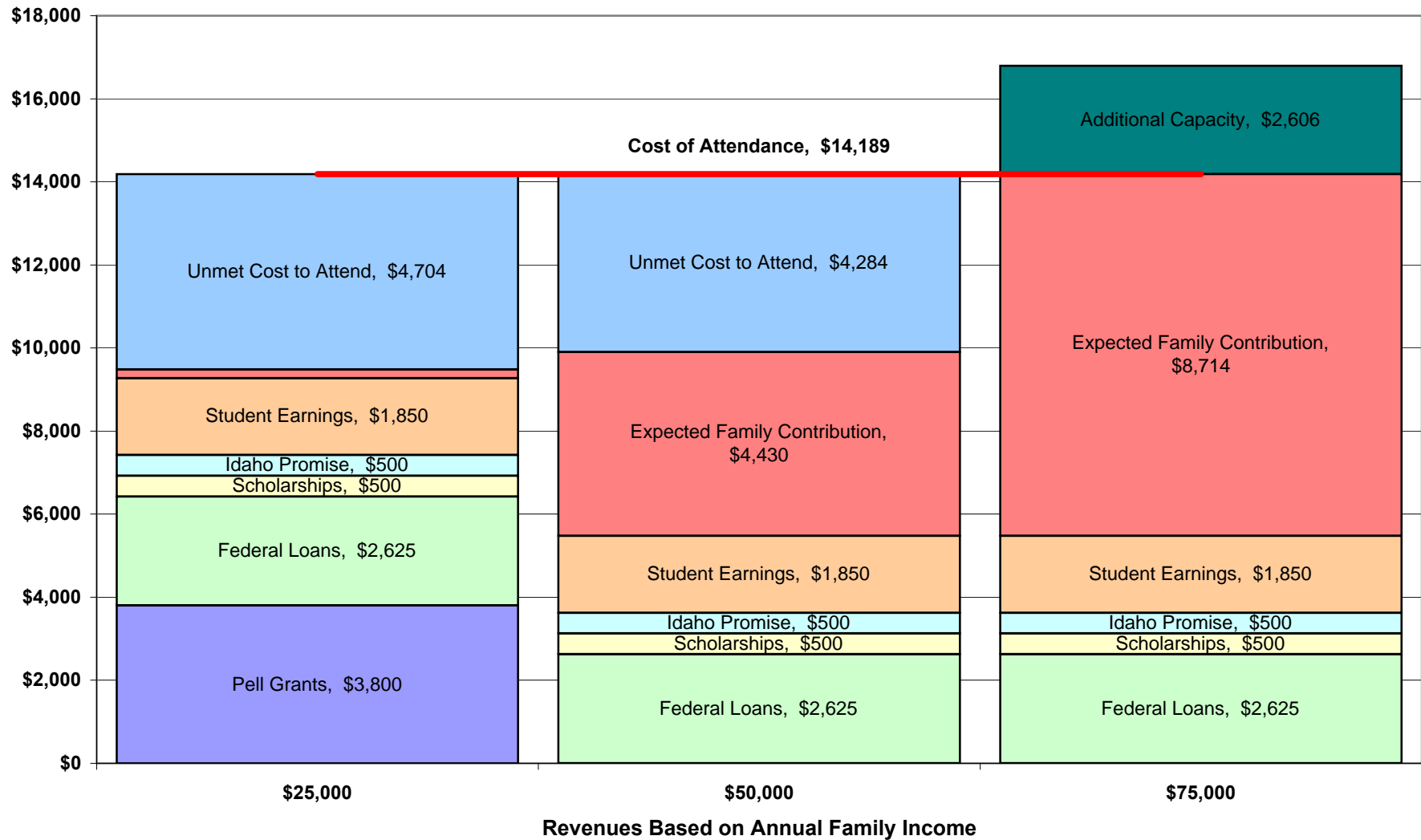
Idaho College and Universities
Student Fees, Cost of Attendance, Per Capita Income, and Institutional Aid
Growth from 2003 to 2006



**Idaho College and Universities
Cost of Attendance for One Student vs. Wages & Income
2003-2006**



**Cost to Attend College
Source of Revenues
2006**



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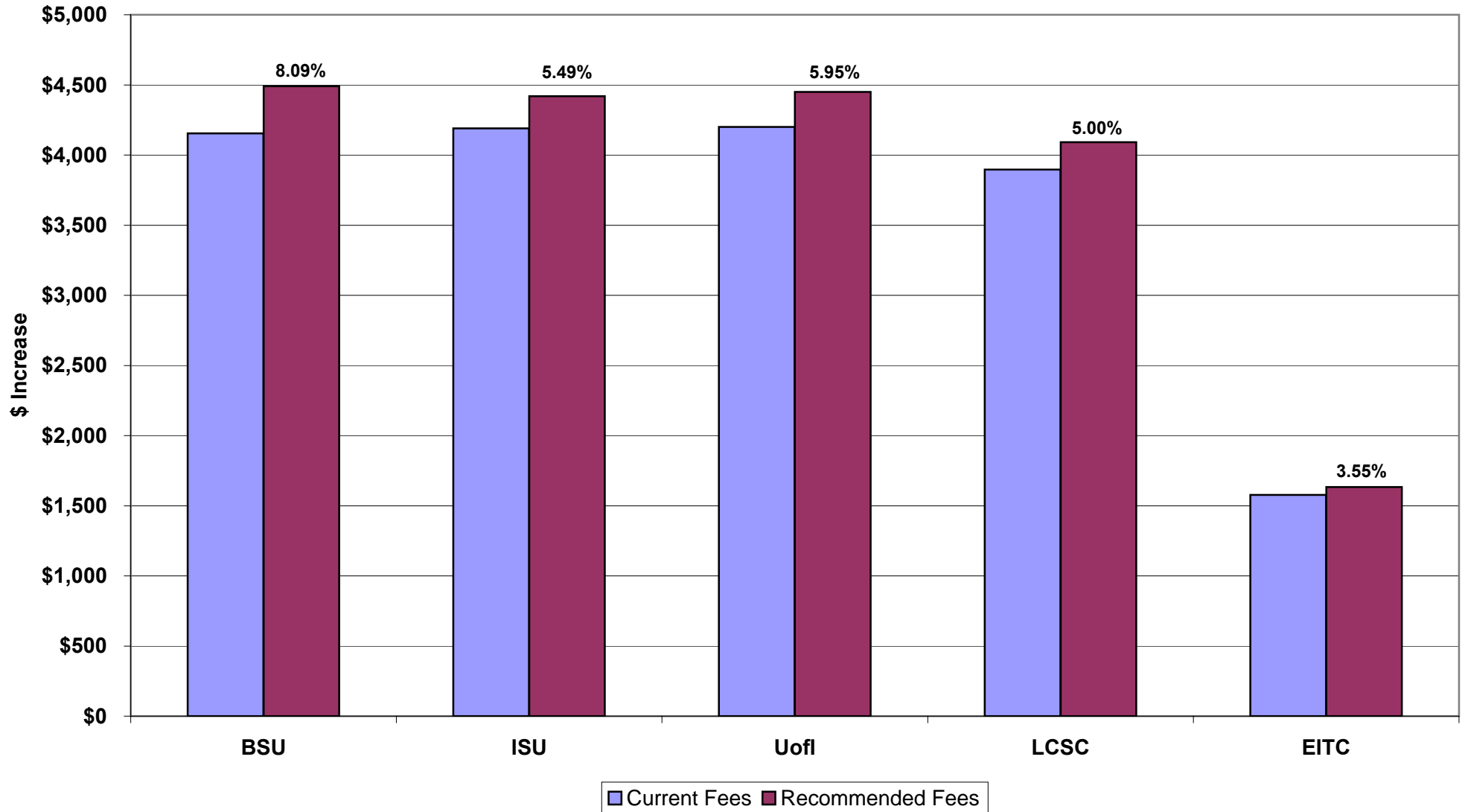
Colleges & Universities

Summary of FY 2008 Annual Student Fees - As Requested Board Meeting: April 19, 2007

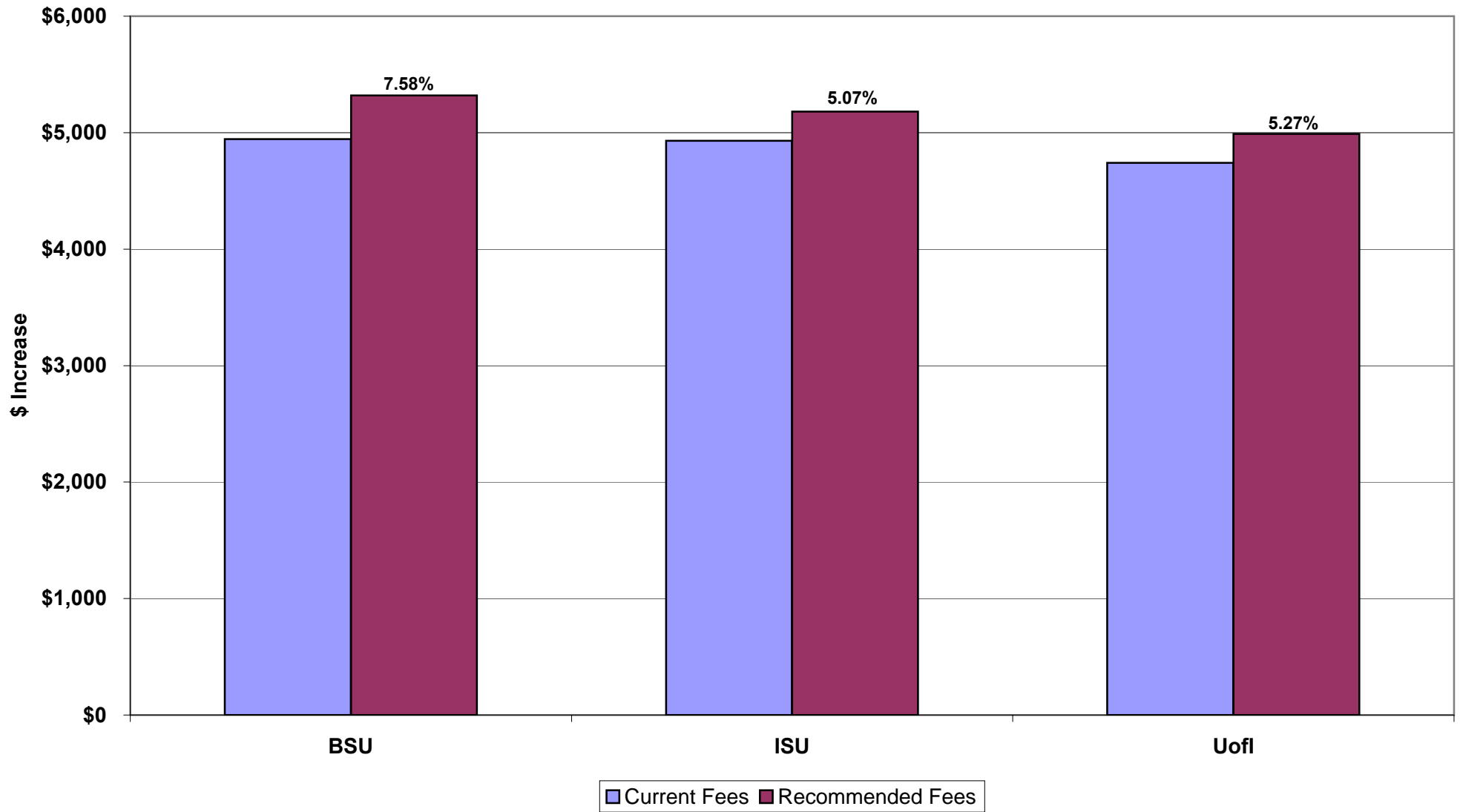
| | | Requested Fee Increases | | | | | | | Requested |
|--|----------------|-------------------------|--------|------------|--------|------------|--------|----------------|-----------|
| Institution | FY2007 Fees | Tuition/Matriculation | | Other Fees | | Total Fees | | FY2008 Fees | |
| | | Amount | % Incr | Amount | % Incr | Amount | % Incr | | |
| 1 Full-time Fees & Tuition: | | | | | | | | | |
| 2 Resident Tuition and Fees: | | | | | | | | | |
| 3 Undergraduate: | | | | | | | | | |
| 4 Boise State University | \$4,154.00 | \$170.00 | 4.09% | \$166.00 | 4.00% | \$336.00 | 8.09% | \$4,490.00 | |
| 5 Idaho State University | \$4,190.00 | \$212.50 | 5.07% | \$17.50 | 0.42% | \$230.00 | 5.49% | \$4,420.00 | |
| 6 * University of Idaho | \$4,200.00 | \$112.70 | 2.68% | \$137.30 | 3.27% | \$250.00 | 5.95% | \$4,450.00 | |
| 7 Lewis Clark State College | \$3,897.00 | \$185.00 | 4.75% | \$10.00 | 0.26% | \$195.00 | 5.00% | \$4,092.00 | |
| 8 Eastern Idaho Tech College | \$1,578.00 | \$56.00 | 3.55% | \$0.00 | 0.00% | \$56.00 | 3.55% | \$1,634.00 | |
| 9 Average 4 year institutions | \$4,110.25 | | | | | \$252.75 | 6.15% | \$4,363.00 | |
| 10 Graduate: | | | | | | | | | |
| 11 Boise State University | \$4,944.00 | \$209.00 | 4.23% | \$166.00 | 3.36% | \$375.00 | 7.58% | \$5,319.00 | |
| 12 Idaho State University | \$4,930.00 | \$232.50 | 4.72% | \$17.50 | 0.35% | \$250.00 | 5.07% | \$5,180.00 | |
| 13 University of Idaho | \$4,740.00 | \$112.70 | 2.38% | \$137.30 | 2.90% | \$250.00 | 5.27% | \$4,990.00 | |
| 14 Average Graduate | \$4,871.33 | | | | | \$291.67 | | \$5,163.00 | |
| 15 Nonresident Tuition and Fees: | | | | | | | | | |
| 16 Undergraduate | | | | | | | | | |
| 17 Boise State University | \$11,932.00 | \$560.00 | 4.69% | \$166.00 | 1.39% | \$726.00 | 6.08% | \$12,658.00 | |
| 18 Idaho State University | \$12,460.00 | \$542.50 | 4.35% | \$17.50 | 0.14% | \$560.00 | 4.49% | \$13,020.00 | |
| 19 University of Idaho | \$13,800.00 | \$362.70 | 2.63% | \$137.30 | 0.99% | \$500.00 | 3.62% | \$14,300.00 | |
| 20 Lewis Clark State College | \$10,841.00 | \$531.00 | 4.90% | \$10.00 | 0.09% | \$541.00 | 4.99% | \$11,382.00 | |
| 21 Eastern Idaho Tech College | \$5,784.00 | \$204.00 | 3.53% | \$0.00 | 0.00% | \$204.00 | 3.53% | \$5,988.00 | |
| 22 Average 4 year institutions | \$12,258.25 | | | | | \$581.75 | | \$12,840.00 | |
| 23 Graduate: | | | | | | | | | |
| 24 Boise State University | \$12,722.00 | \$599.00 | 4.71% | \$166.00 | 1.30% | \$765.00 | 6.01% | \$13,487.00 | |
| 25 Idaho State University | \$13,200.00 | \$562.50 | 4.26% | \$17.50 | 0.13% | \$580.00 | 4.39% | \$13,780.00 | |
| 26 University of Idaho | \$14,340.00 | \$362.70 | 2.53% | \$137.30 | 0.96% | \$500.00 | 3.49% | \$14,840.00 | |
| 27 Average Graduate | \$13,420.67 | | | | | \$615.00 | | \$14,035.67 | |
| 28 | | | | | | | | | |
| 29 Part-time Credit Hour Tuition & Fees: | | | | | | | | | |
| 30 Resident Fees: | | | | | | | | | |
| 31 Undergraduate: | | | | | | | | | |
| 32 Boise State University | \$211.00 | \$8.20 | 3.89% | \$7.80 | 3.70% | \$16.00 | 7.58% | \$227.00 | |
| 33 Idaho State University | \$214.00 | \$6.97 | 3.26% | \$0.03 | 0.01% | \$7.00 | 3.27% | \$221.00 | |
| 34 University of Idaho | \$200.00 | \$12.00 | 6.00% | \$0.00 | 0.00% | \$12.00 | 6.00% | \$212.00 | |
| 35 Lewis Clark State College | \$194.00 | \$10.00 | 5.15% | \$0.00 | 0.00% | \$10.00 | 5.15% | \$204.00 | |
| 36 Eastern Idaho Tech College | \$79.00 | \$3.00 | 3.80% | \$0.00 | 0.00% | \$3.00 | 3.80% | \$82.00 | |
| 37 In-Service Teacher Fee | \$69.00 | \$3.00 | 4.35% | \$0.00 | 0.00% | \$3.00 | 4.35% | \$72.00 | |
| 38 | | | | | | | | | |
| 39 Graduate: | | | | | | | | | |
| 40 Boise State University | \$254.00 | \$10.20 | 4.02% | \$7.80 | 3.07% | \$18.00 | 7.09% | \$272.00 | |
| 41 Idaho State University | \$251.00 | \$7.97 | 3.18% | \$0.03 | 0.01% | \$8.00 | 3.19% | \$259.00 | |
| 42 University of Idaho | \$227.00 | \$12.00 | 5.29% | \$0.00 | 0.00% | \$12.00 | 5.29% | \$239.00 | |
| 43 In-Service Teacher Fee | \$82.00 | \$4.00 | 4.88% | \$0.00 | 0.00% | \$4.00 | 4.88% | \$86.00 | |
| 44 | | | | | | | | | |
| 45 Nonresident Tuition and Fees: | | | | | | | | | |
| 46 Pt Tm Nonresident Cr Hr Tuition | | | | | | | | | |
| 46 Boise State University | \$143.40 | \$8.20 | 5.72% | \$0.00 | 0.00% | \$8.20 | 5.72% | \$151.60 | |
| 47 Idaho State University | \$115.00 | \$5.00 | 4.35% | \$0.00 | 0.00% | \$5.00 | 4.35% | \$120.00 | |
| 48 University of Idaho | \$140.00 | \$8.00 | 5.71% | \$0.00 | 0.00% | \$8.00 | 5.71% | \$148.00 | |
| 49 Lewis-Clark State College | \$149.00 | \$10.00 | 6.71% | \$0.00 | 0.00% | \$10.00 | 6.71% | \$159.00 | |

* Note: Includes non-instructional fees only - not tuition

**Idaho Undergraduate Resident Fees
FY07 Actual Fees and FY08 Recommended Fees
with Percentage Increase**



**Idaho Graduate Resident Fees
FY07 Actual Fees and FY08 Recommended Fees
with Percentage Increase**



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College and Universities
Carryover History
FY 2001 - FY 2006

| By Fund Source | FY 2001 | | | FY 2002 | | | FY 2003 | | | FY 2004 | | | FY 2005 | | | FY 2006 | | | Total | | |
|-------------------|--------------------|---------------|-------|--------------------|---------------|-------|--------------------|---------------|-------|--------------------|---------------|-------|--------------------|---------------|-------|--------------------|---------------|-------|--------------------|----------------|-------|
| | Spending Authority | Carryover | % | Spending Authority | Carryover | % | Spending Authority | Carryover | % | Spending Authority | Carryover | % | Spending Authority | Carryover | % | Spending Authority | Carryover | % | Spending Authority | Carryover | % |
| | | | | | | | | | | | | | | | | | | | | | |
| General Fund | \$ 212,442,500 | \$ 243,600 | 0.1% | \$ 229,218,000 | \$ 377,000 | 0.2% | \$ 206,935,300 | \$ - | 0.0% | \$ 218,000,000 | \$ 5,300 | 0.0% | \$ 225,655,900 | \$ 51,800 | 0.0% | \$ 234,132,900 | \$ (57,000) | 0.0% | \$ 1,326,384,600 | \$ 620,700 | 0.0% |
| Ag School | 1,024,100 | - | 0.0% | 1,427,100 | - | 0.0% | 1,136,100 | - | 0.0% | 960,000 | - | 0.0% | 385,800 | - | 0.0% | - | - | | \$ 4,933,100 | \$ - | 0.0% |
| Charitable Inst. | 1,316,900 | 7,100 | 0.5% | 1,246,200 | - | 0.0% | 1,085,400 | - | 0.0% | 914,600 | - | 0.0% | 383,800 | - | 0.0% | - | - | | \$ 4,946,900 | \$ 7,100 | 0.1% |
| Normal School | 4,087,700 | 183,800 | 4.5% | 4,149,400 | - | 0.0% | 3,676,400 | 2,000 | 0.1% | 3,195,000 | - | 0.0% | 2,995,500 | 58,900 | 2.0% | 3,286,900 | (1,400) | 0.0% | \$ 21,390,900 | \$ 243,300 | 1.1% |
| Science School | 4,288,700 | - | 0.0% | 4,996,700 | - | 0.0% | 4,241,700 | - | 0.0% | 3,785,000 | - | 0.0% | 3,159,300 | - | 0.0% | 2,848,500 | 39,204 | 1.4% | \$ 23,319,900 | \$ 39,204 | 0.2% |
| University | 3,297,800 | - | 0.0% | 4,087,300 | - | 0.0% | 3,496,300 | - | 0.0% | 3,110,000 | - | 0.0% | 3,169,100 | - | 0.0% | 3,465,500 | 2,571,045 | 74.2% | \$ 20,626,000 | \$ 2,571,045 | 12.5% |
| Unrestricted Fees | 23,950,200 | 14,334,200 | 59.9% | 25,762,000 | 14,629,500 | 56.8% | 28,683,100 | 21,641,800 | 75.5% | 33,265,000 | 23,670,200 | 71.2% | 35,288,200 | 27,237,300 | 77.2% | 124,082,500 | 34,485,330 | 27.8% | \$ 271,031,000 | \$ 135,998,330 | 50.2% |
| Restricted Fees | 39,505,600 | 4,515,800 | 11.4% | 43,811,500 | 6,141,100 | 14.0% | 58,105,000 | 10,586,500 | 18.2% | 67,300,400 | 9,846,500 | 14.6% | 76,890,900 | 16,576,000 | 21.6% | 39,322,638 | 3,424 | 0.0% | \$ 324,936,038 | \$ 47,669,324 | 14.7% |
| Total | \$ 289,913,500 | \$ 19,284,500 | 6.7% | \$ 314,698,200 | \$ 21,147,600 | 6.7% | \$ 307,359,300 | \$ 32,230,300 | 10.5% | \$ 330,530,000 | \$ 33,522,000 | 10.1% | \$ 347,928,500 | \$ 43,924,000 | 12.6% | \$ 407,138,938 | \$ 37,040,603 | 9.1% | \$ 1,997,568,438 | \$ 187,149,003 | 9.4% |

| | | | | | | |
|-------------------|--------|--------|--------|--------|----------|----------|
| FTE | 32,975 | 34,683 | 35,844 | 37,364 | 37,127 | 36,966 |
| Carryover per FTE | \$ 585 | \$ 610 | \$ 899 | \$ 897 | \$ 1,183 | \$ 1,002 |

Note: Student Fees shown are only the appropriated fees and do not include other student fees collected by the institutions.
Appropriated student fees only comprise approximately 70% of all student fees.

Idaho College and Universities

Net Asset Balances

As of June 30, 2006

Information Taken from Workpapers Relating to Audited Financial Statements

| | BSU | ISU | UI | LCSC | Total |
|---|----------------------|----------------------|----------------------|---------------------|----------------------|
| 1 Net Assets: | | | | | |
| 2 Invested in capital assets, net of related debt | 142,498,300 | 91,299,662 | 179,267,162 | 19,599,852 | 432,664,976 |
| 3 Restricted, expendable | 18,346,964 | 14,599,005 | 38,727,669 | 1,384,340 | 73,057,978 |
| 4 Restricted, nonexpendable | | | 84,671,646 | | 84,671,646 |
| 5 Unrestricted | 61,249,973 | 31,115,989 | 43,288,490 | 7,383,807 | 143,038,259 |
| 6 Total Net Assets | \$222,095,237 | \$137,014,656 | \$345,954,967 | \$28,367,999 | \$733,432,859 |
| 7 | | | | | |
| 8 Unrestricted Net Assets: | | | | | |
| 9 Debt Service Reserve | 5,419,920 | 9,326,331 | 5,939,057 | 1,878,437 | 22,563,745 |
| 10 Various Department Fund Balances (see note A) | 29,693,607 | 18,615,363 | 21,030,009 | 3,610,509 | 72,949,488 |
| 11 Reserved for Library Acquisitions (see note B) | | 290,512 | 1,683,497 | 81,270 | 2,055,279 |
| 12 Reserved for Capital Projects, M&O, and Initiatives (see note C) | 24,136,447 | 1,500,000 | 13,133,343 | 1,521,713 | 40,291,503 |
| 13 Unreserved Funds | 2,000,000 | 1,383,783 | 1,502,584 | 291,878 | 5,178,245 |
| 14 Total Unrestricted Net Assets | \$61,249,973 | \$31,115,989 | \$43,288,490 | \$7,383,807 | \$143,038,259 |

Note A: Department Fund Balances are derived from operations for such areas as Auxiliaries, Academic and Service Departments, Research, and Vocational/Technical Education. These funds are held to be used in their respective departments, but can and have been used for any purpose at the discretion of the institution.

Note B: These funds are used to assist in the acquisition and replacement of library materials and to stay abreast of technology changes in the way the library is accessed and used. These funds can and have been used for any purpose at the discretion of the institution.

Note C: These funds are reserved for capital projects, ongoing maintenance, facility repair and replacement, and start-up costs related to strategic mission. These funds can and have been used for any purpose at the discretion of the institution.

REFERENCE - APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education
GOVERNING POLICIES AND PROCEDURES
SECTION: V. FINANCIAL AFFAIRS
Subsection: R. Establishment of Fees

June 2005

R. Establishment of Fees

1. Definitions and Types of Fees

The following definitions are applicable to fees charged to students at all of the state colleges and universities, except where limited to a particular institution or institutions.

a. General Education Fees

General education fees are to be deposited into the unrestricted or restricted current fund accounts as required by Section V, Subsection Q.

(1) Tuition – University of Idaho

Tuition is defined as the fee charged for the cost of instruction at the University of Idaho. The cost of instruction shall not include those costs associated with the construction, maintenance, and operation of buildings and facilities; student services; or institutional support, which are complementary to, but not a part of, the instructional program. Tuition may be charged only to nonresident . students enrolled in the University of Idaho, or to resident students enrolled in the University of Idaho who are in a professional program, college, school, or department approved by the State Board of Education and the Board of Regents of the University of Idaho; who are taking extra studies; or who are part-time students at the institutions.

(2) Matriculation Fee – University of Idaho

Matriculation fee is defined as the fee charged at the University of Idaho for all educational costs other than the cost of instruction, including, but not limited to, costs associated with the construction, maintenance, and operation of buildings and facilities, student services, and institutional support.

(3) Tuition – Boise State University, Idaho State University, Lewis-Clark State College

Tuition is defined as the fee charged for any and all educational costs at Boise State University, Idaho State University, and Lewis-Clark State College.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

Tuition fees include, but are not limited to, costs associated with academic services; instruction; the construction, maintenance, and operation of buildings and facilities; student services; or institutional support.

(4) Professional-Technical Education Fee

Professional-Technical Education fee is defined as the fee charged for educational costs for students enrolled in Professional-Technical Education pre-employment, preparatory programs.

(5) Part-time Education Fee

Part-time education fee is defined as the fee per credit hour charged for educational costs for part-time students enrolled in any degree program.

(6) Graduate Fee

Graduate fee is defined as the additional fee charged for educational costs for full-time and part-time students enrolled in any post- baccalaureate degree-granting program.

(7) Summer School Fee

Summer school fee is defined as the fee charged for educational costs for students enrolled in academic programs in summer semester.

(8) Western Undergraduate Exchange (WUE) Fee

Western Undergraduate Exchange fee is defined as the additional fee for full-time students participating in this program and shall be equal to fifty percent (50%) of the total of the matriculation fee, facility fee, and activity fee.

(9) Employee/Spouse Fee

The fee for eligible participants shall be a registration fee of twenty dollars (\$20.00) plus five dollars (\$5.00) per credit hour. Eligibility shall be determined by each institution. Employees at institutions, agencies and the school under the jurisdiction of the Board may be eligible for this fee. Special course fees may also be charged.

(10) Senior Citizen Fee

The fee for Idaho residents who are 60 years of age or older shall be a registration fee of twenty dollars (\$20.00) plus five dollars (\$5.00) per credit hour. This fee is for courses on a space available basis only. Special course fees may also be charged.

(11) In-Service Teacher Education Fee

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

The fee shall be one-third of the average part-time undergraduate credit hour fee or one-third of the average graduate credit hour fee. This special fee shall be applicable only to approved teacher education courses. The following guidelines will determine if a course or individual qualifies for this special fee.

- (a) The student must be an Idaho public school teacher or other professional employee of an Idaho school district.
- (b) The costs of instruction are paid by an entity other than an institution.
- (c) The course must be approved by the appropriate academic unit(s) at the institution.
- (d) The credit awarded is for professional development and cannot be applied towards a degree program.

(12) Course Overload Fee

This fee may be charged to full-time students with excessive course loads as determined by each institution.

- (13) Workforce Training Credit fee is defined as a fee charged students enrolled in a qualified Workforce Training course where the student elects to receive credit. The fee is charged for processing and transcribing the credit. The cost of delivering Workforce Training courses, which typically are for noncredit, is an additional fee since Workforce Training courses are self-supporting. The fees for delivering the courses are retained by the technical colleges. The Workforce Training fee shall be \$10.00 per credit.

b. Local Fees

Local fees are both full-time and part-time student fees which are to be deposited into the local institutional accounts. Local fees shall be expended for the purposes for which they were collected.

(1) Facilities Fee

Facilities fee is defined as the fee charged for capital improvement and building projects and for debt service required by these projects. Revenues collected from this fee may not be expended on the operating costs of general education facilities.

(2) Activity Fee

Activity fee is defined as the fee charged for such activities as intercollegiate athletics, student health center, student union operations, the associated student body, financial aid, intramural and recreation, and other activities

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

which directly benefit and involve students. The activity fee shall not be charged for educational costs or major capital improvement or building projects. Each institution shall develop a detailed definition and allocation proposal for each activity for internal management purposes.

(3) Technology Fee

Technology fee is defined as the fee charged for campus technology enhancements and operations.

(4) Professional Fee

Professional fee is defined as the additional fee charged for educational costs for students enrolled in specialized degree granting programs. Professional programs currently approved by the Board to charge a professional fee are pharmacy, law, medicine, veterinary medicine, dentistry, physician assistant, physical therapy, occupational therapy, graduate nursing, architecture, and landscape architecture.

(5) Contracts and Grants

Special fee arrangements are authorized by the Board for instructional programs provided by an institution pursuant to a grant or contract approved by the Board.

(6) Continuing Education

Continuing education fee is defined as the additional fee to part-time students which is charged on a per credit hour basis to support the costs of continuing education.

2. Board Policy on Student Fees

Consistent with the Statewide Plan for Higher Education in Idaho, the institutions shall maintain fees that provide for quality education and maintain access to educational programs for Idaho citizens. In setting fees, the Board will consider recommended fees as compared to fees at peer institutions, percent fee increases compared to inflationary factors, fees as a percent of per capita income and/or household income, and the share students pay of their education costs. Other criteria may be considered as is deemed appropriate at the time of a fee change. An institution cannot request more than a ten percent (10%) increase in the total full-time student fee unless otherwise authorized by the Board.

3. Fees Approved by the Chief Executive Officer of the Institution

a. Special Course Fees or Assessments

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

A special course fee is a fee required for a specific course or special activity and, therefore, not required of all students enrolled at the institution. Fees such as penalty assessments, library fines, continuing education fees, parking fines, laboratory fees, breakage fees, fees for video outreach courses, late registration fees, and fees for special courses offered for such purposes as remedial education credit that do not count toward meeting degree requirements are considered special course fees. All special course fees or penalty assessments, or changes to such fees or assessments, are established and become effective in the amount and at the time specified by the chief executive officer of the institution. The chief executive officer is responsible for reporting these fees to the Board upon request.

b. Student Health Insurance Premiums or Room and Board Rates

Fees for student health insurance premiums paid either as part of the uniform student fee or separately by individual students, or charges for room and board at the dormitories or family housing units of the institutions. Changes in insurance premiums or room and board rates or family housing charges shall be approved by the chief executive officer of the institution no later than three (3) months prior to the semester the change is to become effective. The chief executive officer shall report such changes to the Board at its June meeting.

c. Activity and Facility Fees

The chief executive officer of the institution shall approve the amount of each of these fees prior to the April Board meeting. The change is to become effective prior to the beginning of the academic year following the change. The chief executive officer or his or her designee shall meet and confer with the associated student body before approving these fees. The institution shall hold a public meeting on the fee changes, and a report of the meeting shall be made available to the Board.

4. Fees Approved by the Board

a. Fees Requiring Board Approval

(1) Tuition at the University of Idaho

(2) Matriculation Fees at the University of Idaho

(3) Tuition Fees at Boise State University, Idaho State University, and Lewis-Clark State College

(4) Professional-Technical Education Fee

(5) Part-time Education Fee

(6) Graduate Fee

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

(7) Summer School Fee

(8) Professional Fee

(9) Course Overload Fee

b. Initial Notice

A proposal to alter a student fee covered by Subsection V.R.4.a shall be formalized by initial notice of the chief executive officer of the institution at least six (6) weeks prior to the Board meeting at which a final decision is to be made. Notice will consist of transmittal, in writing, to the student body president and to the recognized student newspaper during the months of publication of the proposal contained in the initial notice. The proposal will describe the amount of change, statement of purpose, and the amount of revenues to be collected.

The initial notice must include an invitation to the students to present oral or written testimony at the public hearing held by the institution to discuss the fee proposal. A record of the public hearing as well as a copy of the initial notice shall be made available to the Board.

c. Board Approval

Board approval for fees will be considered when appropriate or necessary. This approval will be timed to provide the institutions with sufficient time to prepare the subsequent fiscal year operating budget.

d. Effective Date

Any change in the rate of fees or tuition becomes effective on the date approved by the Board unless otherwise specified.

**IDAHO STATUTES
TITLE 33
EDUCATION
CHAPTER 37
MISCELLANEOUS PROVISIONS RELATING
TO STATE INSTITUTIONS OF LEARNING**

33-3717. FEES AT THE UNIVERSITY OF IDAHO. (1) The state board of education and the board of regents of the university of Idaho may prescribe fees, but not tuition, for all full-time, resident students enrolled in the university of Idaho.

(2) The state board of education and the board of regents of the university of Idaho may prescribe tuition for:

- (a) Nonresident students enrolled in the university of Idaho; or
- (b) Resident students enrolled in the university of Idaho who are:
 - (i) In a professional program, college, school or department approved by the state board of education and the board of regents of the university of Idaho;
 - (ii) Taking extra studies; or
 - (iii) Part-time students at the institution.

(3) For purposes of this section, tuition shall be defined as payment for the cost of instruction.

(4) Fees which may be prescribed under this section include matriculation fees, defined as the fees charged to students for all educational costs other than the cost of instruction including, but not limited to, costs associated with the construction, maintenance and operation of buildings and facilities, student services, and institutional support, which are complementary to, but not a part of, the instructional program. The state board of education and the board of regents of the university of Idaho also may prescribe fees for all students for any additional charges, other than payment for the cost of instruction, that are necessary for the proper operation of the institution.

(5) A resident student is a student who meets the residency requirements imposed by section 33-3717B, Idaho Code.

(6) Nothing contained in this section shall prevent the state board of education and the board of regents of the university of Idaho from waiving fees or tuition to be paid by nonresident students, as defined in section 33-3717C, Idaho Code, who are enrolled in the university of Idaho.

IDAHO STATUTES
TITLE 33
EDUCATION
CHAPTER 37
MISCELLANEOUS PROVISIONS RELATING
TO STATE INSTITUTIONS OF LEARNING

33-3717A. FEES AT STATE COLLEGES AND UNIVERSITIES OTHER THAN THE UNIVERSITY OF IDAHO.

(1) The state board of education may prescribe fees, including tuition fees, for resident and nonresident students enrolled in all state colleges and universities other than the university of Idaho. For purposes of this section, said fees, including tuition fees, may be used for any and all educational costs at the state colleges and universities including, but not limited to, costs associated with:

- (a) Academic services;
- (b) Instruction;
- (c) The construction, maintenance and operation of buildings and facilities;
- (d) Student services; or
- (e) Institutional support.

The state board of education also may prescribe fees for all students for any additional charges that are necessary for the proper operation of each institution.

(2) A resident student is a student who meets the residency requirements imposed by section 33-3717B, Idaho Code.

(3) Nothing contained in this section shall prevent the state board of education from waiving fees, including tuition fees, to be paid by nonresident students, as defined in section 33-3717C, Idaho Code, who are enrolled in the state colleges and universities.

(4) Nothing contained in this section shall apply to community colleges now or hereafter established pursuant to chapter 21, title 33, Idaho Code, or to postsecondary professional-technical schools now or hereafter established and not connected to or a part of a state college or university.

BOISE STATE UNIVERSITY

STUDENT FEE RECOMMENDATION

TO

THE IDAHO STATE BOARD OF EDUCATION

- **Student Fee Recommendation Narrative Provided by Institution.....Page 3**
- **Provided by OSBE:**
 - Recommendations for Changes to Student Fees for FY 2008..... Page 8
 - Potential Student Fee Revenue Changes for FY 2008..... Page 9
 - 4-year History of Board Approved Fees plus FY 2008 Recommended Fees Page 10
 - Peer Comparisons of Resident Undergraduate Tuition and Fees..... Page 11
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- **Student Supplied InformationPage 51**

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**Boise State University
Student Tuition/Fee Rate Hearing
February 15, 2007 -- 1:00 p.m. – 5:00 p.m.**

Jordan AB – Student Union

The Vice President for Student Affairs, Michael Laliberte, presided over the student fee hearing, and outlined the process for presenting fee requests and providing testimony. The Executive Budget Committee will review the requests and testimony and forward a fee recommendation to President Kustra later this month. Dr. Kustra will submit a recommendation to the State Board of Education, which will set Boise State University's 200-2008 tuition and fee schedule at its meeting anticipated for April 2007.

Blue Thunder Marching Band

Mr. David Wells, Director of the Blue Thunder Marching Band, presented a request for an increase in its full-time fee of \$6.50 to \$8.00, and an increase in its part-time fee of \$.065 per credit to \$.80 per credit. If funded, the additional revenue would be used to pay for scholarships and uniforms for a greater number of students, inventory maintenance, operating expenses and additional staff. The present budget supports 150 band members, and is expected to receive 120 applications from incoming freshmen.

The university received no student testimony about the proposed increase to the Blue Thunder Marching Band fee.

General Education – Tuition

Dr. Sona Andrews, Provost and Academic Vice President, presented the university's request for an increase in the general education tuition and fee from \$1,334.85 for full-time students to \$1,426, and from \$143.40 per credit to \$153 per credit for part-time students. If approved, the summer fee would increase from \$138.20 per credit to \$148.00 per credit.

If approved, the revenue would be used to fund programs that are not likely to receive state general fund appropriations. The first is a student success initiative (\$1.7M) which includes academic advising faculty and staff positions targeted toward the Freshman Success program, student success infrastructure costs, development and maintenance of web programs and student portal, and funding to develop and offer multiple methods of math instruction.

The fee increase would also be used to fund a research initiative that would add new Graduate Assistantships, technical infrastructure and operational funds, and additional staff to support increased research activity on campus as well as deal with compliance issues in an increasingly regulatory environment.

The university received no student testimony about the proposed increase to the General Education and Tuition Fee.

Strategic Facilities Fee

Stacy Pearson, Vice President for Finance and Administration, presented the university's request to increase the Strategic Facilities Fee from \$100 to \$165 for full-time students, and from \$10 to \$16 per credit for part-time and summer students.

Sustained enrollment growth continues to put pressure on campus classroom space and facilities, leaving the university with the choice to limit enrollment or increase capacity by building new facilities. Because the state has not provided funding for building construction over the past 4 years, the strategic facility fee has been assessed to provide funds to bond new construction for academic, student and other auxiliary space. If approved, the additional revenue would be used to leverage and match other funding sources and to issue bonds for new facility construction, including the Center for Environmental Science and Economic Development (CESD) and a research facility. Projects proposed for FY09 include a new college of Business and Economic Building and additional student housing.

The university received no student testimony about the proposed increase to the Strategic Facilities Fee.

Student Support System Technology Fee

Christine Hurst, Associate Director for the Office of Information Technology, presented the request for an increase of the full-time fee from \$19.00 to \$24.00, and an increase to the part-time and summer fees from \$1.90 to \$2.40 per credit.

If approved, the increased funding would support increases in licensing costs, help pay for systems growth and support costs associated with increased demand, and to provide increased system security, stability, reliability and availability.

The university received no student testimony about the proposed increase to the Student Support System Technology Fee.

Health, Wellness and Counseling Services Fee

Executive Director of Health, Wellness & Counseling Services, presented the request for a \$10.00 increase in the full-time fee of \$33.00 to \$43.00, and a \$1.00 increase to the summer fee from \$3.30 per credit to \$4.30 per credit. The requested increase is a three-year increase of the fee. The \$25 health fee had not increased since 1987 totaling \$8.00 were approved over the past two years.

The fee increase will be used to enhance programs and services in preparation for the construction and opening of a new health, wellness and counseling facility at the end of FY09.

The university received no student testimony about the proposed increase to the Health, Wellness & Counseling Services Fee.

Intercollegiate Athletics

Gene Bleymaier, Director of Intercollegiate Athletics, presented the request to increase the intercollegiate athletics fee from \$93.00 for full-time students to \$98.00, and increase the part-time fee from \$5.30 to \$6.00 per credit.

If approved, the fee increase would be used to help the university comply with Title IX by implementing its plan to add a new women's sport every five years. Revenue generated from the fee increase would fund additional scholarships for the women's swimming program, and hire staff to begin the women's softball program, including costs associated with the development of play and practice facilities, office space, locker rooms and equipment. BSU's current athletic fee is lower than Idaho State University and the University of Idaho.

The university received no student testimony about the proposed increase to the Intercollegiate Athletic Fee.

Student Union & Involvement Fee

Leah Barrett, Executive Director of the Student Union & Student Activities, presented the request to increase the fee paid by full-time students from \$71.00 to \$81.00, and to increase the part-time and summer fee from \$7.10 per credit to \$8.10 per credit.

The requested fee increase is necessary to support current SUB programs, services and operations and to prepare for the SUB expansion beginning in the summer of 2009. When the university moves to a central banking model in 2008, the revenues used to pay off bonds from previous SUB expansions, and are a part of the SUB's current operating budget, will be removed. For FY07 and FY08, student fee and other revenue will exceed bond expenses, but by FY09 the student fees collected will nearly equal bond expenses, resulting in decreased revenue for operating expenses and the planned sub expansion.

The SUB has implemented several revenue generating and cost cutting measures allowing the SUB to fund inflationary costs, mandatory salary increases and cost of benefits and utilities. If the fee increase is not approved for FY08, the student union will have to cut staff, programs and services and increase service fees.

The university received no student testimony about the proposed increase to the Student Union & Student Involvement Fee.

Campus Recreation – Club Sports

Alain Rodrigue, Assistant Director of Intramural and Club Sports, presented the request to increase the fee paid by full-time students from \$1.25 to \$3.25, and to increase the part-time fee from \$0.15 per credit to \$0.35 per credit. Participation in club sports has grown significantly over the last four years when the fee was initially approved. At that time approximately 250 students participated in 16 club sports. Today over 400 students participate in 27 different clubs.

If the fee increase is approved the revenue will be used to increase the funds Campus Recreation provides as a match to the funds the clubs generate from participation dues and fund-raising. In addition, the revenue will provide emergency and start up costs to club sports, pay for increased administrative personnel and operations, as well as provide safety and leadership training and development for the club participants.

Three (3) Boise State University students testified in support of the increase to the Campus Recreation – Club Sports fee.

Campus Recreation Fee

Joyce Grimes, Executive Director of Campus Recreation and Taco Bell Arena, presented the request to increase the fee paid by full-time students from \$26.00 to \$28.00, and to increase the part-time fee from \$2.60 to \$2.80 per credit.

As phase II of the Student Recreation Center project, Campus Recreation is in the preliminary stages of a program and design study to add an Aquatics Complex adjacent to the existing facility. The bond funds are available to build the aquatics facility but there is not enough money in the reserves for operations and maintenance of the facility. The revenue generated from the fee increase would be used to hire aquatics personnel who will be critical to the planning and management of the new aquatics facility. During construction of the facility the new aquatics professional would plan programs, develop policies and procedures, and hire and train staff.

The university received no student testimony about the proposed increase to the Campus Recreation Fee.

General Written Comments Received from Students (See attached)

The university received written comments from six (6) students via e-mail.

- Only one (1) of the students clearly stated his opposition to tuition and fee increases.
- One student was opposed to all fee increases with the exception of the general tuition and fee increase.
- It can be inferred from the comments received from the other four (4) students that they are generally very concerned with the proposed increases and likely oppose them.

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BOISE STATE UNIVERSITY

Changes to Student Fees for FY 2008 Annual Full-Time Fees and Part-Time Credit Hours Fees

| Student Fees: | Bd Appv | FY07 Fees | FY08 Initial Notice | Requested Fees | | |
|---------------------------------------|------------|-------------------|------------------------|-------------------|-----------------|-------------|
| | | | | FY08 Fees | Change | % Chg. |
| Full-time Fees: | | | | | | |
| 1 Tuition (Unrestricted) | ** | \$2,669.70 | \$2,852.00 | \$2,839.70 | \$170.00 | 6.4% |
| 2 Technology Fee | ** | 92.50 | 102.50 | 102.50 | 10.00 | 10.8% |
| 4 Facilities Fees | ** | 786.00 | 916.00 | 916.00 | 130.00 | 16.5% |
| 5 Student Activity Fees | ** | 605.80 | 666.80 | 631.80 | 26.00 | 4.3% |
| 6 Total Full-time Fees | | <u>\$4,154.00</u> | <u>\$4,537.30</u> | <u>\$4,490.00</u> | <u>\$336.00</u> | <u>8.1%</u> |
| Part-time Credit Hour Fees: | | | | | | |
| 9 Education Fee | ** | \$143.40 | \$153.00 | \$151.60 | \$8.20 | 5.7% |
| 10 Technology Fee | ** | 4.90 | 5.40 | 5.40 | 0.50 | 10.2% |
| 11 Facilities Fees | ** | 37.90 | 43.90 | 43.90 | 6.00 | 15.8% |
| 12 Student Activity Fees | ** | 24.80 | 28.05 | 26.10 | 1.30 | 5.2% |
| 13 Total Part-time Cr Hr Fees: | | <u>\$211.00</u> | <u>\$230.35</u> | <u>\$227.00</u> | <u>\$16.00</u> | <u>7.6%</u> |
| Summer Fees: | | | | | | |
| 16 Education Fee | ** | \$143.85 | \$148.00 | \$152.05 | \$8.20 | 5.7% |
| 17 Technology Fee | ** | 4.90 | 5.40 | 5.40 | 0.50 | 10% |
| 18 Facilities Fees | ** | 37.90 | 43.90 | 43.90 | 6.00 | 15.8% |
| 19 Student Activity Fees | ** | 19.35 | 21.35 | 20.65 | 1.30 | 6.7% |
| 20 Total Summer Fees: | | <u>\$206.00</u> | <u>\$218.65</u> | <u>\$222.00</u> | <u>\$16.00</u> | <u>7.8%</u> |
| Other Student Fees: | | | | | | |
| 23 Graduate Fees: | | | | | | |
| 24 Full-time Grad/Prof | ** | \$790.00 | \$829.00 | \$829.00 | \$39.00 | 4.9% |
| 25 Part-time Graduate/Hour | ** | \$43.00 | \$45.00 | \$45.00 | \$2.00 | 4.7% |
| 26 Nonresident Tuition: | | | | | | |
| 27 Nonres Tuition | ** | \$7,778.00 | \$8,167.00 | \$8,168.00 | \$390.00 | 5.0% |
| 28 Other Fees: | | | | | | |
| 29 Western Undergrad Exchange | ** | \$2,077.00 | \$2,268.65 | \$2,245.00 | \$168.00 | 8.1% |
| 30 Overload fee | | \$211.00 | \$230.35 | \$227.00 | \$16.00 | 7.6% |
| 31 In-service Fees/Cr Hr - Undergrad | ** | \$69.00 | \$72.00 | \$72.00 | \$3.00 | 4.3% |
| 32 In-service Fees/Cr Hr - Grad | ** | \$82.00 | \$86.00 | \$86.00 | \$4.00 | 4.9% |
| 33 Total Other Student Fees | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 Changes to Student Activity Fees: | | | | | | |
| 38 Full-time: | | | | | | |
| 39 Intercollegiate Athletics | | \$186.00 | \$196.00 | \$186.00 | \$0.00 | 0.0% |
| 40 Student Health Center | | \$66.00 | \$66.00 | \$72.00 | \$6.00 | 9.1% |
| 41 Student Union Operations | | \$145.00 | \$165.00 | \$165.00 | \$20.00 | 13.8% |
| 42 Marching Band | | \$13.00 | \$16.00 | \$13.00 | \$0.00 | 0.0% |
| 43 Rec Center - Sports Clubs | | \$2.50 | \$6.50 | \$2.50 | \$0.00 | 0.0% |
| 44 Rec Center - Operations | | \$52.00 | \$56.00 | \$52.00 | \$0.00 | 0.0% |
| 45 Part-time: | | | | | | |
| 46 Intercollegiate Athletics | | \$5.30 | \$5.50 | \$5.30 | \$0.00 | 0.0% |
| 47 Student Health Center | | \$3.30 | \$3.30 | \$3.60 | \$0.30 | 9.1% |
| 48 Student Union Operations | | \$7.25 | \$8.25 | \$8.25 | \$1.00 | 13.8% |
| 49 Marching Band | | \$0.65 | \$1.00 | \$0.65 | \$0.00 | 0.0% |
| 50 Rec Center - Sports Clubs | | \$0.15 | \$0.55 | \$0.15 | \$0.00 | 0.0% |
| 51 Rec Center - Operations | | \$2.60 | \$0.25 | \$2.60 | \$0.00 | 0.0% |
| 52 Student Health Insurance Premium | | \$992 | | | | |

BOISE STATE UNIVERSITY

Potential Student Fee Revenue Changes for FY 2008 Due to Enrollment and Fee Changes

| Student Fees: | Projected HC/SCH Enrollmt | | Potential Revenue Generated Due to Enrollment and Fee Changes | | | | | |
|---|------------------------------|--------|---|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | FY07 | FY08 | Enrollment Changes | | Fee Changes | | Total Rev Chge | |
| | | | Gen Educ | Local | Gen Educ | Local | Gen Educ | Local |
| Full-time Fees: | | 1.0% | | | | | | |
| Tuition (Unrestricted) | 12,100 | 12,221 | \$323,000.00 | | \$2,077,600.00 | | \$2,400,600.00 | |
| Technology Fee | 12,100 | 12,221 | | \$11,200.00 | | \$121,000.00 | | \$132,200.00 |
| Facilities Fees | 12,100 | 12,221 | | 95,100.00 | | 1,573,000.00 | | 1,668,100.00 |
| Student Activity Fees | 12,100 | 12,221 | | 73,300.00 | | 314,600.00 | | 387,900.00 |
| Total Full-time Fees | | | <u>\$323,000.00</u> | <u>\$179,600.00</u> | <u>\$2,077,600.00</u> | <u>\$2,008,600.00</u> | <u>\$2,400,600.00</u> | <u>\$2,188,200.00</u> |
| Part-time Credit Hour Fees: | | | | | | | | |
| Education Fee | 41,890 | 42,309 | \$60,100.00 | | \$346,900.00 | | \$407,000.00 | |
| Technology Fee | 41,890 | 42,309 | | \$2,100.00 | | \$21,200.00 | | \$23,300.00 |
| Facilities Fees | 41,890 | 42,309 | | 15,900.00 | | 253,900.00 | | 269,800.00 |
| Student Activity Fees | 41,890 | 42,309 | | 10,400.00 | | 55,000.00 | | 65,400.00 |
| Total Part-time Cr Hr Fees: | | | <u>\$60,100.00</u> | <u>\$28,400.00</u> | <u>\$346,900.00</u> | <u>\$330,100.00</u> | <u>\$407,000.00</u> | <u>\$358,500.00</u> |
| Summer Fees: | | | | | | | | |
| Education Fee | 24,872 | 25,121 | \$35,800.00 | | \$206,000.00 | | \$241,800.00 | |
| Technology Fee | 24,872 | 25,121 | | \$1,200.00 | | \$12,600.00 | | \$13,800.00 |
| Facilities Fees | 24,872 | 25,121 | | 9,400.00 | | 150,700.00 | | 160,100.00 |
| Student Activity Fees | 24,872 | 25,121 | | 4,800.00 | | 32,700.00 | | 37,500.00 |
| Total Summer Fees: | | | <u>\$35,800.00</u> | <u>\$15,400.00</u> | <u>\$206,000.00</u> | <u>\$196,000.00</u> | <u>\$241,800.00</u> | <u>\$211,400.00</u> |
| Other Student Fees: | | | | | | | | |
| Graduate Fees: | | | | | | | | |
| Full-time Grad/Prof | 427 | 431 | \$3,400.00 | | \$16,800.00 | | \$20,200.00 | |
| Part-time Graduate/Hour | 7,400 | 7,474 | \$3,200.00 | | \$14,900.00 | | \$18,100.00 | |
| Nonresident Tuition: | | | | | | | | |
| Nonres Tuition-Fall | 444 | 448 | \$34,500.00 | | \$174,900.00 | | \$209,400.00 | |
| Other Fees: | | | | | | | | |
| Western Undergrad Exchge | 179 | 181 | \$3,700.00 | | \$30,400.00 | | \$34,100.00 | |
| Overload Fee | 369 | 372 | \$800.00 | | \$6,000.00 | | \$6,800.00 | |
| In-service Fees/Cr Hr - Undergrad | | | \$0.00 | | \$0.00 | | \$0.00 | |
| In-service Fees/Cr Hr - Grad | 2,008 | 2,028 | \$1,600.00 | | \$8,100.00 | | \$9,700.00 | |
| Total Other Student Fees | | | <u>\$44,800.00</u> | <u>\$0.00</u> | <u>\$237,000.00</u> | <u>\$0.00</u> | <u>\$281,800.00</u> | <u>\$0.00</u> |
| Total Additional Student Fee Revenue | | | <u>\$463,700.00</u> | <u>\$223,400.00</u> | <u>\$2,867,500.00</u> | <u>\$2,534,700.00</u> | <u>\$3,331,200.00</u> | <u>\$2,758,100.00</u> |
| 1) Changes to Student Activity Fees: | | | | | | | | |
| Full-time: | | | | | | | | |
| Intercollegiate Athletics | 12,100 | 12,221 | | \$22,500.00 | | \$0.00 | | \$22,500.00 |
| Student Health Center | 12,100 | 12,221 | | \$8,000.00 | | \$73,300.00 | | \$81,300.00 |
| Student Union Operations | 12,100 | 12,221 | | \$17,500.00 | | \$244,400.00 | | \$261,900.00 |
| Marching Band | 12,100 | 12,221 | | \$1,600.00 | | \$0.00 | | \$1,600.00 |
| Rec Center - Sports Clubs | 12,100 | 12,221 | | \$300.00 | | \$0.00 | | \$300.00 |
| Rec Center - Operations | 12,100 | 12,221 | | \$6,300.00 | | \$0.00 | | \$6,300.00 |
| | | | | <u>\$56,200.00</u> | | <u>\$317,700.00</u> | | <u>\$373,900.00</u> |
| Part-time | | | | | | | | |
| Intercollegiate Athletics | 41,890 | 42,309 | | \$2,200.00 | | \$0.00 | | \$2,200.00 |
| Student Health Center | 41,890 | 42,309 | | \$1,400.00 | | \$12,700.00 | | \$14,100.00 |
| Student Union Operations | 41,890 | 42,309 | | \$3,000.00 | | \$42,300.00 | | \$45,300.00 |
| Marching Band | 41,890 | 42,309 | | \$300.00 | | \$0.00 | | \$300.00 |
| Rec Center - Sports Clubs | 41,890 | 42,309 | | \$100.00 | | \$0.00 | | \$100.00 |
| Rec Center - Operations | 41,890 | 42,309 | | \$1,100.00 | | \$0.00 | | \$1,100.00 |
| | | | | <u>\$8,100.00</u> | | <u>\$55,000.00</u> | | <u>\$63,100.00</u> |

BOISE STATE UNIVERSITY

4-year History of Board Approved Fees plus FY08 Requested Fees Annual Full-Time Fees and Part-Time Credit Hours Fees

| | | FY 2004 | FY 2005 | FY 2006 | FY 2007 | Request FY 2008 | 5-Year Increase | % Increase |
|----|-----------------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|---------------|
| 1 | Student Fees: | | | | | | | |
| 2 | Full-time Fees | | | | | | | |
| 3 | Tuition (Unrestricted) | \$2,118.50 | \$2,277.70 | \$2,567.70 | \$2,669.70 | \$2,839.70 | \$721.20 | 34.0% |
| 4 | Technology Fee | 82.50 | 92.50 | 92.50 | 92.50 | 102.50 | 20.00 | 24.2% |
| 5 | Facilities Fees | 506.00 | 586.00 | 636.00 | 786.00 | 916.00 | 410.00 | 81.0% |
| 6 | Student Activity Fees | 544.00 | 563.80 | 575.80 | 605.80 | 631.80 | 87.80 | 16.1% |
| 7 | Total Full-time Fees | <u>\$3,251.00</u> | <u>\$3,520.00</u> | <u>\$3,872.00</u> | <u>\$4,154.00</u> | <u>\$4,490.00</u> | <u>\$1,239.00</u> | <u>38.1%</u> |
| 8 | Part-time Credit Hour Fees | | | | | | | |
| 9 | Education Fee | \$115.30 | \$123.80 | \$138.20 | \$143.40 | \$151.60 | \$36.30 | 31.5% |
| 10 | Technology Fee | 4.40 | 4.90 | 4.90 | 4.90 | 5.40 | 1.00 | 0.0% |
| 11 | Facilities Fees | 23.90 | 27.90 | 30.40 | 37.90 | 43.90 | 20.00 | 0.0% |
| 12 | Student Activity Fees | 18.80 | 20.40 | 21.50 | 24.80 | 26.10 | 7.30 | 38.8% |
| 13 | Total Part-time Cr Hr Fees | <u>\$162.40</u> | <u>\$177.00</u> | <u>\$195.00</u> | <u>\$211.00</u> | <u>\$227.00</u> | <u>\$64.60</u> | <u>39.8%</u> |
| 14 | | | | | | | | |
| 15 | Summer Fees | | | | | | | |
| 16 | Education Fee | \$115.30 | \$123.80 | \$138.34 | \$143.85 | \$152.05 | \$36.75 | 31.9% |
| 17 | Technology Fee | 4.40 | 4.90 | 4.90 | 4.90 | 5.40 | 1.00 | 22.7% |
| 18 | Facilities Fees | 23.90 | 27.90 | 30.40 | 37.90 | 43.90 | 20.00 | 83.7% |
| 19 | Student Activity Fees | 13.90 | 16.25 | 16.36 | 19.35 | 20.65 | 6.75 | 48.6% |
| 20 | Total Summer Fees | <u>\$157.50</u> | <u>\$172.85</u> | <u>\$190.00</u> | <u>\$206.00</u> | <u>\$222.00</u> | <u>\$64.50</u> | <u>41.0%</u> |
| 21 | | | | | | | | |
| 22 | Other Student Fees | | | | | | | |
| 23 | Graduate Fees: | | | | | | | |
| 24 | Full-time Grad/Prof | \$678.00 | \$712.00 | \$747.00 | \$790.00 | \$829.00 | \$151.00 | 22.3% |
| 25 | Part-time Graduate/Hour | \$36.75 | \$39.00 | \$41.00 | \$43.00 | \$45.00 | \$8.25 | 22.4% |
| 26 | Nonresident Tuition: | | | | | | | |
| 27 | Nonres Tuition | \$6,720.00 | \$7,056.00 | \$7,408.00 | \$7,778.00 | \$8,168.00 | \$1,448.00 | 21.5% |
| 28 | Other Fees: | | | | | | | |
| 29 | Western Undergrad Exchge | \$1,625.50 | \$1,760.00 | \$1,936.00 | \$2,077.00 | \$2,245.00 | \$619.50 | 38.1% |
| 30 | Overload fee | \$162.40 | \$177.00 | \$195.00 | \$211.00 | \$227.00 | \$64.60 | 39.8% |
| 31 | In-service Fees/Cr Hr - Undergrad | \$55.00 | \$60.00 | \$65.00 | \$69.00 | \$72.00 | \$17.00 | 30.9% |
| 32 | In-service Fees/Cr Hr - Grad | \$66.00 | \$72.00 | \$77.00 | \$82.00 | \$86.00 | \$20.00 | 30.3% |

**College & Universities
Peer Comparisons
Resident Undergraduate Tuition and Fees
FY 2004 - FY 2007**

| | | | | | INCREASE OVER PRIOR YEAR | |
|---|-----------|-----------|-----------|-----------|-----------------------------|---------|
| | 2003-2004 | 2004-2005 | 2005-2006 | 2006-2007 | AMOUNT | PERCENT |
| BOISE STATE UNIVERSITY | | | | | | |
| 1 University of Cincinnati | \$7,623 | \$8,379 | \$8,883 | \$9,381 | \$1,002 | 11.3% |
| 2 Cleveland State University | 6,040 | 6,792 | 7,344 | 7,920 | 1,128 | 15.4% |
| 3 Wayne State University | 5,190 | 5,399 | 6,439 | 6,812 | 1,413 | 21.9% |
| 4 George Mason University (Virginia) | 5,112 | 5,448 | 5,922 | 6,408 | 960 | 16.2% |
| 5 University of Louisville | 4,450 | 5,040 | 5,532 | 6,252 | 1,212 | 21.9% |
| 6 University of Texas - El Paso | 3,865 | 4,648 | 4,888 | 5,262 | 614 | 12.6% |
| 7 Portland State University | 4,206 | 4,311 | 4,499 | 5,210 | 899 | 20.0% |
| 8 University of Nebraska - Omaha | 4,094 | 4,533 | 4,825 | 5,118 | 585 | 12.1% |
| 9 Northern Arizona University | 3,593 | 4,072 | 4,393 | 4,546 | 474 | 10.8% |
| 10 Wichita State University | 3,507 | 3,909 | 4,232 | 4,515 | 606 | 14.3% |
| 11 Eastern Washington University | 3,687 | 3,927 | 4,149 | 4,383 | 456 | 11.0% |
| 12 University of Alaska - Anchorage | 3,232 | 3,517 | 4,014 | 4,366 | 849 | 21.2% |
| 13 Boise State University | 3,251 | 3,520 | 3,872 | 4,154 | 634 | 16.4% |
| 14 University of Northern Colorado | 3,241 | 3,370 | 3,837 | 3,900 | 530 | 13.8% |
| 15 University of Nevada - Las Vegas | 2,670 | 3,210 | 3,476 | 3,732 | 522 | 15.0% |
| 16 Weber State University | 2,634 | 2,876 | 3,138 | 3,432 | 556 | 17.7% |
| 17 California State University - Fresno | 2,418 | 2,706 | 2,986 | 3,039 | 333 | 11.2% |
| 18 Peer Averages | 4,048 | 4,450 | 4,849 | 5,202 | 751 | 15.5% |

* SOURCES:
WICHE Tuition & Fees In Public Higher Education in the West
The Chronicle of Higher Education

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BOISE STATE UNIVERSITY

DOCUMENTS PROVIDED BEFORE AND DURING CAMPUS FEE HEARING

- Initial Notice Page 15
- Fee Hearing Information..... Page 17

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SUBJ Line: Notice of Proposed Tuition and Fees for the 2007-08 Academic Year

Dear {First Name}:

Student Tuition/Fee Hearing Set for February 15, 2007

Each year Boise State University students have an opportunity to provide feedback on proposed changes to tuition and fees paid by all students. Revenue from tuition and fees partially cover the costs associated with instruction; academic services; the construction, maintenance, and operation of buildings and facilities; student services; or institutional support. A hearing of the proposed student tuition and fees for the next academic year will be held Thursday, February 15, 2007 beginning at 1:00 p.m. in the Jordan A Ballroom of the Student Union (2nd floor).

Proposals will be presented in the order listed below:

1. Blue Thunder Marching Band
2. General Education – Tuition
3. Strategic Facilities Fee
4. Student Support System Technology Fee
5. Health, Wellness and Counseling
6. Intercollegiate Athletics
7. Student Union & Student Involvement
8. Campus Recreation – Club Sports
9. Campus Recreation

A schedule of the proposed fee increases can be found at <http://www2.boisestate.edu/vpsa>.

Detailed information regarding each of these proposed fees is available for inspection during regular business hours from the Budget Office, Room 305 of the Administration Building.

Process for Providing Testimony Regarding Proposed Tuition/Fees

All interested Boise State University students, faculty and staff may submit oral testimony at the hearing or written testimony before February 15th. Boise State students, faculty and staff wishing to testify in person may sign up at the hearing or in advance at the Office of the Vice President for Student Affairs by calling (208) 426-1418 or visiting Room 208 in the Administration Building. Individuals wishing to comment on the fee proposals are asked to limit testimony to three (3) minutes, and must provide a written copy of their comments to the hearing officer at the conclusion of their testimony.

State Board of Education Consideration of Recommended Tuition/Fee Increases

The Idaho State Board of Education is responsible for establishing tuition and fees for Idaho's public college and universities, and will consider the recommended tuition and fee increases at its April 2007 meeting. In setting tuition and fees, the Board considers testimony received from students, recommended fees as compared to fees at peer institutions, percent fee increases compared to inflationary factors, fees as a percent of per capita income and/or household income, and the share students pay of their education costs.

Sincerely,

Michael R. Laliberte, Ed.D.
Vice President for Student Affairs

BOISE STATE UNIVERSITY

NOTICE OF STUDENT TUITION/FEE HEARINGS

HEARINGS OF THE PROPOSED INCREASES WILL BE HELD THURSDAY, FEBRUARY 15, 2007 BEGINNING AT 1:00 P.M. IN THE JORDAN BALLROOM OF THE STUDENT UNION BUILDING. PROPOSALS WILL BE PRESENTED IN THE ORDER LISTED BELOW.

Information regarding these proposed fee increases is available for inspection during regular business hours from the Budget Office, Room 305 of the Administration Building.

All interested Boise State University students, faculty and staff may submit oral testimony at the hearings or written testimony before February 15th. BSU students, faculty and staff wishing to testify in person may sign up at the hearing or in advance at the Office of the Vice President for Student Affairs and are asked to provide a written copy of their testimony to the hearing officer.

Individuals not currently affiliated with Boise State University are allowed to testify at the Student Fee Hearings under the following conditions:

- 1 They must sign up to testify and in doing so, indicate they are not a student, faculty or staff.
- 2 They must submit a written copy of their testimony prior to testifying.
- 3 They will be allowed to testify only at the discretion of the hearing officer.
- 4 If allowed to testify, they must identify themselves as a non student at the onset of their verbal testimony.

| Requesting Unit | <u>Current Fee/Semester</u> | | | <u>Proposed Increase</u> | | | <u>Proposed Fee/Semester</u> | | |
|---------------------------------------|-----------------------------|-----------|--------|--------------------------|-----------|--------|------------------------------|-----------|--------|
| | Full Time | Part Time | Summer | Full Time | Part Time | Summer | Full Time | Part Time | Summer |
| BLUE THUNDER MARCHING BAND | 6.50 | 0.65 | 0.00 | 1.50 | 0.15 | 0.00 | 8.00 | 0.80 | 0.00 |
| GENERAL EDUCATION - TUITION | 1,334.85 | 143.40 | 143.85 | 91.15 | 9.60 | 4.15 | 1,426.00 | 153.00 | 148.00 |
| STRATEGIC FACILITIES FEE | 100.00 | 10.00 | 10.00 | 65.00 | 6.00 | 6.00 | 165.00 | 16.00 | 16.00 |
| STUDENT SUPPORT SYSTEM TECHNOLOGY FEE | 19.00 | 1.90 | 1.90 | 5.00 | 0.50 | 0.50 | 24.00 | 2.40 | 2.40 |
| HEALTH WELLNESS AND COUNSELING | 33.00 | 3.30 | 3.30 | 10.00 | 1.00 | 1.00 | 43.00 | 4.30 | 4.30 |
| INTERCOLLEGIATE ATHLETICS | 93.00 | 5.30 | 0.00 | 5.00 | 0.70 | 0.00 | 98.00 | 6.00 | 0.00 |
| STUDENT UNION & STUDENT INVOLVEMENT | 71.00 | 7.10 | 7.10 | 10.00 | 1.00 | 1.00 | 81.00 | 8.10 | 8.10 |
| CAMPUS RECREATION - CLUB SPORTS | 1.25 | 0.15 | 0.00 | 2.00 | 0.20 | 0.00 | 3.25 | 0.35 | 0.00 |
| CAMPUS RECREATION | 26.00 | 2.60 | 3.60 | 2.00 | 0.20 | 0.00 | 28.00 | 2.80 | 3.60 |

| SUMMARY INFORMATION | <u>Current Fee/Semester</u> | | | <u>Proposed Increase</u> | | | <u>Proposed Fee/Semester</u> | | |
|---------------------------|-----------------------------|---------------|---------------|--------------------------|--------------|--------------|------------------------------|---------------|---------------|
| | Full Time | Part Time | Summer | Full Time | Part Time | Summer | Full Time | Part Time | Summer |
| GENERAL EDUCATION TUITION | 1,334.85 | 143.40 | 143.85 | 91.15 | 9.60 | 4.15 | 1,426.00 | 153.00 | 148.00 |
| FACILITY FEES | 393.00 | 37.90 | 37.90 | 65.00 | 6.00 | 6.00 | 458.00 | 43.90 | 43.90 |
| TECHNOLOGY FEES | 46.25 | 4.90 | 4.90 | 5.00 | 0.50 | 0.50 | 51.25 | 5.40 | 5.40 |
| ACTIVITY FEES | 302.90 | 24.80 | 19.35 | 30.50 | 3.25 | 2.00 | 333.40 | 28.05 | 21.35 |
| TOTAL FEES | 2,077.00 | 211.00 | 206.00 | 191.65 | 19.35 | 12.65 | 2,268.65 | 230.35 | 218.65 |

Michael Laliberte
Vice President for Student Affairs
Boise State University
1910 University Drive
Boise, ID 83725



Boise State University
Student Tuition/Fee Rate Request
Effective 2007-2008 Academic Year

Vice President

JAN 23 2007

Department/Organization Information

Department/Organization Name Music/Blue Thunder Marching Band
10 Digit Department Number 022L101020
Contact Person David A. Wells
Phone Number x.63871

FY 2007 Budget Overview

| | |
|-------------------------------------|---------------------|
| Budgeted Revenue from Student Fees | <u>\$176,637.50</u> |
| Budgeted Revenue from Other Sources | <u>\$7,400.00</u> |
| Total 2007 Budget | <u>\$184,037.50</u> |

Finance and
Administration

Current Fee Structure

— See attached schedule of 2007 Tuition & Fees

Full-Time Fee \$6.50
Part-Time Fee \$0.65
Summer Fee \$0.00

Describe the programs and services provided to the students of Boise State University by this Department/Organization

The Marching Band currently performs and provides athletic team support at all home Football, Men's Basketball and Women's Basketball games. The band also performs at all requested Boise State pep rallies, parades and spirit functions. In addition to Boise State events, the band performs at many community organized events providing additional PR.

Proposed Fee Structure

Full-Time Fee \$8.00
Part-Time Fee \$0.80
Summer Fee \$0.00

Describe additional programs and services that will be provided to the students of Boise State University due to this proposed fee change

Additional funding will enable the band to offer more scholarships and increase the size of the group. By increasing our numbers, we will be able to perform at more campus events (have received requests to perform at gymnastics, soccer and volleyball) and promote more Bronco spirit.

Justification of this proposed change in student fees

The marching band grew by 30% from 2005 to 2006. After an extremely successful football season and the national exposure we anticipate to increase the band size once again for 2007. Additional members will require additional funding for the program for scholarships, new instruments and uniforms and overall operations. The band currently has 1 band director; however with more members and a more demanding performance schedule, we will need to hire additional staff personnel.

For use by Student Tuition and Fees Committee

| |
|--|
| Department Name _____ Music-Marching Band |
| 10 digit Department Number ____ 022L101020 |

Fiscal Year 2005

Fiscal Year 2006

Revenues- enter in yellow shaded area

-- Enter Revenue categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|------------------|---------|---------|
| Student Fees | 204,703 | 181,881 |
| Other Misc. Fees | 81,210 | 7,922 |

Expenses- enter in yellow shaded area

-- Enter Expense categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|-----------------|---------|---------|
| Salaries | 42,565 | 40,060 |
| Fringe benefits | 14,812 | 13,585 |
| OE | 141,603 | 127,540 |
| Travel | 37,680 | 33,348 |
| Capital Outlay | 0 | 0 |

Prior Year Fund Balance @ June 30th

| | |
|---------|---------|
| 113,527 | 162,779 |
|---------|---------|

Student Fee Revenue Projections

| Estimates for FY 07 | <u>Head Count/Credit Hr</u> | <u>Current Fee</u> | <u>Estimated Fee Revenue</u> |
|---------------------|-----------------------------|---|------------------------------|
| FT | 22,940 | \$6 50 | \$149,110 00 |
| PT | 42,350 | \$0 65 | \$27,527 50 |
| Summer | 25,129 | \$0 00 | \$0.00 |
| | | | <u>\$176,637 50</u> |
| | | Less 5% estimate for outstanding fees, credit card charges adjustments etc | <u>-\$8,831.88</u> |
| | | | <u>\$167,805.63</u> |

| Estimates for FY 08 | | <u>Proposed Fee</u> | |
|---------------------|--------|--|---------------------|
| FT | 23,169 | \$8 00 | \$185,355 20 |
| PT | 42,774 | \$0 80 | \$34,218 80 |
| Summer | 25,380 | \$0 00 | \$0.00 |
| | | | <u>\$219,574.00</u> |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc | <u>-\$10,978.70</u> |
| | | | <u>\$208,595.30</u> |

| | |
|--|--------------------|
| Estimated new money generated from additional fee and enrollment growth (estimated @ 1%) | <u>\$40,789.68</u> |
|--|--------------------|



Boise State University
Student Tuition/Fee Rate Request
Effective 2007-2008 Academic Year

Department/Organization Information

Department/Organization Name General Education
10 Digit Department Number N/A
Contact Person Chris Rosenbaum
Phone Number 426-1344

FY 2007 Budget Overview

Boise State University State Appropriated Operating Budget
Budgeted Revenue from Student Fees \$44,221,301
Budgeted Revenue from Other Sources \$75,070,300
Total 2007 Budget \$119,291,601

Current Fee Structure

-- See attached schedule of 2007 Tuition & Fees

Full-Time Fee \$1,334.85
Part-Time Fee \$143.40
Summer Fee \$138.20

Describe the programs and services provided to the students of Boise State University by this Department/Organization.

General Education tuition and fees are collected from students and used to support the general education mission of Boise State University. This includes direct costs of instruction research administration public service library student services academic support and institutional support.

Proposed Fee Structure

Full-Time Fee \$1,426.00
Part-Time Fee \$153.00
Summer Fee \$148.00

Describe additional programs and services that will be provided to the students of Boise State University due to this proposed fee change

These funds would be used for some of the unfunded items requested in the 2008 Budget Request. Specifically Academic Advising Orientation and Math Programs would be enhanced as part of the Student Success Task Force recommendations and Research Infrastructure funds would assist with adding opportunities to grow the current number and quality of our graduate assistantships.

Justification of this proposed change in student fees

The Governor has recommended funding some of the requested items for FY 2008. However there is no recommended funding for inflationary costs nor any funding for health care cost increases. Further there is only one requested item above the maintenance budget that is recommended for funding (occupancy - \$338,000). Although we don't know at this time what the legislature may appropriate, it is safe to assume that the remaining items are in serious jeopardy of funding - this amounts to over \$10 million. We have carefully reviewed these prioritized needs again and \$3 million is needed to meet minimum expectations. These funds, if approved, would go towards the priorities of assisting students with academic advising, revamping courses and/or programs that are currently contributing to students withdrawing from the University, adding orientation programs and developing a web portal to provide timely information to students -- all part of the initial request to the State. In addition funds were requested to address the research vision of the university - including new funding for graduate assistantships and supporting sponsored project research activity that will enhance Boise State and beyond. In order for Boise State to attract and retain quality students, faculty and staff, we must ensure the infrastructure is in place to sustain focused growth with a reliable stream of income beyond what the Legislature is able to appropriate.

For use by Student Tuition and Fees Committee

| | |
|----------------------------|----------------------------------|
| Department Name | General Education Tuition & Fees |
| 10 digit Department Number | N/A |

Fiscal Year 2005

Fiscal Year 2006

Revenues- enter in yellow shaded area

-- Enter Revenue categories and annual amounts based on what has posted to PeopleSoft Financials

Student Fees

Other Misc. Fees

Expenses- enter in yellow shaded area

-- Enter Expense categories and annual amounts based on what has posted to PeopleSoft Financials

Salaries

Fringe benefits

OE

Travel

Capital Outlay

Prior Year Fund Balance @ June 30th

Student Fee Revenue Projections

| Estimates for FY 07 | Head Count/Credit Hr | Current Fee | Estimated Fee Revenue |
|---------------------|----------------------|--|-------------------------------|
| FT | 22,940 | \$1,334.85 | \$30,621,459.00 |
| PT | 42,350 | \$143.40 | \$6,072,990.00 |
| Summer | 25,129 | \$138.20 | \$3,472,800.16 |
| | | | <u>\$40,167,249.16</u> |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc | <u>-\$2,008,362.46</u> |
| | | | <u><u>\$38,158,886.70</u></u> |

| Estimates for FY 08 | | Proposed Fee | |
|---------------------|--------|--|-------------------------------|
| FT | 23,169 | \$1,426.00 | \$33,039,564.40 |
| PT | 42,774 | \$153.00 | \$6,544,345.50 |
| Summer | 25,380 | \$148.00 | \$3,756,253.02 |
| | | | <u>\$43,340,162.92</u> |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc | <u>-\$2,167,008.15</u> |
| | | | <u><u>\$41,173,154.78</u></u> |

| | |
|--|------------------------------|
| Estimated new money generated from additional fee and enrollment growth (estimated @ 2%) | <u><u>\$3,014,268.08</u></u> |
|--|------------------------------|

Department/Organization Information

Department/Organization Name Strategic Facilities Fee
10 Digit Department Number N/A
Contact Person Stacy Pearson
Phone Number 426-1200

FY 2007 Budget Overview

Budgeted Revenue from Student Fees _____
Budgeted Revenue from Other Sources _____
Total 2007 Budget _____

Current Fee Structure

-- See attached schedule of 2007 Tuition & Fees

Full-Time Fee \$100.00
Part-Time Fee \$10.00
Summer Fee \$10.00

Describe the programs and services provided to the students of Boise State University by this Department/Organization.

The strategic facilities fee is used to provide funds to bond new construction for academic, student and other auxiliary space. The first fee of \$25 was approved for FY06 and an additional \$75 was approved in FY07. This fee increase is needed to bond a portion of the CESED academic and research facility and new COBE building. It is anticipated that these fee revenues will be matched by private, federal and state contributions to these facilities. The estimated total bonded projects for the FY08 strategic facilities fee is \$35 million for the two projects listed. The total estimated cost for both buildings is \$66 million.

Proposed Fee Structure

Full-Time Fee \$165.00
Part-Time Fee \$16.00
Summer Fee \$16.00

Describe additional programs and services that will be provided to the students of Boise State University due to this proposed fee change.

Boise State's sustained enrollment growth continues to create pressures on space and facilities. In addition, the research mission of the university has been hampered by lack of space for research labs, in addition to classroom and office space. The revenue that would be generated by this increase will be used to match other sources of funding and to issue tax exempt bonds so that the facilities can be built in the next two years.

Justification of this proposed change in student fees

The state has not provided funding for buildings over the past 4 years. Meanwhile, the rapid enrollment growth on the Boise campus forces the university to make tough decisions to either increase capacity or to limit enrollments due to insufficient academic space. As the university continues to be a center for public events and discourse, the expanded Student Union and parking deck will accommodate the many visitors that come to campus to participate in events and to enhance the university experience. More importantly, it will be a center for student activities, dining and academic and social activities located in the heart of the campus.

For use by Student Tuition and Fees Committee

Boise State University
2006-2007 Schedule of Tuition & Fees

Effective Summer 2006, Fall 2006 and Spring 2007

| | Full-Time Under Grad | Proposed Full-Time Undergrad | Full-Time Graduate | Part-Time Under Grad | Part-Time Graduate | Summer Under Grad 2006 | Summer Graduate 2006 | Summer Under Grad 2007 | Summer Graduate 2007 |
|---------------------------------------|-------------------------|------------------------------------|-----------------------|-------------------------|-----------------------|------------------------------|----------------------------|------------------------------|----------------------------|
| General Ed Fees | | | | | | | | | |
| Tuition | \$1,334.85 | | \$1,334.85 | | | | | | |
| Part-Time Credit Hour Fee | | | | \$143.40 | \$143.40 | \$138.20 | \$138.20 | \$143.85 | \$143.85 |
| Facility and Technology Fees | | | | | | | | | |
| General Building Fee | 99.00 | | 99.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| Capital Expenditure Reserve Fee | 5.00 | | 5.00 | | | | | | |
| SUB Construction Fee | 27.00 | | 27.00 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 |
| Residence Hall Construction Fee | 57.00 | | 57.00 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 |
| Recreation Facility Fee | 65.00 | | 65.00 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 |
| Facilities Fee | 100.00 | 165.00 | 100.00 | 10.00 | 10.00 | 2.50 | 2.50 | 10.00 | 10.00 |
| Health and Wellness Ctr. Facility Fee | 40.00 | | 40.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Student Support System Tech Fee | 19.00 | | 19.00 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 |
| Technology Fee-Computer Labs | 27.25 | | 27.25 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Activity Fees | | | | | | | | | |
| Intercollegiate Athletics | 93.00 | | 93.00 | 5.30 | 5.30 | | | | |
| Student Health Center | 33.00 | | 33.00 | 3.30 | 3.30 | 1.00 | 1.00 | 3.30 | 3.30 |
| Student Union Operations | 72.50 | | 72.50 | 7.25 | 7.25 | 6.75 | 6.75 | 7.25 | 7.25 |
| Associated Student Body | 17.65 | | 17.65 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 |
| University News | 5.00 | | 5.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Student Program Board | 7.00 | | 7.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| BSU Radio | 2.00 | | 2.00 | | | | | | |
| Campus Recreation | 26.00 | | 26.00 | 2.60 | 2.60 | 3.60 | 3.60 | 3.60 | 3.60 |
| Club Sports | 1.25 | | 1.25 | 0.15 | 0.15 | | | | |
| Drama, Music and Theatre Arts | 1.50 | | 1.50 | | | | | | |
| Alumni Activities | 3.50 | | 3.50 | 0.35 | 0.35 | | | | |
| Scholarships | 6.00 | | 6.00 | | | | | | |
| Outdoor Program | 3.00 | | 3.00 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| Children's Center | 5.00 | | 5.00 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 |
| Service Learning Program | 4.10 | | 4.10 | 0.50 | 0.50 | 0.35 | 0.35 | 0.50 | 0.50 |
| Volunteer Services Board | 1.90 | | 1.90 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 |
| Student ID System | 7.50 | | 7.50 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 |
| Distinguished Lecture Series | 2.00 | | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Marching Band | 6.50 | | 6.50 | 0.65 | 0.65 | | | | |
| Student Radio | 2.00 | | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Spirit Squad | 2.00 | | 2.00 | | | | | | |
| Cultural Center | 0.50 | | 0.50 | 0.05 | 0.05 | | | 0.05 | 0.05 |
| Other Fees | | | | | | | | | |
| Graduate Fee | | | 395.00 | | 43.00 | | 41.00 | | 43.00 |
| Total General Fees-Resident | \$2,077.00 | | \$2,472.00 | \$211.00 | \$254.00 | \$189.85 | \$230.85 | \$206.00 | \$249.00 |
| Other Fees / Tuition | | | | | | | | | |
| Student Insurance * | \$ 496.00 | | | | | | | | |
| Non-resident Tuition | 3,889.00 | | | | | | | | |
| Western Undergrad Exchange Fee | \$ 1,038.00 | | | | | | | | |
| Inservice Credit Hour Fee-Undergrad | \$ 69.00 | | | | | | | | |
| Inservice Credit Hour Fee-Graduate | \$ 82.00 | | | | | | | | |
| Course Overload Credit Hour Fee | \$ 211.00 | | | | | | | | |

* A change in the State Board of Education policy states that students must provide proof of comparable health insurance or are required to maintain the university provided health coverage.

The full-time fee is charged to students taking 8 or more credit hours. The part-time credit hour fee is charged to students taking 7 or less credit hours. For Summer, the part-time credit hour fee is charged regardless of the number of credits.

Non-Resident tuition and Western Undergraduate Exchange fees are in addition to total resident fees.

All fees, tuition, and other charges are subject to change.

Department Name _____ Strategic Facilities Fee
 10 digit Department Number _N/A

Fiscal Year 2005
NEW FEE IN FY 2006

Fiscal Year 2006

Revenues- enter in yellow shaded area

-- Enter Revenue categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|------------------|---|---------|
| Student Fees | 0 | 713,251 |
| Other Misc. Fees | | 0 |

Expenses- enter in yellow shaded area

-- Enter Expense categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|--|---|---------|
| Debt Service --- needed for first portion of Student Union remodel | 0 | 713,251 |
|--|---|---------|

Prior Year Fund Balance @ June 30th

Student Fee Revenue Projections

| Estimates for FY 07 | Head Count/Credit Hr | Current Fee | Estimated Fee Revenue |
|---------------------|----------------------|---|-----------------------|
| FT | 22,940 | \$100.00 | \$2,294,000.00 |
| PT | 42,350 | \$10.00 | \$423,500.00 |
| Summer | 25,129 | \$10.00 | \$251,288.00 |
| | | | \$2,968,788.00 |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc. | -\$148,439.40 |
| | | | \$2,820,348.60 |

| Estimates for FY 08 | | Proposed Fee | |
|---------------------|--------|---|-----------------------|
| FT | 23,169 | \$165.00 | \$3,822,951.00 |
| PT | 42,774 | \$16.00 | \$684,376.00 |
| Summer | 25,380 | \$16.00 | \$406,081.41 |
| | | | \$4,913,408.41 |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc. | -\$245,670.42 |
| | | | \$4,667,737.99 |

Estimated new money generated from additional fee and enrollment growth (estimated @ 1%) **\$1,847,389.39**



Boise State University
Student Tuition/Fee Rate Request
Effective 2007-2008 Academic Year

Department/Organization Information

Department Organization Name OIT
10 Digit Department Number 939L101045
Contact Person David E O'Neill
Phone Number 426.3033

FY 2007 Budget Overview

Budgeted Revenue from Student Fees \$ 535,866²³
Budgeted Revenue from Other Sources \$ -0-
Total 2007 Budget \$ 535,866²³

Current Fee Structure

-- See attached schedule of 2007 Tuition & Fees

Full-Time Fee 19⁰⁰
Part-Time Fee 1⁹⁰
Summer Fee 1⁹⁰

— Student Support System Tech fee —

Describe the programs and services provided to the students of Boise State University by this Department Organization

Acquisition, implementation & support for central student support systems including online admissions, registration, student financials, grades & transcripts, Blackboard, BroncoWeb and student email.

Proposed Fee Structure

Full-Time Fee 24⁰⁰
Part-Time Fee 2⁴⁰
Summer Fee 2⁴⁰

Describe additional programs and services that will be provided to the students of Boise State University due to this proposed fee change

Funding to support increases in licensing costs, systems growth and support costs associated with increasing demand and need to provide increased system security, stability, reliability and availability.

Justification of this proposed change in student fees

Increases in the demand upon student support systems (BroncoWeb, Blackboard, student email, PeopleSoft Student Systems, etc.) continue to place increasing demand on existing resources for the licensing, equipment, maintenance, security and renewal. Growth of the equipment base and security requirement have placed significant demand on existing engineering staff. Current staff is over committed putting current system stability, security and availability at risk.

For use by Student Tuition and Fees Committee

Department Name _____ Office of Information Technology
 10 digit Department Number .939L101045

Fiscal Year 2005

Fiscal Year 2006

Revenues- enter in yellow shaded area

-- Enter Revenue categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|------------------|---------|---------|
| Student Fees | 625,322 | 587,083 |
| Other Misc. Fees | 16,250 | 0 |

Expenses- enter in yellow shaded area

-- Enter Expense categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|-----------------|---------|------------|
| Salaries | 224,013 | 286,454 |
| Fringe benefits | 73,361 | 91,158 |
| OE | 288,982 | 91,427.38 |
| Travel | 5397 | 4370.95 |
| Capital Outlay | 256,503 | 291,313.04 |

Prior Year Fund Balance @ June 30th

| | |
|---------|---------|
| 134,549 | -43,091 |
|---------|---------|

Student Fee Revenue Projections

| Estimates for FY 07 | Head Count/Credit Hr | Current Fee | Estimated Fee Revenue |
|---------------------|----------------------|--|----------------------------|
| FT | 22,940 | \$19.00 | \$435,860.00 |
| PT | 42,350 | \$1.90 | \$80,465.00 |
| Summer | 25,129 | \$1.90 | \$47,744.72 |
| | | | <u>\$564,069.72</u> |
| | | Less 5% estimate for outstanding fees credit card charges, adjustments etc. | <u>-\$28,203.49</u> |
| | | | <u><u>\$535,866.23</u></u> |

| Estimates for FY 08 | | Proposed Fee | |
|---------------------|--------|--|----------------------------|
| FT | 23,169 | \$24.00 | \$556,065.60 |
| PT | 42,774 | \$2.40 | \$102,656.40 |
| Summer | 25,380 | \$2.40 | \$60,912.21 |
| | | | <u>\$719,634.21</u> |
| | | Less 5% estimate for outstanding fees credit card charges, adjustments etc. | <u>-\$35,981.71</u> |
| | | | <u><u>\$683,652.50</u></u> |

| | |
|--|----------------------------|
| Estimated new money generated from additional fee and enrollment growth (estimated @ 1%) | <u><u>\$147,786.27</u></u> |
|--|----------------------------|



Boise State University
Student Tuition/Fee Rate Request
Effective 2007-2008 Academic Year

Vice President

JAN 22 2007

Department/Organization Information

Department/Organization Nan Health Wellness and Counseling Services
10 Digit Department Number 981L101001
Contact Person Ferd Schlapper
Phone Number 426-2770

FY 2007 Budget Overview

| | |
|-------------------------------------|---------------------------|
| Budgeted Revenue from Student Fees | <u>\$973,167</u> |
| Budgeted Revenue from Other Sources | <u>\$1,151,690</u> |
| Total 2007 Budget | <u>\$2,124,857</u> |

Finance and
Administration

Current Fee Structure

-- See attached schedule of 2007 Tuition & Fees

Full-Time Fee \$33.00
Part-Time Fee \$3.30
Summer Fee \$3.30

Describe the programs and services provided to the students of Boise State University by this Department/Organization.

Please see attached description.

Proposed Fee Structure

Full-Time Fee \$43.00
Part-Time Fee \$4.30
Summer Fee \$4.30

Describe additional programs and services that will be provided to the students of Boise State University due to this proposed fee change

Please see attached description

Justification of this proposed change in student fees

Please see attached Justification

For use by Student Tuition and Fees Committee

Department Name _____ Health Wellness and Counseling
 10 digit Department Number _ 981L101001

Fiscal Year 2005

Fiscal Year 2006

Revenues- enter in yellow shaded area

-- Enter Revenue categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|------------------|-----------|-----------|
| Student Fees | 699,846 | 748,710 |
| Other Misc. Fees | 1,212,091 | 1,157,386 |

Expenses- enter in yellow shaded area

-- Enter Expense categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|-----------------|-----------|-----------|
| Salaries | 1,160,194 | 1,140,224 |
| Fringe benefits | 357,871 | 364,443 |
| OE | 505,926 | 469,603 |
| Travel | 666 | 6592 |
| Capital Outlay | | |

Prior Year Fund Balance @ June 30th

| | |
|---------|--------|
| 172,362 | 39,231 |
|---------|--------|

Student Fee Revenue Projections

| Estimates for FY 07 | Head Count/Credit Hr | Current Fee | Estimated Fee Revenue |
|---------------------|----------------------|---|-----------------------|
| FT | 22,940 | \$33.00 | \$757,020.00 |
| PT | 42,350 | \$3.30 | \$139,755.00 |
| Summer | 25,129 | \$3.30 | \$82,925.04 |
| | | | \$979,700.04 |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc. | -\$48,985.00 |
| | | | \$930,715.04 |

| Estimates for FY 08 | | Proposed Fee | |
|---------------------|--------|--|-----------------------|
| FT | 23,169 | \$43.00 | \$996,284.20 |
| PT | 42,774 | \$4.30 | \$183,926.05 |
| Summer | 25,380 | \$4.30 | \$109,134.38 |
| | | | \$1,289,344.63 |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc | -\$64,467.23 |
| | | | \$1,224,877.40 |

| | |
|--|---------------------|
| Estimated new money generated from additional fee and enrollment growth (estimated @ 1%) | \$294,162.36 |
|--|---------------------|

Boise State University
2006-2007 Schedule of Tuition & Fees
Effective Summer 2006, Fall 2006 and Spring 2007

| | Full-Time Under Grad | Full-Time Graduate | Part-Time Under Grad | Part-Time Graduate | Summer Under Grad 2006 | Summer Graduate 2006 | Summer Under Grad 2007 | Summer Graduate 2007 |
|---------------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|------------------------------|----------------------------|------------------------------|----------------------------|
| General Ed Fees | | | | | | | | |
| Tuition | \$1,334.85 | \$1,334.85 | | | | | | |
| Part-Time Credit Hour Fee | | | \$143.40 | \$143.40 | \$138.20 | \$138.20 | \$143.85 | \$143.85 |
| Facility and Technology Fees | | | | | | | | |
| General Building Fee | 99.00 | 99.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| Capital Expenditure Reserve Fee | 5.00 | 5.00 | | | | | | |
| SUB Construction Fee | 27.00 | 27.00 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 |
| Residence Hall Construction Fee | 57.00 | 57.00 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 |
| Recreation Facility Fee | 65.00 | 65.00 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 |
| Facilities Fee | 100.00 | 100.00 | 10.00 | 10.00 | 2.50 | 2.50 | 10.00 | 10.00 |
| Health and Wellness Ctr. Facility Fee | 40.00 | 40.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Student Support System Tech Fee | 19.00 | 19.00 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 |
| Technology Fee-Computer Labs | 27.25 | 27.25 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Activity Fees | | | | | | | | |
| Intercollegiate Athletics | 93.00 | 93.00 | 5.30 | 5.30 | | | | |
| Student Health Center | 33.00 | 33.00 | 3.30 | 3.30 | 1.00 | 1.00 | 3.30 | 3.30 |
| Student Union Operations | 72.50 | 72.50 | 7.25 | 7.25 | 6.75 | 6.75 | 7.25 | 7.25 |
| Associated Student Body | 17.65 | 17.65 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 |
| University News | 5.00 | 5.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Student Program Board | 7.00 | 7.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| BSU Radio | 2.00 | 2.00 | | | | | | |
| Campus Recreation | 26.00 | 26.00 | 2.60 | 2.60 | 3.60 | 3.60 | 3.60 | 3.60 |
| Club Sports | 1.25 | 1.25 | 0.15 | 0.15 | | | | |
| Drama, Music and Theatre Arts | 1.50 | 1.50 | | | | | | |
| Alumni Activities | 3.50 | 3.50 | 0.35 | 0.35 | | | | |
| Scholarships | 6.00 | 6.00 | | | | | | |
| Outdoor Program | 3.00 | 3.00 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| Children's Center | 5.00 | 5.00 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 |
| Service Learning Program | 4.10 | 4.10 | 0.50 | 0.50 | 0.35 | 0.35 | 0.50 | 0.50 |
| Volunteer Services Board | 1.90 | 1.90 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 |
| Student ID System | 7.50 | 7.50 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 |
| Distinguished Lecture Series | 2.00 | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Marching Band | 6.50 | 6.50 | 0.65 | 0.65 | | | | |
| Student Radio | 2.00 | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Spirit Squad | 2.00 | 2.00 | | | | | | |
| Cultural Center | 0.50 | 0.50 | 0.05 | 0.05 | | | 0.05 | 0.05 |
| Other Fees | | | | | | | | |
| Graduate Fee | | 395.00 | | 43.00 | | 41.00 | | 43.00 |
| Total General Fees-Resident | \$2,077.00 | \$2,472.00 | \$211.00 | \$254.00 | \$189.85 | \$230.85 | \$206.00 | \$249.00 |

Other Fees / Tuition

| | |
|-------------------------------------|-------------|
| Student Insurance * | \$ 496.00 |
| Non-resident Tuition | 3,889.00 |
| Western Undergrad Exchange Fee | \$ 1,038.00 |
| Inservice Credit Hour Fee-Undergrad | \$ 69.00 |
| Inservice Credit Hour Fee-Graduate | \$ 82.00 |
| Course Overload Credit Hour Fee | \$ 211.00 |

* A change in the State Board of Education policy states that students must provide proof of comparable health insurance or are required to maintain the university provided health coverage.

The full-time fee is charged to students taking 8 or more credit hours. The part-time credit hour fee is charged to students taking 7 or less credit hours. For Summer, the part-time credit hour fee is charged regardless of the number of credits.

Non-Resident tuition and Western Undergraduate Exchange fees are in addition to total resident fees.

All fees, tuition, and other charges are subject to change.

Describe the programs and services provided to the students of Boise State University by this Department/Organization.

"Wellness must be a prerequisite to all else. Students cannot be intellectually proficient if they are physically and psychologically unwell." – Ernest Boyer

Health, community and learning are deeply related and interdependent. Students' most pressing health concerns influence academic achievement and affect civility, citizenship and connectedness. Attention to important health issues permits Boise State University to educate and prepare student learners as whole human beings. Boise State University is also committed to improving the health of its employees. Healthier employees leads to improved presenteeism, lower health care costs, increased productivity and improved morale.

HWC Mission

Health, Wellness and Counseling Services (HWC) is an academic support service, seamlessly integrating medical, counseling and wellness services to optimize the health of students and the campus community. Healthier students and campus communities facilitate learning, enhance academic achievement and improve retention rates. HWC:

- Supports and advances the academic mission of Boise State University, by fostering a healthy learning environment, and removing barriers to student success.
- Identifies, assesses and addresses the most pressing and relevant health issues, utilizing a model of integrated medical, counseling and wellness initiatives and campus/community resources.
- Educates students and employees in the areas of lifestyle and behavior change, promoting physical, psychological, emotional, spiritual and social health.
- Addresses the environmental context in which health decisions are made, advocating for a healthy campus community and providing leadership on policy and program development.
- Engages students and other stakeholders in addressing campus-wide health issues, developing collaborative campus and community partnerships.

Describe additional programs and services that will be provided to the students of Boise State University due to this proposed fee change.

HWC continues to develop enhanced programs, services, and collaborative partnerships that reflect its vision, role and relevance on the Boise State campus. Healthier students and a healthier campus community facilitate learning, enhance academic achievement, and improve retention rates. Our overarching goal is to address those health issues that can impede academic and personal success, empowering students, faculty and staff to reach their full potential and optimal state of health and well-being.

Since 2004-05, HWC has collaborated with the College of Health Sciences to develop, present, and receive university support for a comprehensive academic and student services integrated health facility; designed a fully integrated HWC, dissolving all barriers between service areas; obtained approval to increase the student health fee after 18 years to support programmatic growth and enhancement; continued to expand student access to services, programs and resources, with minimal increase in staffing; and successfully relocated the Counseling Services, retaining operational functionality, visibility and access for students.

Program Accomplishments

Despite minimal growth in space, staffing or funding, increased efficiencies resulted in the following improvement in programs and services:

- Continuing to refine the "Advanced Access" appointment system. Medical services visits have now surpassed 18,000 annually, an increase of an additional 6.3%. Counseling Services has also fully implemented this system this past year.
- Expanded the Patient Medication Assistance Program (155 students received over \$100,000 in free medications).
- 27,694 students and employees attended various wellness screenings, workshops, classes, presentations, groups, programs, and accessed online programs.
- 9,201 students attended Wellness Works Peer Education Program's organized outreach and workshops, up 51%.
- 41% increase in wellness resource materials distributed since FY05, dispensing 37,590 health-related brochures, kits, handouts and educational tools.
- Expanded outreach/collaborative programs:
 - Training site for physician assistant and nurse practitioner students (Oregon Health & Science University, Gonzaga University, Idaho State University)
 - BSU pre-professional student mentoring/advising (physician and physician assistant)
 - Collaborative research projects were ongoing with several hundred students involved. Projects included: Exercise and Depression (Nursing Department), Professional Relationships in Counselor Development (Counseling Department), Online Alcohol Prevention & Intervention (Counselor Ed), Social Connections (Wellness, Psychology and the Gateway Center), Goal Setting in Distance Running (Psychology Department), Integrative Health Care (Wellness).
 - Other outreach activities (class presentations, mental health screening, training programs) generated 2,244 student contacts and 846 contacts with Boise State University faculty and staff.
 - Classes were also taught through the Counseling, Psychology, Health Sciences, Kinesiology, and Extended Studies Departments along with a new offering through the Honors College with a combined enrollment of nearly two hundred students.
 - Implemented two pilot employee lifestyle change incentive programs. The *Fire Up February Pedometer Program* had a 91% participation rate (273 out of 302 Student Affairs employees) 82% of employees increased their levels of physical activity throughout the program, and 52% reported they continued to exercise more following the completion of the program. 76% of participants reported increased enjoyment in the workplace during the program.
 - Continued to work with Psychology Department faculty to assess the validity and reliability of the Social Connections online assessment and resource.
 - Pandemic Flu Strategic Planning

Program Challenges

- Predominately fee-for-service funding model creates financial barriers for service access and generates higher overall health care costs for students.
- Inadequate community resources for psychiatric referral.
- Financial impact on students for referrals of diagnostic testing, specialty care, attention-deficit, learning disorder and mood disorder testing
- Inadequate resources for comprehensive wellness programming.

Justification of this proposed change in student fees

This is Year 2 of a 3-year phased health fee increase proposed, negotiated and approved in spring 2006. These proposed fee increases in FY07, FY08 and FY09 are necessary to adequately meet the service needs for over 18,500 students this year and to ramp up for the opening of the new, state-of-the-art Health, Wellness and Counseling Services / Nursing facility at the end of FY09.

| HWC Planned Fee Increases | | | |
|----------------------------------|-------------|-------------|-------------|
| | FY07 | FY08 | FY09 |
| Amount of Increase | \$ 5.00 | \$10.00 | \$10.00 |
| Proposed Full-time Fee | \$33.00 | \$43.00 | \$53.00 |

HWC is projected to operate under a balanced budget in the current fiscal year (coming in under budget for the 5th consecutive year), reversing a four-year trend of approved deficit budgeting and eliminating all but \$40,000 in accumulated net losses. In addition to eliminating the budget deficit, these phased fee increases over the three fiscal years are necessary to gradually build the financial foundation to adequately staff and provide integrated health services in the new Student Health, Wellness & Counseling Services / Nursing facility currently being programmed and designed on the southeast end of campus. The new facility is expected to open the summer of 2009. If the health fee increases are approved, HWC is planning to add a half-time Physician, a Physician Assistant/Nurse Practitioner (4.0 FTE), an LPN, RMA and Lab Tech, a full-time Dietician, 3 Health Educators, a Post Masters intern, and peer educators as well as other administrative positions in order to adequately expand health services for students. Additionally, HWC is in the process of assuming phased financial responsibility for centralized administrative support services, OIT support, grounds and maintenance, housekeeping, utilities, and long-term facilities repairs and maintenance.

Department/Organization Information

Department: **Intercollegiate Athletics**

10 Digit Department Number: **976L101001**

Contact Person: **Gene Bleymaier**

Phone Number: **208-426-1981**

FY 2007 Budget Overview

Budgeted Revenue from Student Fees: **\$2,510.05**

Budgeted Revenue from Other Sources: **\$14,729,948**

Total 2007 Budget **\$17,240,000**

Current Fee Structure

-- See attached schedule of 2007 Tuition & Fees

Full-Time Fee **93.00**

Part-Time Fee **5.30**

Summer Fee **0**

Describe the programs and services provided to the students of Boise State University by this Department/Organization.

Athletics sponsor 18 intercollegiate sports; 10 women's & 8 men's sports for

approximately 450 students. Athletics helps to support the band, mane line dancers,

and cheerleaders for approximately 200 students.

Proposed Fee Structure

Full-Time Fee **98.00**

Part-Time Fee **6.00**

Summer Fee **0**

Describe additional programs and services that will be provided to the students of Boise State University due to this proposed fee change.

3-6 additional scholarships will be added to our new women's swimming program. Staff

will be hired to begin a women's softball program. Facility preparation & acquisition for

women's softball will begin. Maintenance of scholarships in existing sports, to help

offset increased costs.

Justification of this proposed change in student fees

The costs of an athletic scholarship - fees, room and board, and books are increasing an average of 8% annually. Title IX requires Boise

State to add new women's sports every five years. Women's softball will begin in Fall 2008. Coaches must be hired this year to begin the

program and facilities must be built or leased; including a field, locker room, training room, equipment room, meeting room and staff

offices. The athletic fee at Boise State is lower than the same fee at the University of Idaho and Idaho State University and they have

fewer sports than Boise State University.

For use by Student Tuition and Fees Committee

Boise State University
2006-2007 Schedule of Tuition & Fees

Effective Summer 2006, Fall 2006 and Spring 2007

| | Full-Time Under Grad | Full-Time Graduate | Part-Time Under Grad | Part-Time Graduate | Summer Under Grad 2006 | Summer Graduate 2006 | Summer Under Grad 2007 | Summer Graduate 2007 |
|---------------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|------------------------------|----------------------------|------------------------------|----------------------------|
| General Ed Fees | | | | | | | | |
| Tuition | \$1,334.85 | \$1,334.85 | | | | | | |
| Part-Time Credit Hour Fee | | | \$143.40 | \$143.40 | \$138.20 | \$138.20 | \$143.85 | \$143.85 |
| Facility and Technology Fees | | | | | | | | |
| General Building Fee | 99.00 | 99.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| Capital Expenditure Reserve Fee | 5.00 | 5.00 | | | | | | |
| SUB Construction Fee | 27.00 | 27.00 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 |
| Residence Hall Construction Fee | 57.00 | 57.00 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 |
| Recreation Facility Fee | 65.00 | 65.00 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 |
| Facilities Fee | 100.00 | 100.00 | 10.00 | 10.00 | 2.50 | 2.50 | 10.00 | 10.00 |
| Health and Wellness Ctr. Facility Fee | 40.00 | 40.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Student Support System Tech Fee | 19.00 | 19.00 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 |
| Technology Fee-Computer Labs | 27.25 | 27.25 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Activity Fees | | | | | | | | |
| Intercollegiate Athletics | 93.00 | 93.00 | 5.30 | 5.30 | | | | |
| Student Health Center | 33.00 | 33.00 | 3.30 | 3.30 | 1.00 | 1.00 | 3.30 | 3.30 |
| Student Union Operations | 72.50 | 72.50 | 7.25 | 7.25 | 6.75 | 6.75 | 7.25 | 7.25 |
| Associated Student Body | 17.65 | 17.65 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 |
| University News | 5.00 | 5.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Student Program Board | 7.00 | 7.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| BSU Radio | 2.00 | 2.00 | | | | | | |
| Campus Recreation | 26.00 | 26.00 | 2.60 | 2.60 | 3.60 | 3.60 | 3.60 | 3.60 |
| Club Sports | 1.25 | 1.25 | 0.15 | 0.15 | | | | |
| Drama, Music and Theatre Arts | 1.50 | 1.50 | | | | | | |
| Alumni Activities | 3.50 | 3.50 | 0.35 | 0.35 | | | | |
| Scholarships | 6.00 | 6.00 | | | | | | |
| Outdoor Program | 3.00 | 3.00 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| Children's Center | 5.00 | 5.00 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 |
| Service Learning Program | 4.10 | 4.10 | 0.50 | 0.50 | 0.35 | 0.35 | 0.50 | 0.50 |
| Volunteer Services Board | 1.90 | 1.90 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 |
| Student ID System | 7.50 | 7.50 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 |
| Distinguished Lecture Series | 2.00 | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Marching Band | 6.50 | 6.50 | 0.65 | 0.65 | | | | |
| Student Radio | 2.00 | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Spirit Squad | 2.00 | 2.00 | | | | | | |
| Cultural Center | 0.50 | 0.50 | 0.05 | 0.05 | | | 0.05 | 0.05 |
| Other Fees | | | | | | | | |
| Graduate Fee | | 395.00 | | 43.00 | | 41.00 | | 43.00 |
| Total General Fees-Resident | \$2,077.00 | \$2,472.00 | \$211.00 | \$254.00 | \$189.85 | \$230.85 | \$206.00 | \$249.00 |
| Other Fees / Tuition | | | | | | | | |
| Student Insurance * | \$ 496.00 | | | | | | | |
| Non-resident Tuition | 3,889.00 | | | | | | | |
| Western Undergrad Exchange Fee | \$ 1,038.00 | | | | | | | |
| Inservice Credit Hour Fee-Undergrad | \$ 69.00 | | | | | | | |
| Inservice Credit Hour Fee-Graduate | \$ 82.00 | | | | | | | |
| Course Overload Credit Hour Fee | \$ 211.00 | | | | | | | |

* A change in the State Board of Education policy states that students must provide proof of comparable health insurance or are required to maintain the university provided health coverage.

The full-time fee is charged to students taking 8 or more credit hours. The part-time credit hour fee is charged to students taking 7 or less credit hours. For Summer, the part-time credit hour fee is charged regardless of the number of credits.

Non-Resident tuition and Western Undergraduate Exchange fees are in addition to total resident fees.

All fees, tuition, and other charges are subject to change.

Department Name _____ Intercollegiate Athletics
 10 digit Department Number _976L101001

| | <u>Fiscal Year 2005</u> | <u>Fiscal Year 2006</u> |
|--|-------------------------|-------------------------|
| Revenues- enter in yellow shaded area | | |
| -- Enter Revenue categories and annual amounts based on what has posted to PeopleSoft Financials | | |
| Student Fees | 2,390,045 | 2,401,225 |
| Other Misc. Fees | | |
| Expenses- enter in yellow shaded area | | |
| -- Enter Expense categories and annual amounts based on what has posted to PeopleSoft Financials | | |
| Salaries | 4,876,027 | |
| Fringe benefits | 1,493,326 | |
| OE | 7,037,354 | |
| Travel | 1,298,328 | |
| Capital Outlay | 211,375 | |
| Prior Year Fund Balance @ June 30th | | |
| | 398,430 | |

Student Fee Revenue Projections

| Estimates for FY 07 | <u>Head Count/Credit Hr</u> | <u>Current Fee</u> | <u>Estimated Fee Revenue</u> |
|--|-----------------------------|---------------------|------------------------------|
| FT | 22,940 | \$93.00 | \$2,133,420.00 |
| PT | 42,350 | \$5.30 | \$224,455.00 |
| Summer | 25,129 | \$0.00 | \$0.00 |
| | | | \$2,357,875.00 |
| Less 5% estimate for outstanding fees, credit card charges, adjustments etc. | | | -\$117,893.75 |
| | | | \$2,239,981.25 |
| | | | |
| Estimates for FY 08 | | <u>Proposed Fee</u> | |
| FT | 23,169 | \$98.00 | \$2,270,601.20 |
| PT | 42,774 | \$6.00 | \$256,641.00 |
| Summer | 25,380 | \$0.00 | \$0.00 |
| | | | \$2,527,242.20 |
| Less 5% estimate for outstanding fees, credit card charges, adjustments etc. | | | -\$126,362.11 |
| | | | \$2,400,880.09 |
| Estimated new money generated from additional fee and enrollment growth (estimated @ 1%) | | | \$160,898.84 |



Boise State University
Student Tuition/Fee Rate Request
Effective 2007-2008 Academic Year

Department/Organization Information

Department/Organization Name Student Union & Student Involvement
10 Digit Department Number 987L101002 thru 987L103999
Contact Person Leah Barrett
Phone Number 426-1551

FY 2007 Budget Overview

Budgeted Revenue from Student Fees \$2,895,710
Budgeted Revenue from Other Sources \$1,584,895
Total 2007 Budget \$4,480,605

Current Fee Structure

-- See attached schedule of 2007 Tuition & Fees

Full-Time Fee \$71.00
Part-Time Fee \$7.10
Summer Fee \$7.10

Describe the programs and services provided to the students of Boise State University by this Department/Organization.

See Attached

Proposed Fee Structure

Full-Time Fee \$81.00
Part-Time Fee \$8.10
Summer Fee \$8.10

Describe additional programs and services that will be provided to the students of Boise State University due to this proposed fee change.

See Attached

Justification of this proposed change in student fees

See Attached

For use by Student Tuition and Fees Committee

Department Name _____ Student Union & Student Involvement
 10 digit Department Number _987L101002 thru 987L103999

| | <u>Fiscal Year 2005</u> | <u>Fiscal Year 2006</u> |
|--|-------------------------|-------------------------|
| Revenues- enter in yellow shaded area | | |
| -- Enter Revenue categories and annual amounts based on what has posted to PeopleSoft Financials | | |
| Student Fees | 3,221,137 | 2,875,414 |
| Other Misc. Fees | 1,405,942 | 1,526,702 |
| Expenses- enter in yellow shaded area | | |
| -- Enter Expense categories and annual amounts based on what has posted to PeopleSoft Financials | | |
| Salaries | 1,741,369 | 1,762,273 |
| Fringe benefits | 500,970 | 550,597 |
| OE | 1,980,931 | 1,618,918 |
| Travel | 30,048 | 30,174 |
| Capital Outlay | 52,921 | 154,548 |
| | 616,768 | 704,740 |
| Prior Year Fund Balance @ June 30th | | |
| | 4,545,922 | 4,249,996 |

Student Fee Revenue Projections

| Estimates for FY 07 | <u>Head Count/Credit Hr</u> | <u>Current Fee</u> | <u>Estimated Fee Revenue</u> |
|--|-----------------------------|---|------------------------------|
| FT | 22,940 | \$71.00 | \$1,628,740.00 |
| PT | 42,350 | \$7.10 | \$300,685.00 |
| Summer | 25,129 | \$7.10 | \$178,414.48 |
| | | | \$2,107,839.48 |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc. | -\$105,391.97 |
| | | | \$2,002,447.51 |
| | | | |
| Estimates for FY 08 | | <u>Proposed Fee</u> | |
| FT | 23,169 | \$81.00 | \$1,876,721.40 |
| PT | 42,774 | \$8.10 | \$346,465.35 |
| Summer | 25,380 | \$8.10 | \$205,578.71 |
| | | | \$2,428,765.46 |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc. | -\$121,438.27 |
| | | | \$2,307,327.19 |
| Estimated new money generated from additional fee and enrollment growth (estimated @ 1%) | | | \$304,879.68 |

\$10 Fee Increase in FY2008

Boise State University
Student Affairs
Student Union and Student Activities
10 Year Operating Forecast

| | Forecast as of 1/10/2007 | | | | | | | | | |
|---|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | FY07 | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 |
| Registration Fees - Academic | 2,649,394 | 2,817,555 | 2,440,895 | 2,453,069 | 2,604,632 | 2,630,637 | 2,643,769 | 2,741,845 | 2,763,406 | 2,777,218 |
| Other Revenue (Commissions, Rental, Leases & Interest) | 1,733,195 | 1,393,270 | 1,479,275 | 1,729,827 | 1,737,974 | 1,782,031 | 1,829,746 | 1,876,380 | 1,924,360 | 1,976,186 |
| TOTAL REVENUE | \$ 4,382,589 | \$ 4,210,825 | \$ 3,920,169 | \$ 4,182,896 | \$ 4,342,606 | \$ 4,412,668 | \$ 4,473,515 | \$ 4,618,225 | \$ 4,687,765 | \$ 4,753,404 |
| Total Personnel | \$ 2,468,975 | \$ 2,490,192 | \$ 2,583,332 | \$ 2,788,633 | \$ 2,923,351 | \$ 3,003,349 | \$ 3,089,924 | \$ 3,184,173 | \$ 3,280,850 | \$ 3,381,168 |
| Total Operating Expenses | 1,317,484 | 1,327,088 | 1,373,820 | 1,405,970 | 1,446,559 | 1,489,911 | 1,531,990 | 1,573,157 | 1,617,168 | 1,664,617 |
| Travel | 19,300 | 19,152 | 19,720 | 20,306 | 20,909 | 21,529 | 22,169 | 22,827 | 23,505 | 24,203 |
| Capital Outlay | 13,000 | - | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURES BEFORE RESERVE PROJECTS | \$ 3,818,759 | \$ 3,836,432 | \$ 3,976,872 | \$ 4,214,908 | \$ 4,390,819 | \$ 4,514,790 | \$ 4,644,083 | \$ 4,780,157 | \$ 4,921,524 | \$ 5,069,988 |
| Fund Balance Transfer to Sheriff's Contract Allocation | 34,042 | 35,063 | 36,115 | 37,198 | 38,314 | 39,463 | 40,647 | 41,866 | 43,122 | 44,416 |
| Fund Balance Transfer From Auxiliary Services | - | - | - | - | - | - | - | - | - | - |
| Fund Balance Transfer to Residence Dining Reserve | 20,000 | 20,600 | 21,218 | 21,855 | 22,511 | 23,186 | 23,882 | 24,598 | 25,336 | 26,096 |
| Fund Balance Transfer to Director's Programs | 10,000 | 10,300 | 10,609 | 10,927 | 11,255 | 11,593 | 11,941 | 12,299 | 12,668 | 13,048 |
| Fund Balance Transfer for Student Activities | (21,600) | (22,248) | (22,915) | (23,602) | (24,310) | (25,039) | (25,790) | (26,564) | (27,361) | (28,182) |
| Transfer to (from) Reserve | 521,388 | 330,678 | (101,730) | (78,390) | (95,982) | (151,325) | (221,249) | (214,131) | (287,523) | (371,963) |
| TOTAL EXPENDITURES & TRANSFERS BEFORE RESERVE PROJECTS | \$ 4,382,589 | \$ 4,210,825 | \$ 3,920,169 | \$ 4,182,896 | \$ 4,342,606 | \$ 4,412,668 | \$ 4,473,515 | \$ 4,618,225 | \$ 4,687,765 | \$ 4,753,404 |

Assumptions:

1. A new \$10.00 Operating fee in FY08, new \$5.00 Operating Fee in FY11, a new \$3.00 Operating Fee in FY14
2. Does not include expenses for new Administrative Service Charge
3. FY07 and FY08 Student Union receives excess Construction Fees above Debt Service on 1998 Student Union Bonds \$554,117 and 414,199 respectively and zero from FY09 thru FY16.
4. Student Enrollment a 1% increase in FY08 and 1/2% increase per year FY09 through FY16
5. Rental and Equipment Revenue 29% annual decrease in FY08 due to Sub expansion, flat in FY09 during expansion, 30% annual increase upon completion of Sub expansion in FY10, and a 3% annual increase FY11 through FY16,
6. Food Service Commission decrease in FY08 by 25% during Sub Expansion but increase by \$125,000 by opening the ILC & Starbucks, flat in FY09, increase by 25% upon completion of Sub expansion in FY10, 3% increase FY11 through FY16.
7. Residence Dining a 8% increase in FY08 and a 3% increase in FY09 through FY16
8. Bowling and Game Center revenue decrease by \$186,000 in FY08 because Games Center will close for six months plus and additional 50% reduction for the other six months of the year, increase by \$100,000 in FY09, a 30% increase in FY10 Sub expansion completed, 3% annual increase FY11 through FY16.
9. Bookstore Revenue - used Bookstore ten year plan for sales 1% annual sales increase FY07-FY14, additional \$1,000,000 with expansion FY09. Since Forecast stopped at FY14 Student Union use 1% annual sales increase for FY15 & FY16
10. Misc. Income a 3% annual increase for FY08 through FY16
11. Auxillary Services 3% increase in FY10, FY13 and FY16. Income from University for Facility usage
12. Investment Income 2.0% interest on Reserve amount
13. Salaries a 3% increase FY08 through FY16, add staff (\$40,000) in FY10 for additional facilities personnel due to expansion
14. Student Labor reduced 20% in FY08, flat in FY09, increase by 20% in FY10 and a 2% annual increase FY11 through FY16
15. Group Insurance a 5% annual increase FY08 through FY16
16. Operating Expense a 3% annual increase FY08 through FY16
17. Fund Balance Transfers a 3% annual increase FY08 through FY16

\$10 Fee Increase in FY2008

Boise State University
Student Affairs
Student Union and Student Involvement
10 Year Capital Plan/Reserve Projects

Summary

| | | Estimated Cost | | | | | | | | | |
|---|-----------------------------------|----------------|-------------|-------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | FY07 | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 |
| Student Union | | | | | | | | | | | |
| Class | Beginning Reserve Fund Balance | \$3,830,862 | \$1,533,125 | \$1,733,802 | (\$367,928) | (\$829,920) | (\$1,190,903) | (\$1,467,228) | (\$1,838,476) | (\$2,332,093) | (\$2,944,616) |
| A | Security Camera System | \$0 | \$0 | \$40,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| B | Construction/FF&E | \$0 | \$0 | \$1,600,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| C | Architectural Fees/Design Fees | \$650,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| D | Roof | \$526,734 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| E | Food Service Construction/FF&E | \$1,517,463 | \$70,000 | \$25,000 | \$25,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 |
| F | Mechanicals/Utilities/HVAC | \$103,928 | \$60,000 | \$60,000 | \$60,000 | \$60,000 | \$0 | \$0 | \$0 | \$0 | \$0 |
| G | Remodel/Replacement FF&E | \$0 | \$0 | \$260,000 | \$238,602 | \$155,000 | \$75,000 | \$100,000 | \$229,486 | \$275,000 | \$680,000 |
| H | Vehicles | \$21,000 | \$0 | \$15,000 | \$60,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| I | Planned Return to Reserves | \$521,388 | \$330,678 | (\$101,730) | (\$78,390) | (\$95,982) | (\$151,325) | (\$221,249) | (\$214,131) | (\$287,523) | (\$371,963) |
| | End Reserve Fund Balance | \$1,533,125 | \$1,733,802 | (\$367,928) | (\$829,920) | (\$1,190,903) | (\$1,467,228) | (\$1,838,476) | (\$2,332,093) | (\$2,944,616) | (\$4,046,579) |
| Funds for Expansion - Student Fees/Bond Issue | | | | | | | | | | | |
| | Reserve Fund Balance Carryforward | \$1,533,125 | \$1,733,802 | (\$367,928) | (\$829,920) | (\$1,190,903) | (\$1,467,228) | (\$1,838,476) | (\$2,332,093) | (\$2,944,616) | (\$4,046,579) |

- 1. Architectural Fees for Sub expansion \$650,000 in FY07
- 2. ILC Food Service FF&E \$1,100,000 in FY07
- 3. FF&E for Sub expansion \$1,600,000 in FY09
- 4. Replace floor in Hatch \$200,000 in FY09

No Fee Increase in FY2008

Boise State University
Student Affairs
Student Union and Student Involvement
10 Year Operating Forecast

Forecast as
of 1/10/2007

| | FY07 | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Registration Fees - Academic | 2,649,394 | 2,543,091 | 2,139,550 | 2,150,221 | 2,300,270 | 2,324,749 | 2,336,354 | 2,432,891 | 2,452,911 | 2,465,171 |
| Other Revenue (Commissions, Rental, Leases & Interest) | 1,733,195 | 1,393,270 | 1,479,275 | 1,724,338 | 1,737,974 | 1,782,031 | 1,829,746 | 1,876,380 | 1,924,360 | 1,976,186 |
| TOTAL REVENUE | \$ 4,382,589 | \$ 3,936,361 | \$ 3,618,824 | \$ 3,874,559 | \$ 4,038,244 | \$ 4,106,780 | \$ 4,166,100 | \$ 4,309,271 | \$ 4,377,270 | \$ 4,441,357 |
| Total Personnel | \$ 2,468,975 | \$ 2,490,192 | \$ 2,583,332 | \$ 2,788,633 | \$ 2,923,351 | \$ 3,003,349 | \$ 3,089,924 | \$ 3,184,173 | \$ 3,280,850 | \$ 3,381,168 |
| Total Operating Expenses | 1,317,484 | 1,327,088 | 1,373,820 | 1,405,970 | 1,458,536 | 1,508,302 | 1,556,960 | 1,604,872 | 1,655,797 | 1,710,332 |
| Travel | 19,300 | 19,152 | 19,720 | 20,306 | 20,909 | 21,529 | 22,169 | 22,827 | 23,505 | 24,203 |
| Capital Outlay | 13,000 | - | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURES BEFORE RESERVE PROJECTS | \$ 3,818,759 | \$ 3,836,432 | \$ 3,976,872 | \$ 4,214,908 | \$ 4,402,795 | \$ 4,533,180 | \$ 4,669,053 | \$ 4,811,872 | \$ 4,960,152 | \$ 5,115,703 |
| Fund Balance Transfer to Sheriff's Contract Allocation | 34,042 | 35,063 | 36,115 | 37,198 | 38,314 | 39,463 | 40,647 | 41,866 | 43,122 | 44,416 |
| Fund Balance Transfer to Residence Dining Reserve | 20,000 | 20,600 | 21,218 | 21,855 | 22,511 | 23,186 | 23,882 | 24,598 | 25,336 | 26,096 |
| Fund Balance Transfer to Director's Programs | 10,000 | 10,300 | 10,609 | 10,927 | 11,255 | 11,593 | 11,941 | 12,299 | 12,668 | 13,048 |
| Fund Balance Transfer for Student Activities | (21,600) | (22,248) | (22,915) | (23,602) | (24,310) | (25,039) | (25,790) | (26,564) | (27,361) | (28,182) |
| Transfer to (from) Reserve | 521,388 | 56,214 | (403,075) | (386,728) | (412,321) | (475,603) | (553,634) | (554,800) | (636,647) | (729,724) |
| TOTAL EXPENDITURES & TRANSFERS BEFORE RESERVE PROJECTS | \$ 4,382,589 | \$ 3,936,361 | \$ 3,618,824 | \$ 3,874,559 | \$ 4,038,244 | \$ 4,106,780 | \$ 4,166,100 | \$ 4,309,271 | \$ 4,377,270 | \$ 4,441,357 |

Assumptions:

1. A new \$5.00 Operating Fee in FY11, a new \$3.00 Operating Fee in FY14
2. Does not include expenses for new Administrative Service Charge
3. FY07 and FY08 Student Union receives excess Construction Fees above Debt Service on 1998 Student Union Bonds \$554,117 and 414,199 respectively and zero from FY09 thru FY16.
4. Student Enrollment a 1% increase in FY08 and 1/2% increase per year FY09 through FY16
5. Rental and Equipment Revenue 29% annual decrease in FY08 due to Sub expansion, flat in FY09 during expansion, 30% annual increase upon completion of Sub expansion in FY10, and a 3% annual increase FY11 through FY16,
6. Food Service Commission decrease in FY08 by 25% during Sub Expansion but increase by \$125,000 by opening the ILC & Starbucks, flat in FY09, increase by 25% upon completion of Sub expansion in FY10, 3% increase FY11 through FY16.
7. Residence Dining a 8% increase in FY08 and a 3% increase in FY09 through FY16
8. Bowling and Game Center revenue decrease by \$186,000 in FY08 because Games Center will close for six months plus and additional 50% reduction for the other six months of the year, increase by \$100,000 in FY09, a 30% increase in FY10 Sub expansion completed, 3% annual increase FY11 through FY16.
9. Bookstore Revenue - used Bookstore ten year plan for sales 1% annual sales increase FY07-FY14, additional \$1,000,000 with expansion FY09. Since Forecast stopped at FY14 Student Union use 1% annual sales increase for FY15 & FY16
- 10 Misc. Income a 3% annual increase for FY08 through FY16
- 11 Auxillary Services 3% increase in FY10, FY13 and FY16. Income from University for Facility usage
- 12 Investment Income 2.0% interest on Reserve amount
- 13 Salaries a 3% increase FY08 through FY16, add staff (\$40,000) in FY10 for additional facilities personnel due to expansion
- 14 Student Labor reduced 20% in FY08, flat in FY09, increase by 20% in FY10 and a 2% annual increase FY11 through FY16
- 15 Group Insurance a 5% annual increase FY08 through FY16
- 16 Operating Expense a 3% annual increase FY08 through FY16
- 17 Fund Balance Transfers a 3% annual increase FY08 through FY16

No Fee Increase in FY2008

Boise State University
Student Affairs
Student Union and Student Involvement
10 Year Capital Plan/Reserve Projects

Summary

| | | Estimated Cost | | | | | | | | | |
|---|--------------------------------|----------------|-------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | FY07 | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 |
| Student Union | | | | | | | | | | | |
| Class | Beginning Fund Balance | \$3,830,862 | \$1,533,125 | \$1,459,338 | (\$943,737) | (\$1,714,066) | (\$2,391,388) | (\$2,991,991) | (\$3,695,625) | (\$4,529,910) | (\$5,491,557) |
| A | Security Camera System | \$0 | \$0 | \$40,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| B | Construction/FF&E | \$0 | \$0 | \$1,600,000 | 3 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| C | Architectural Fees/Design Fees | \$650,000 | 1 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| D | Roof | \$526,734 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| E | Food Service Construction/FF&E | \$1,517,463 | 2 | \$70,000 | \$25,000 | \$25,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 |
| F | Mechanicals/Utilities/HVAC | \$103,928 | \$60,000 | \$60,000 | \$60,000 | \$60,000 | \$0 | \$0 | \$0 | \$0 | \$0 |
| G | Remodel/Replacement FF&E | \$0 | \$0 | \$260,000 | 4 | \$238,602 | \$155,000 | \$75,000 | \$100,000 | \$229,486 | \$275,000 |
| H | Vehicles | \$21,000 | \$0 | \$15,000 | \$60,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| I | Planned Return to Reserves | \$521,388 | \$56,214 | (\$403,075) | (\$386,728) | (\$412,321) | (\$475,603) | (\$553,634) | (\$554,800) | (\$636,647) | (\$729,724) |
| | End Fund Balance | \$1,533,125 | \$1,459,338 | (\$943,737) | (\$1,714,066) | (\$2,391,388) | (\$2,991,991) | (\$3,695,625) | (\$4,529,910) | (\$5,491,557) | (\$6,951,281) |
| Funds for Expansion - Student Fees/Bond Issue | | | | | | | | | | | |
| | Fund Balance Carryforward | \$1,533,125 | \$1,459,338 | (\$943,737) | (\$1,714,066) | (\$2,391,388) | (\$2,991,991) | (\$3,695,625) | (\$4,529,910) | (\$5,491,557) | (\$6,951,281) |

1. Architectural Fees for Sub expansion \$650,000 in FY07
2. ILC Food Service FF&E \$1,100,000 in FY07
3. FF&E for Sub expansion \$1,600,000 in FY09
4. Replace floor in Hatch \$200,000 in FY09

Boise State University
2006-2007 Schedule of Tuition & Fees

Effective Summer 2006, Fall 2006 and Spring 2007

| | Full-Time Under Grad | Full-Time Graduate | Part-Time Under Grad | Part-Time Graduate | Summer Under Grad 2006 | Summer Graduate 2006 | Summer Under Grad 2007 | Summer Graduate 2007 |
|---------------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|------------------------------|----------------------------|------------------------------|----------------------------|
| General Ed Fees | | | | | | | | |
| Tuition | \$1,334.85 | \$1,334.85 | | | | | | |
| Part-Time Credit Hour Fee | | | \$143.40 | \$143.40 | \$138.20 | \$138.20 | \$143.85 | \$143.85 |
| Facility and Technology Fees | | | | | | | | |
| General Building Fee | 99.00 | 99.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| Capital Expenditure Reserve Fee | 5.00 | 5.00 | | | | | | |
| SUB Construction Fee | 27.00 | 27.00 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 |
| Residence Hall Construction Fee | 57.00 | 57.00 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 |
| Recreation Facility Fee | 65.00 | 65.00 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 |
| Facilities Fee | 100.00 | 100.00 | 10.00 | 10.00 | 2.50 | 2.50 | 10.00 | 10.00 |
| Health and Wellness Ctr. Facility Fee | 40.00 | 40.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Student Support System Tech Fee | 19.00 | 19.00 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 |
| Technology Fee-Computer Labs | 27.25 | 27.25 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Activity Fees | | | | | | | | |
| Intercollegiate Athletics | 93.00 | 93.00 | 5.30 | 5.30 | | | | |
| Student Health Center | 33.00 | 33.00 | 3.30 | 3.30 | 1.00 | 1.00 | 3.30 | 3.30 |
| Student Union Operations | 72.50 | 72.50 | 7.25 | 7.25 | 6.75 | 6.75 | 7.25 | 7.25 |
| Associated Student Body | 17.65 | 17.65 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 |
| University News | 5.00 | 5.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Student Program Board | 7.00 | 7.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| BSU Radio | 2.00 | 2.00 | | | | | | |
| Campus Recreation | 26.00 | 26.00 | 2.60 | 2.60 | 3.60 | 3.60 | 3.60 | 3.60 |
| Club Sports | 1.25 | 1.25 | 0.15 | 0.15 | | | | |
| Drama, Music and Theatre Arts | 1.50 | 1.50 | | | | | | |
| Alumni Activities | 3.50 | 3.50 | 0.35 | 0.35 | | | | |
| Scholarships | 6.00 | 6.00 | | | | | | |
| Outdoor Program | 3.00 | 3.00 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| Children's Center | 5.00 | 5.00 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 |
| Service Learning Program | 4.10 | 4.10 | 0.50 | 0.50 | 0.35 | 0.35 | 0.50 | 0.50 |
| Volunteer Services Board | 1.90 | 1.90 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 |
| Student ID System | 7.50 | 7.50 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 |
| Distinguished Lecture Series | 2.00 | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Marching Band | 6.50 | 6.50 | 0.65 | 0.65 | | | | |
| Student Radio | 2.00 | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Spirit Squad | 2.00 | 2.00 | | | | | | |
| Cultural Center | 0.50 | 0.50 | 0.05 | 0.05 | | | 0.05 | 0.05 |
| Other Fees | | | | | | | | |
| Graduate Fee | | 395.00 | | 43.00 | | 41.00 | | 43.00 |
| Total General Fees-Resident | \$2,077.00 | \$2,472.00 | \$211.00 | \$254.00 | \$189.85 | \$230.85 | \$206.00 | \$249.00 |
| Other Fees / Tuition | | | | | | | | |
| Student Insurance * | \$ 496.00 | | | | | | | |
| Non-resident Tuition | 3,889.00 | | | | | | | |
| Western Undergrad Exchange Fee | \$ 1,038.00 | | | | | | | |
| Inservice Credit Hour Fee-Undergrad | \$ 69.00 | | | | | | | |
| Inservice Credit Hour Fee-Graduate | \$ 82.00 | | | | | | | |
| Course Overload Credit Hour Fee | \$ 211.00 | | | | | | | |

* A change in the State Board of Education policy states that students must provide proof of comparable health insurance or are required to maintain the university provided health coverage.

The full-time fee is charged to students taking 8 or more credit hours. The part-time credit hour fee is charged to students taking 7 or less credit hours. For Summer, the part-time credit hour fee is charged regardless of the number of credits.

Non-Resident tuition and Western Undergraduate Exchange fees are in addition to total resident fees.

All fees, tuition, and other charges are subject to change.

JAN 23 2007

Department/Organization Information

Department/Organization Nan Club Sports (Campus Recreation)
10 Digit Department Number 863L101030/863L102200
Contact Person Alain Rodrigue
Phone Number 426-2447

FY 2007 Budget Overview

Finance and
Administration

| | |
|-------------------------------------|------------------------|
| Budgeted Revenue from Student Fees | <u>\$35,028</u> |
| Budgeted Revenue from Other Sources | <u>\$0.00</u> |
| Total 2007 Budget | <u>\$35,028</u> |

Current Fee Structure

-- See attached schedule of 2007 Tuition & Fees

Full-Time Fee \$1.25
Part-Time Fee \$0.15
Summer Fee \$0.00

Describe the programs and services provided to the students of Boise State University by this Department/Organization.

- \$28,000 one-to-one matching funds to the Club Sports (student organizations)
- \$2,000 emergency and start-up funds allocated on a case-by-case basis to Club Sports
- \$1,200 office operations (telephone, copier, mailings, etc.) and equipment

Proposed Fee Structure

Full-Time Fee \$3.25
Part-Time Fee \$0.35
Summer Fee \$0.00

Describe additional programs and services that will be provided to the students of Boise State University due to this proposed fee change.

- \$33,000 one-to-one matching funds to the Club Sports, emergency and start-up funds
- \$45,000 administrative personnel (at least \$18,000 allocated to student positions)
- \$5,000 safety, organizational, and leadership training and development
- \$5,500 office operations (telephone, copier, mailings, etc.) and equipment

Justification of this proposed change in student fees

Historically, this fee was separated from that collected by ASBSU when Club Sports was moved under Campus Recreation. The amount was determined by calculating potential matching funds for the 16 Club Sports at the time - no provision was made for growth. Two years ago with the approval of the student Club Sports and the Recreation Board of Governors allocations were adjusted to allow 20% of the fee to be directed to emergency and start-up funds as well as minimal club-wide operations. There are now 28 Club Sports that require increased financial, travel, and safety oversight. Campus Recreation has absorbed the majority of rising management costs however has reached its limits of support. There is little room for the addition of more clubs or growth of the overall program. An increased fee would allow Club Sports to hire administrative assistance, provide needed safety and organizational training, and allow for the possibility of more clubs.

For use by Student Tuition and Fees Committee

Boise State University
2006-2007 Schedule of Tuition & Fees
Effective Summer 2006, Fall 2006 and Spring 2007

| | Full-Time Under Grad | Full-Time Graduate | Part-Time Under Grad | Part-Time Graduate | Summer Under Grad 2006 | Summer Graduate 2006 | Summer Under Grad 2007 | Summer Graduate 2007 |
|---------------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|------------------------------|----------------------------|------------------------------|----------------------------|
| General Ed Fees | | | | | | | | |
| Tuition | \$1,334.85 | \$1,334.85 | | | | | | |
| Part-Time Credit Hour Fee | | | \$143.40 | \$143.40 | \$138.20 | \$138.20 | \$143.85 | \$143.85 |
| Facility and Technology Fees | | | | | | | | |
| General Building Fee | 99.00 | 99.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| Capital Expenditure Reserve Fee | 5.00 | 5.00 | | | | | | |
| SUB Construction Fee | 27.00 | 27.00 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 |
| Residence Hall Construction Fee | 57.00 | 57.00 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 |
| Recreation Facility Fee | 65.00 | 65.00 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 |
| Facilities Fee | 100.00 | 100.00 | 10.00 | 10.00 | 2.50 | 2.50 | 10.00 | 10.00 |
| Health and Wellness Ctr. Facility Fee | 40.00 | 40.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Student Support System Tech Fee | 19.00 | 19.00 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 |
| Technology Fee-Computer Labs | 27.25 | 27.25 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Activity Fees | | | | | | | | |
| Intercollegiate Athletics | 93.00 | 93.00 | 5.30 | 5.30 | | | | |
| Student Health Center | 33.00 | 33.00 | 3.30 | 3.30 | 1.00 | 1.00 | 3.30 | 3.30 |
| Student Union Operations | 72.50 | 72.50 | 7.25 | 7.25 | 6.75 | 6.75 | 7.25 | 7.25 |
| Associated Student Body | 17.65 | 17.65 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 |
| University News | 5.00 | 5.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Student Program Board | 7.00 | 7.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| BSU Radio | 2.00 | 2.00 | | | | | | |
| Campus Recreation | 26.00 | 26.00 | 2.60 | 2.60 | 3.60 | 3.60 | 3.60 | 3.60 |
| Club Sports | 1.25 | 1.25 | 0.15 | 0.15 | | | | |
| Drama, Music and Theatre Arts | 1.50 | 1.50 | | | | | | |
| Alumni Activities | 3.50 | 3.50 | 0.35 | 0.35 | | | | |
| Scholarships | 6.00 | 6.00 | | | | | | |
| Outdoor Program | 3.00 | 3.00 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| Children's Center | 5.00 | 5.00 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 |
| Service Learning Program | 4.10 | 4.10 | 0.50 | 0.50 | 0.35 | 0.35 | 0.50 | 0.50 |
| Volunteer Services Board | 1.90 | 1.90 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 |
| Student ID System | 7.50 | 7.50 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 |
| Distinguished Lecture Series | 2.00 | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Marching Band | 6.50 | 6.50 | 0.65 | 0.65 | | | | |
| Student Radio | 2.00 | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Spirit Squad | 2.00 | 2.00 | | | | | | |
| Cultural Center | 0.50 | 0.50 | 0.05 | 0.05 | | | 0.05 | 0.05 |
| Other Fees | | | | | | | | |
| Graduate Fee | | 395.00 | | 43.00 | | 41.00 | | 43.00 |
| Total General Fees-Resident | \$2,077.00 | \$2,472.00 | \$211.00 | \$254.00 * | \$189.85 | \$230.85 | \$206.00 | \$249.00 |

| | |
|-------------------------------------|-------------|
| Other Fees / Tuition | |
| Student Insurance * | \$ 496.00 |
| Non-resident Tuition | 3,889.00 |
| Western Undergrad Exchange Fee | \$ 1,038.00 |
| Inservice Credit Hour Fee-Undergrad | \$ 69.00 |
| Inservice Credit Hour Fee-Graduate | \$ 82.00 |
| Course Overload Credit Hour Fee | \$ 211.00 |

* A change in the State Board of Education policy states that students must provide proof of comparable health insurance or are required to maintain the university provided health coverage

The full-time fee is charged to students taking 8 or more credit hours. The part-time credit hour fee is charged to students taking 7 or less credit hours. For Summer, the part-time credit hour fee is charged regardless of the number of credits.

Non-Resident tuition and Western Undergraduate Exchange fees are in addition to total resident fees

All fees, tuition and other charges are subject to change

| |
|----------------------------------|
| Department Name _____ |
| 10 digit Department Number _____ |

Fiscal Year 2005

Fiscal Year 2006

Revenues- enter in yellow shaded area

-- Enter Revenue categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|------------------|--------------------|--------------------|
| Student Fees | see attached sheet | see attached sheet |
| Other Misc. Fees | | |

Expenses- enter in yellow shaded area

-- Enter Expense categories and annual amounts based on what has posted to PeopleSoft Financials

| |
|-----------------|
| Salaries |
| Fringe benefits |
| OE |
| Travel |
| Capital Outlay |

Prior Year Fund Balance @ June 30th

Student Fee Revenue Projections

| Estimates for FY 07 | Head Count/Credit Hr | Current Fee | Estimated Fee Revenue |
|---------------------|----------------------|--|---------------------------|
| FT | 22,940 | \$1.25 | \$28,675.00 |
| PT | 42,350 | \$0.15 | \$6,352.50 |
| Summer | 25,129 | | \$0.00 |
| | | | <u>\$35,027.50</u> |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc | <u>-\$1,751.38</u> |
| | | | <u><u>\$33,276.13</u></u> |

| Estimates for FY 08 | | Proposed Fee | |
|---------------------|--------|--|---------------------------|
| FT | 23,169 | \$3.25 | \$75,300.55 |
| PT | 42,774 | \$0.35 | \$14,970.73 |
| Summer | 25,380 | | \$0.00 |
| | | | <u>\$90,271.28</u> |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc | <u>-\$4,513.56</u> |
| | | | <u><u>\$85,757.71</u></u> |

| | |
|--|---------------------------|
| Estimated new money generated from additional fee and enrollment growth (estimated @ 1%) | <u><u>\$52,481.59</u></u> |
|--|---------------------------|

TAB 2a Page 45

| Actual FY 05 | | Actual FY 06 | | Budgeted FY 07 | | Proposed FY 08 | |
|--------------|-------------|--------------|-------------|----------------|-------------|----------------|-------------|
| Club Acct. | Rec Acct. | Club Acct. | Rec Acct. | Club Acct. | Rec Acct. | Club Acct. | Rec Acct. |
| 1030 | 2200 | 1030 | 2200 | 1030 | 2200 | 1030 | 2200 |
| \$ (86) | \$ 14,374 | \$ (428) | \$ 12,482 | \$ (5,350) | \$ 3,276 | \$ (4,620) | \$ - |
| | \$ (39,643) | | \$ (50,755) | | \$ (53,918) | | \$ (30,962) |

SURPLUS

| D BALANCE | | | | | | | | | |
|--------------|-----------|-------------|--------------|-----------|-------------|----------------|-----------|----------------|-----------|
| Actual FY 05 | | | Actual FY 06 | | | Budgeted FY 07 | | Proposed FY 08 | |
| Club Acct. | Rec Acct. | | Club Acct. | Rec Acct. | | Club Acct. | Rec Acct. | Club Acct. | Rec Acct. |
| 1030 | 2200 | | 1030 | 2200 | | 1030 | 2200 | 1030 | 2200 |
| \$ 6,507 | \$ 24,863 | \$ (44,643) | \$ 48,504 | \$ 4,183 | \$ (97,899) | \$ 50,613 | \$ 0 | \$ (151,816) | \$ 45,993 |
| | | | | | | | | \$ (182,780) | \$ 0 |

CLUB SPORTS BUDGETING

REVENUE

| | Actual FY 05 | | Actual FY 06 | | Budgeted FY 07 | | Proposed FY 08 | |
|----------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
| | Club Acct. 1030 | Rec Acct. 2200 | Club Acct. 1030 | Rec Acct. 2200 | Club Acct. 1030 | Rec Acct. 2200 | Club Acct. 1030 | Rec Acct. 2200 |
| Student Fees | | | | | | | | |
| Full Time | | \$ 29,186 | | \$ 30,440 | | \$ 27,241 | | \$ 71,536 |
| Part Time | | \$ 7,075 | | \$ 6,267 | | \$ 6,035 | | \$ 14,222 |
| TOTAL REVENUE | \$ - | \$ 36,261 | \$ - | \$ 36,707 | \$ - | \$ 33,276 | \$ 85,758 | \$ - |

EXPENSE

| | Actual FY 05 | | Actual FY 06 | | Budgeted FY 07 | | Proposed FY 08 | |
|-------------------------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
| | Club Acct. 1030 | Rec Acct. 2200 | Club Acct. 1030 | Rec Acct. 2200 | Club Acct. 1030 | Rec Acct. 2200 | Club Acct. 1030 | Rec Acct. 2200 |
| Student Help | | | | | | | | |
| Office Help | | \$ 1,500 | | \$ 1,500 | | \$ 1,500 | \$ 500 | |
| Supervisor | | \$ 500 | | \$ 700 | | \$ 1,000 | \$ 1,000 | |
| Graphic Design | | \$ 360 | | \$ 540 | | \$ 700 | \$ 1,000 | |
| GA - Rec Response | | \$ 4,000 | | | | | \$ 16,000 | |
| Regular Employees | | | | | | | | |
| Class. - Off. Spec. I | | \$ 4,769 | | \$ 6,058 | | \$ 9,582 | \$ 16,542 | \$ 5,749 |
| Class. - Financial Tech. | | | | \$ 8,840 | | \$ 7,187 | | \$ 5,749 |
| Prof. - Coordinator Rec Response | | | | | | \$ 18,803 | | \$ 12,535 |
| Prof. - Accountant | | \$ 16,755 | | \$ 18,252 | | \$ 128 | \$ 740 | |
| Prof. - Assistant Director | | | | | | \$ 11,094 | \$ 11,046 | \$ 6,806 |
| Benefits | | | | | | | | |
| Students | | \$ 254 | | \$ 110 | | \$ 25 | \$ 500 | \$ 25 |
| Classified | | \$ 4,192 | | \$ 3,038 | | \$ 300 | \$ 300 | |
| Professional | | \$ 6,673 | | \$ 10,767 | | \$ 500 | \$ 500 | |
| Office | | | | | | | | |
| Copier | | \$ 75 | \$ 39 | \$ 100 | \$ 400 | \$ 25 | \$ 400 | |
| Fax | | \$ 20 | | \$ 20 | | \$ 300 | \$ 300 | |
| Telephone | | | | | | \$ 500 | \$ 500 | |
| Supplies | \$ 7 | \$ 240 | | \$ 360 | \$ 100 | \$ 2,000 | \$ 500 | \$ 100 |
| Remodel | | | | | \$ 4,000 | | | |
| Promotions | | | | | | | | |
| Mailings | | \$ 10 | | \$ 20 | \$ 100 | \$ 400 | \$ 400 | |
| Newsletter | | | | | | \$ 400 | \$ 400 | |
| Printing & Binding | \$ 79 | \$ 70 | \$ 389 | \$ 200 | \$ 600 | \$ 2,000 | \$ 2,000 | |
| Training | | | | | | | | |
| Van Driver | | | | | | | \$ 200 | |
| FA/CPRA/ED (club officers) | | | | | | | \$ 1,500 | |
| Leadership (summit, speakers, etc.) | | | | | | | \$ 1,000 | |

MAY 8 2007

Department/Organization Information

 Department/Organization Nan Campus Recreation
 10 Digit Department Number 863L101001
 Contact Person Joyce Grimes
 Phone Number 426-1769
FY 2007 Budget Overview

| | |
|-------------------------------------|--------------------|
| Budgeted Revenue from Student Fees | \$956,511 |
| Budgeted Revenue from Other Sources | \$602,452 |
| Total 2007 Budget | \$1,558,963 |

Current Fee Structure

-- See attached schedule of 2007 Tuition & Fees

 Full-Time Fee \$26.00
 Part-Time Fee \$2.60
 Summer Fee \$3.60

Describe the programs and services provided to the students of Boise State University by this Department/Organization

Campus Recreation enriches the University community by providing diverse recreational and leadership opportunities that foster personal growth and lifelong healthy habits. Programs and services include informal recreation, group exercise classes, instructional programs, an athletic training clinic, intramural and club sport, massage therapy, personal training, outdoor seminars/workshops, and an outdoor rental shop.

Proposed Fee Structure

 Full-Time Fee \$28.00
 Part-Time Fee \$2.80
 Summer Fee \$3.60

 Describe additional programs and services that will be provided to the students of Boise State University due to this proposed fee change.

The additional fee would provide funding to hire an aquatics professional.

Justification of this proposed change in student fees

Campus Recreation is in the preliminary phases of adding an aquatic complex to the Student Recreation Center. While the department has amassed significant reserves in their fund to pay for initial construction, the current budget does not allow for additional operation expense. A preliminary estimate of a \$10.00 fee increase will be necessary to fully fund operations of an aquatic complex. Design consultants will be working with Campus Recreation and A & E Services this spring to determine the exact scope of the project and more accurately project operational expense. At this time Campus recreation is asking for a \$2.00 fee increase hire an aquatics professional for FY 08. The professional can then be involved in construction plans and program development. Campus Recreation will be requesting an additional fee in FY 09 (after more accurate projections are developed) to off the remaining operational expense.

For use by Student Tuition and Fees Committee

Boise State University
2006-2007 Schedule of Tuition & Fees
Effective Summer 2006, Fall 2006 and Spring 2007

| | Full-Time Under Grad | Full-Time Graduate | Part-Time Under Grad | Part-Time Graduate | Summer Under Grad 2006 | Summer Graduate 2006 | Summer Under Grad 2007 | Summer Graduate 2007 |
|---------------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|------------------------------|----------------------------|------------------------------|----------------------------|
| General Ed Fees | | | | | | | | |
| Tuition | \$1,334.85 | \$1,334.85 | | | | | | |
| Part-Time Credit Hour Fee | | | \$143.40 | \$143.40 | \$138.20 | \$138.20 | \$143.85 | \$143.85 |
| Facility and Technology Fees | | | | | | | | |
| General Building Fee | 99.00 | 99.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| Capital Expenditure Reserve Fee | 5.00 | 5.00 | | | | | | |
| SUB Construction Fee | 27.00 | 27.00 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 |
| Residence Hall Construction Fee | 57.00 | 57.00 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 | 5.70 |
| Recreation Facility Fee | 65.00 | 65.00 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 |
| Facilities Fee | 100.00 | 100.00 | 10.00 | 10.00 | 2.50 | 2.50 | 10.00 | 10.00 |
| Health and Wellness Ctr. Facility Fee | 40.00 | 40.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Student Support System Tech Fee | 19.00 | 19.00 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 |
| Technology Fee-Computer Labs | 27.25 | 27.25 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Activity Fees | | | | | | | | |
| Intercollegiate Athletics | 93.00 | 93.00 | 5.30 | 5.30 | | | | |
| Student Health Center | 33.00 | 33.00 | 3.30 | 3.30 | 1.00 | 1.00 | 3.30 | 3.30 |
| Student Union Operations | 72.50 | 72.50 | 7.25 | 7.25 | 6.75 | 6.75 | 7.25 | 7.25 |
| Associated Student Body | 17.65 | 17.65 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 | 1.60 |
| University News | 5.00 | 5.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Student Program Board | 7.00 | 7.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| BSU Radio | 2.00 | 2.00 | | | | | | |
| Campus Recreation | 26.00 | 26.00 | 2.60 | 2.60 | 3.60 | 3.60 | 3.60 | 3.60 |
| Club Sports | 1.25 | 1.25 | 0.15 | 0.15 | | | | |
| Drama, Music and Theatre Arts | 1.50 | 1.50 | | | | | | |
| Alumni Activities | 3.50 | 3.50 | 0.35 | 0.35 | | | | |
| Scholarships | 6.00 | 6.00 | | | | | | |
| Outdoor Program | 3.00 | 3.00 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| Children's Center | 5.00 | 5.00 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 |
| Service Learning Program | 4.10 | 4.10 | 0.50 | 0.50 | 0.35 | 0.35 | 0.50 | 0.50 |
| Volunteer Services Board | 1.90 | 1.90 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 |
| Student ID System | 7.50 | 7.50 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 |
| Distinguished Lecture Series | 2.00 | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Marching Band | 6.50 | 6.50 | 0.65 | 0.65 | | | | |
| Student Radio | 2.00 | 2.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Spirit Squad | 2.00 | 2.00 | | | | | | |
| Cultural Center | 0.50 | 0.50 | 0.05 | 0.05 | | | 0.05 | 0.05 |
| Other Fees | | | | | | | | |
| Graduate Fee | | 395.00 | | 43.00 | | 41.00 | | 43.00 |
| Total General Fees-Resident | \$2,077.00 | \$2,472.00 | \$211.00 | \$254.00 | \$189.85 | \$230.85 | \$206.00 | \$249.00 |
| Other Fees / Tuition | | | | | | | | |
| Student Insurance * | \$ 496.00 | | | | | | | |
| Non-resident Tuition | 3,889.00 | | | | | | | |
| Western Undergrad Exchange Fee | \$ 1,038.00 | | | | | | | |
| Inservice Credit Hour Fee-Undergrad | \$ 69.00 | | | | | | | |
| Inservice Credit Hour Fee-Graduate | \$ 82.00 | | | | | | | |
| Course Overload Credit Hour Fee | \$ 211.00 | | | | | | | |

* A change in the State Board of Education policy states that students must provide proof of comparable health insurance or are required to maintain the university provided health coverage.

The full-time fee is charged to students taking 8 or more credit hours. The part-time credit hour fee is charged to students taking 7 or less credit hours. For Summer the part-time credit hour fee is charged regardless of the number of credits

Non-Resident tuition and Western Undergraduate Exchange fees are in addition to total resident fees

All fees, tuition, and other charges are subject to change

| |
|----------------------------------|
| Department Name _____ |
| 10 digit Department Number _____ |

Fiscal Year 2005

Fiscal Year 2006

Revenues- enter in yellow shaded area

-- Enter Revenue categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|-----------------|-----------|---------|
| Student Fees | 1,032,322 | 919,764 |
| Other Misc Fees | 541,808 | 583,193 |

Expenses- enter in yellow shaded area

-- Enter Expense categories and annual amounts based on what has posted to PeopleSoft Financials

| | | |
|-----------------|---------|---------|
| Salaries | 776,768 | 876,454 |
| Fringe benefits | 172,986 | 221,163 |
| OE | 303,059 | 515,950 |
| Travel | 16,994 | 19,471 |
| Capital Outlay | 10,919 | 0 |

Prior Year Fund Balance @ June 30th

| | |
|---------|-----------|
| 871,323 | 1,164,727 |
|---------|-----------|

Student Fee Revenue Projections

| Estimates for FY 07 | Head Count/Credit Hr | Current Fee | Estimated Fee Revenue |
|---------------------|----------------------|--|-----------------------|
| FT | 22,940 | \$26.00 | \$596,440.00 |
| PT | 42,350 | \$2.60 | \$110,110.00 |
| Summer | 25,129 | \$3.60 | \$90,463.68 |
| | | | \$797,013.68 |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc | -\$39,850.68 |
| | | | \$757,163.00 |

| Estimates for FY 08 | | Proposed Fee | |
|---------------------|--------|--|---------------------|
| FT | 23,169 | \$28.00 | \$648,743.20 |
| PT | 42,774 | \$2.80 | \$119,765.80 |
| Summer | 25,380 | \$3.60 | \$91,368.32 |
| | | | \$859,877.32 |
| | | Less 5% estimate for outstanding fees, credit card charges, adjustments etc | -\$42,993.87 |
| | | | \$816,883.45 |

| | |
|--|--------------------|
| Estimated new money generated from additional fee and enrollment growth (estimated @ 1%) | \$59,720.45 |
|--|--------------------|

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BOISE STATE UNIVERSITY

DOCUMENTS PROVIDED BEFORE AND DURING CAMPUS FEE HEARINGS

STUDENT INFORMATION

>>> "David Carruthers" <DavidCarruthers@mail.boisestate.edu> 2/13/2007 11:02 AM >>>

Dear Sir,

Is this proposal of tuition increase correlated to the proposed federal increase of financial aid? I find it ultimately distressing that when the Federal government raises student loan amounts universities across the country feel the need to increase our tuition. It's hard enough for those of us who have to work our way through school without the bureaucracy making it harder.

Where does all our money go now? I am a transfer student from the UofI and one could see where the money is going. From student services to on campus events, there was much going on and many people to help. At BSU when I have a financial aid question or a registrar issue, I contact the proper people and am shortly sent to BroncoWeb (which, by the way, is almost completely user-unfriendly).

Do not increase the fees. Let students have a little breathing room.

Thankyou for your time,
-David Carruthers

>>> <Screenjunk@wmconnect.com> 2/13/2007 11:43 AM >>>

I will be unable to attend the meeting. My thoughts on the raise of tuition is that I am sacrificing my families money from groceries, and gas to pay what the pell grant will not cover. If tuition rises, it will place a greater financial burden on my family.

>>> "RoseMary Porter" <RoseMaryPorter@mail.boisestate.edu> 2/13/2007 12:58 PM >>>

To Whom My Concerns Will Be Considered:

I am unable to attend the meeting. However, I have two questions.

1. In regards to health services, I found I was unable to get health services even though I am registered as a full time graduate student. As part of my doctoral program, I am expected to take 9 credits to fulfill the full time status. However, three credits are in my program/cognate area and were only available through extended services at the West campus. Some of these classes are courses taken in sequence but not all courses are offered on campus in Boise. I find this inequality for services disturbing because I have to pay more for my credits hours. If wasn't for my loan and tuition waiver I couldn't not attend classes... Back to the health services issue. I found out that dental services are not included. I had a major oral surgery which cost me nearly \$500, which had to be paid with my student loan money. I could have gotten a health service refund of \$479, but I was told I'm not full time according to the accounting distribution and was unable to get health insurance. Another student I talked to had exploratory surgery and had to spend \$3000.00, nearly all of his school loan money to pay for his hospital bill not covered by student health insurance. There's something wrong with this picture.

2. If I am asked to pay more for recreational services, why do I also have to pay an additional monthly fee to use the facilities? Also, I am an alumni and I want to know why I cannot get some services at a discount or free since I spent many years at Boise State paying for those services?

RoseMary

>>> **"Ron Farnsworth"** <RonFarnsworth@mail.boisestate.edu> 2/14/2007 8:25 AM >>>

Michael,

As I'm sure you are aware, an e-mail went out to all BSU students regarding a meeting tomorrow to provide feedback on proposed tuition/fees for the 2007-08 school year.

I will not be able to attend the meeting tomorrow and am not sure how much difference it would make anyway. It seems that regardless of feedback, fees continue to increase every year. I realize that the "cost of doing business" also increases each year so all I can say is I hope the fee increases are truly necessary to allow BSU to improve educational opportunities because I'm sure with each year's increase, it puts a college education out of reach for many who would like to attend and continues to increase the financial burden of those already attending.

Just my two cents worth.

Thanks,
Ron

>>> **"Richard Petrie"** <RichardPetrie1@mail.boisestate.edu> 2/14/2007 9:06 PM >>>

This is a sad joke. Taking more money from students by increasing tuition and fees on top of denying financial aid. Nice. NOT!!

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IDAHO STATE UNIVERSITY

STUDENT FEE RECOMMENDATION

TO

THE IDAHO STATE BOARD OF EDUCATION

- **Student Fee Recommendation Narrative Provided by Institution Page 3**
- **Provided by OSBE:**
 - Recommendations for Changes to Student Fees for FY 2008..... Page 4
 - Potential Student Fee Revenue Changes for FY 2008..... Page 5
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BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

Idaho State University
Student Fee Hearing Summary

The Fee Process

On Feb. 16th ISU conducted departmental hearings to discuss the student fee increase/distribution. Departments requesting a fee increase presented their needs to the President, Vice Presidents, Faculty Senate Chair, Budget Officer, current ASISU President/VP & the University Budget Planning Committee. Based upon discussion by those in attendance, President Vailas recommended the resulting fee schedule. The public hearings to seek testimony on the fee increases, as published in the Bengal student newspaper, were held at the Idaho Falls and Pocatello campus March 7th & 8th. The VP Finance and Budget Officer were present to answer questions.

Changes to Fees

The attached worksheet, which estimates potential fee and tuition revenue changes for FY2008, is predicated on the fee rates contained in the ISU Notice of Intent to Adopt Student Fee and Rate Increases, which was issued on February 20, 2007. The result of the hearing process is a recommendation for a 5.5% overall fee increase.

Matriculation and Other General Education Fees \$509,000.

As with previous years, student fee revenue is a necessary component of the University's total revenue required for ongoing operations. The rate increases, offset by a decline in enrollment and internal reallocation of funds, will provide ongoing funding for a replacement data processing system (ERP).

Student Activity Fees \$91,200

Additional fees would provide permanent funding for the Bengal Dance Team (\$70,200) and additional support for the Student Health Center (\$21,000).

Professional Fee-Graduate Counseling \$Revenue Neutral

Consolidation of various current fees into a "new" professional fee.

IDAHO STATE UNIVERSITY

Changes to Student Fees for FY 2008 Annual Full-Time Fees and Part-Time Credit Hours Fees

| | Bd Appv | FY07 Fees | FY08 Initial Notice | Requested Fees | | |
|--|------------|-------------------|------------------------|-------------------|-----------------|-------------|
| | | | | FY08 Fees | Change | % Chg. |
| Student Fees: | | | | | | |
| 1 Full-time Fees: | | | | | | |
| 2 Tuition | ** | \$2,689.12 | \$2,901.62 | \$2,901.62 | \$212.50 | 7.9% |
| 3 Technology Fee | ** | 150.00 | 150.00 | 150.00 | 0.00 | 0.0% |
| 4 Facilities Fees | ** | 434.00 | 434.00 | 434.00 | 0.00 | 0.0% |
| 5 Student Activity Fees | ** | 916.88 | 934.38 | 934.38 | 17.50 | 1.9% |
| 6 Total Full-time Fees | | <u>\$4,190.00</u> | <u>\$4,420.00</u> | <u>\$4,420.00</u> | <u>\$230.00</u> | <u>5.5%</u> |
| 7 | | | | | | |
| 8 Part-time Credit Hour Fees: | | | | | | |
| 9 Education Fee | ** | \$161.60 | \$168.57 | \$168.57 | \$6.97 | 4.3% |
| 10 Technology Fee | ** | 9.00 | 9.00 | 9.00 | 0.00 | 0.0% |
| 11 Facilities Fees | ** | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 12 Student Activity Fees | ** | 43.40 | 43.43 | 43.43 | 0.03 | 0.1% |
| 13 Total Part-time Cr Hr Fees: | | <u>\$214.00</u> | <u>\$221.00</u> | <u>\$221.00</u> | <u>\$7.00</u> | <u>3.3%</u> |
| 14 | | | | | | |
| 15 Other Student Fees: | | | | | | |
| 16 Graduate Fees: | | | | | | |
| 17 Full-time Grad/Prof | ** | \$740.00 | \$760.00 | \$760.00 | \$20.00 | 2.7% |
| 18 Part-time Graduate/Hour | ** | \$37.00 | \$38.00 | \$38.00 | \$1.00 | 2.7% |
| 19 Nonresident Tuition: | | | | | | |
| 20 Nonres Tuition | ** | \$8,270.00 | \$8,600.00 | \$8,600.00 | \$330.00 | 4.0% |
| 21 Part-time Nonres Tuition | ** | \$115.00 | \$120.00 | \$120.00 | \$5.00 | 4.3% |
| 22 Professional Fees: | | | | | | |
| 23 PharmD - Resident-Continuing | ** | \$1,930.00 | \$2,100.00 | \$2,100.00 | \$170.00 | 8.8% |
| 24 PharmD - Nonres - Continuing | ** | \$5,800.00 | \$6,090.00 | \$6,090.00 | \$290.00 | 5.0% |
| 25 PharmD - Resident-NEW | ** | \$6,180.00 | \$6,366.00 | \$6,366.00 | \$186.00 | 3.0% |
| 26 PharmD - Nonres - NEW | ** | \$9,750.00 | \$10,042.00 | \$10,042.00 | \$292.00 | 3.0% |
| 27 Phys Therapy - Resident | ** | \$1,520.00 | \$1,566.00 | \$1,566.00 | \$46.00 | 3.0% |
| 28 Phys Therapy - Nonres | ** | \$5,240.00 | \$5,400.00 | \$5,400.00 | \$160.00 | 3.1% |
| 29 Occu Therapy - Resident | ** | \$1,520.00 | \$1,566.00 | \$1,566.00 | \$46.00 | 3.0% |
| 30 Occu Therapy - Nonres | ** | \$5,240.00 | \$5,400.00 | \$5,400.00 | \$160.00 | 3.1% |
| 31 Physician Assistant - Res - Cont | ** | \$12,150.00 | \$15,600.00 | \$15,600.00 | \$3,450.00 | 28.4% |
| 32 Physician Assistant - Nonres - Cont | ** | \$13,845.00 | \$17,355.00 | \$17,355.00 | \$3,510.00 | 25.4% |
| 33 Nursing-MSN | ** | \$1,310.00 | \$1,350.00 | \$1,350.00 | \$40.00 | 3.1% |
| 34 Counseling-Graduate | ** | \$0.00 | \$650.00 | \$650.00 | \$650.00 | 0.0% |
| 35 Idaho Dental Education (IDEP) | ** | \$16,614.00 | \$17,920.00 | \$17,854.00 | \$1,240.00 | 7.5% |
| 36 Other Fees: | | | | | | |
| 37 Western Undergrad Exchge | ** | \$2,095.00 | \$2,210.00 | \$2,210.00 | \$115.00 | 5.5% |
| 38 In-service Fees/Cr Hr - Undergrad | ** | \$69.00 | \$72.00 | \$72.00 | \$3.00 | 4.3% |
| 39 In-service Fees/Cr Hr - Grad | ** | \$82.00 | \$86.00 | \$86.00 | \$4.00 | 4.9% |
| 40 | | | | | | |
| 41 | | | | | | |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 Changes to Student Activity Fees: | | | | | | |
| 45 Full-time: | | | | | | |
| 46 Bengal Dance Team | | \$0.00 | \$8.26 | \$8.26 | \$8.26 | New |
| 47 Student Health Center | | \$111.00 | \$120.00 | \$120.00 | \$9.00 | 8.11% |
| 48 Student Wellness Program | | \$8.20 | \$8.44 | \$8.44 | \$0.24 | 2.93% |
| 49 | | | | | <u>\$17.50</u> | |
| 50 Part-time: | | | | | | |
| 51 Student Wellness Program | | \$1.05 | \$1.08 | \$1.08 | \$0.03 | 2.86% |
| 52 | | | | | <u>\$0.03</u> | |
| 53 | | | | | | |
| 54 Student Health Insurance Premium | | \$930 | | | | |

IDAHO STATE UNIVERSITY

Potential Student Fee Revenue Changes for FY 08

Due to Enrollment and Fee Changes

| | Student Fees: | Projected | | Potential Revenue Generated Due to Enrollment and Fee Changes | | | | | |
|----|---|-------------------|--------|---|-------------|-------------|-----------|----------------|-------------|
| | | HC/SCH Enrollment | | Enrollment Changes | | Fee Changes | | Total Rev Chge | |
| | | FY07 | FY08 | Gen Educ | Local | Gen Educ | Local | Gen Educ | Local |
| 1 | Full-time Fees: | | -5.4% | | | | | | |
| 2 | Tuition | 9,000 | 8,500 | (\$1,344,600) | | \$1,806,300 | | \$461,700 | |
| 3 | Technology Fee | 9,000 | 8,500 | | (75,000) | | 0 | | (75,000) |
| 4 | Facilities Fees | 9,000 | 8,500 | | (217,000) | | 0 | | (217,000) |
| 5 | Student Activity Fees | 9,000 | 8,500 | | (458,400) | | 148,800 | | (309,600) |
| 6 | Total Full-time Fees | | | (\$1,344,600) | (\$750,400) | \$1,806,300 | \$148,800 | \$461,700 | (\$601,600) |
| 7 | | | | | | | | | |
| 8 | Part-time Credit Hour Fees: | | -4.3% | | | | | | |
| 9 | Tuition | 33,222 | 31,800 | (\$229,800) | | \$221,600 | | (\$8,200) | |
| 10 | Technology Fee | 33,222 | 31,800 | | (12,800) | | 0 | | (12,800) |
| 11 | Facilities Fees | 33,222 | 31,800 | | 0 | | 0 | | 0 |
| 12 | Student Activity Fees | 33,222 | 31,800 | | (61,700) | | 1,000 | | (60,700) |
| 13 | Total Part-time Cr Hr Fees: | | | (\$229,800) | (\$74,500) | \$221,600 | \$1,000 | (\$8,200) | (\$73,500) |
| 14 | | | | | | | | | |
| 15 | Other Student Fees: | | | | | | | | |
| 16 | Graduate Fees: | | | | | | | | |
| 17 | Full-time Grad/Prof | 775 | 804 | \$21,200 | | \$16,100 | | \$37,300 | |
| 18 | Part-time Graduate/Hour | 6,550 | 6,468 | (3,000) | | 6,500 | | 3,500 | |
| 19 | Nonresident Tuition: | | | | | | | | |
| 20 | Nonres Tuition | 238 | 207 | (128,200) | | \$68,300 | | (59,900) | |
| 21 | Part-time Nonres Tuition | 635 | 575 | (6,900) | | 2,900 | | (4,000) | |
| 22 | Professional Fees: | | | | | | | | |
| 23 | PharmD - Resident-Continuing | 100 | 58 | | (81,100) | | 9,900 | | (71,200) |
| 24 | PharmD - Nonres - Continuing | 10 | 0 | | (58,000) | | 0 | | (58,000) |
| 25 | PharmD - Resident-NEW | 100 | 142 | | 81,100 | | 26,400 | | 107,500 |
| 26 | PharmD - Nonres - NEW | 15 | 33 | | 104,400 | | 9,600 | | 114,000 |
| 27 | Phys Therapy - Resident | 41 | 45 | | 6,100 | | 2,100 | | 8,200 |
| 28 | Phys Therapy - Nonres | 9 | 20 | | 57,600 | | 3,200 | | 60,800 |
| 29 | Occu Therapy - Resident | 15 | 17 | | 3,000 | | 800 | | 3,800 |
| 30 | Occu Therapy - Nonres | 2 | 5 | | 15,700 | | 800 | | 16,500 |
| 31 | Physician Assistant - Res - Cont | 50 | 70 | | 243,000 | | 241,500 | | 484,500 |
| 32 | Physician Assistant - Nonres - Cont | 10 | 10 | | 0 | | 35,100 | | 35,100 |
| 33 | Nursing-MSN | 75 # | 75 | | 0 | | 3,000 | | 3,000 |
| 34 | Counseling-Graduate | 0 | 80 | | 0 | | 52,000 | | 52,000 |
| 35 | Idaho Dental Education (IDEP) | 8 | 8 | | 0 | | 9,900 | | 9,900 |
| 36 | Other Fees: | | | | | | | | |
| 37 | Western Undergrad Exchge | 190 | 202 | 12,600 | | 11,600 | | 24,200 | |
| 38 | In-service Fees/Cr Hr - Undergrad | | | 0 | | 0 | | 0 | |
| 39 | In-service Fees/Cr Hr - Grad | 6,267 | 6,600 | 27,300 | | 26,400 | | 53,700 | |
| 40 | Total Other Student Fees | | | (\$77,000) | \$371,800 | \$131,800 | \$394,300 | \$54,800 | \$766,100 |
| 41 | | | | | | | | | |
| 42 | Total Additional Student Fee Revenue | | | (\$1,651,400) | (\$453,100) | \$2,159,700 | \$544,100 | \$508,300 | \$91,000 |
| 43 | | | | | | | | | |
| 44 | Changes to Student Activity Fees: | | | | | | | | |
| 45 | Full-time: | | | | | | | | |
| 46 | Bengal Dance Team | 9,000 | 8,500 | | 0 | | 70,200 | | 70,200 |
| 47 | Student Health Center | 9,000 | 8,500 | | (55,500) | | 76,500 | | 21,000 |
| 48 | Student Wellness Program | 9,000 | 8,500 | | (4,100) | | 2,000 | | (2,100) |
| 49 | | | | | (\$59,600) | | \$148,700 | | \$89,100 |
| 50 | Part-time: | | | | | | | | |
| 51 | Student Wellness Program | 33,222 | 31,800 | | (1,500) | | 1,000 | | (500) |
| 52 | | | | | (\$1,500) | | \$1,000 | | (\$500) |

IDAHO STATE UNIVERSITY

4-year History of Board Approved Fees plus FY08 Requested Fees Annual Full-Time Fees and Part-Time Credit Hours Fees

| Student Fees: | | FY 2004 | FY 2005 | FY 2006 | FY 2007 | #REF! FY 2008 | 5-Year Increase | % Increase |
|---------------|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|---------------|
| 1 | Full-time Fees | | | | | | | |
| 2 | Tuition (Unrestricted) | \$2,199.20 | \$2,368.60 | \$2,585.70 | \$2,689.12 | \$2,901.62 | \$702.42 | 31.94% |
| 3 | Technology Fee | 72.00 | 82.00 | 100.00 | 150.00 | 150.00 | 78.00 | 108.33% |
| 4 | Facilities Fees | 360.00 | 414.00 | 434.00 | 434.00 | 434.00 | 74.00 | 20.56% |
| 5 | Student Activity Fees | 816.80 | 835.40 | 880.30 | 916.88 | 934.38 | 117.58 | 14.40% |
| 6 | Total Full-time Fees | \$3,448.00 | \$3,700.00 | \$4,000.00 | \$4,190.00 | \$4,420.00 | \$972.00 | 28.19% |
| 7 | | | | | | | | |
| 8 | Part-time Credit Hour Fees | | | | | | | |
| 9 | Education Fee | \$138.10 | \$148.10 | \$157.10 | \$161.60 | \$168.57 | \$30.47 | 22.06% |
| 10 | Technology Fee | 6.00 | 6.00 | 6.50 | 9.00 | 9.00 | 3.00 | 0.00% |
| 11 | Facilities Fees | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| 12 | Student Activity Fees | 27.90 | 30.90 | 38.40 | 43.40 | 43.43 | 15.53 | 55.66% |
| 13 | Total Part-time Cr Hr Fees | \$172.00 | \$185.00 | \$202.00 | \$214.00 | \$221.00 | \$49.00 | 28.49% |
| 14 | | | | | | | | |
| 15 | Other Student Fees | | | | | | | |
| 16 | Graduate Fees: | | | | | | | |
| 17 | Full-time Grad/Prof | \$660.00 | \$680.00 | \$740.00 | \$740.00 | \$740.00 | \$80.00 | 12.12% |
| 18 | Part-time Graduate/Hour | \$33.00 | \$34.00 | \$37.00 | \$37.00 | \$37.00 | \$4.00 | 12.12% |
| 19 | Nonresident Tuition: | | | | | | | |
| 20 | Nonres Tuition | \$6,600.00 | \$7,080.00 | \$7,700.00 | \$8,270.00 | \$8,270.00 | \$1,670.00 | 25.30% |
| 21 | Part-time Nonres Tuition | \$95.00 | \$102.00 | \$110.00 | \$115.00 | \$115.00 | \$20.00 | 21.05% |
| 22 | Professional Fees: | | | | | | | |
| 23 | PharmD - Resident-Continuing | \$1,528.00 | \$1,640.00 | \$1,800.00 | \$1,930.00 | \$1,930.00 | \$402.00 | 26.31% |
| 24 | PharmD - Nonres - Continuing | \$4,620.00 | \$4,960.00 | \$5,400.00 | \$5,800.00 | \$5,800.00 | \$1,180.00 | 25.54% |
| 25 | PharmD - Resident-NEW | N/A | N/A | \$5,760.00 | \$6,180.00 | \$6,180.00 | N/A | N/A |
| 26 | PharmD - Nonres - NEW | N/A | N/A | \$9,080.00 | \$9,750.00 | \$9,750.00 | N/A | N/A |
| 27 | Phys Therapy - Resident | \$1,290.00 | \$1,380.00 | \$1,420.00 | \$1,520.00 | \$1,520.00 | \$230.00 | 17.83% |
| 28 | Phys Therapy - Nonres | \$4,420.00 | \$4,740.00 | \$4,880.00 | \$5,240.00 | \$5,240.00 | \$820.00 | 18.55% |
| 29 | Occu Therapy - Resident | \$1,290.00 | \$1,380.00 | \$1,420.00 | \$1,520.00 | \$1,520.00 | \$230.00 | 17.83% |
| 30 | Occu Therapy - Nonres | \$4,420.00 | \$4,740.00 | \$4,880.00 | \$5,240.00 | \$5,240.00 | \$820.00 | 18.55% |
| 33 | Physician Assistant - Res - New | | | | \$12,150.00 | \$15,600.00 | New | New |
| 34 | Physician Assistant - Nonres - New | | | | \$13,845.00 | \$17,355.00 | New | New |
| 35 | Nursing-MSN | \$1,050.00 | \$1,126.00 | \$1,220.00 | \$1,310.00 | \$1,350.00 | \$1,350.00 | 128.57% |
| 36 | Idaho Dental Education (IDEP) | \$13,281.00 | \$14,386.00 | \$15,372.00 | \$16,614.00 | \$17,854.00 | \$6,102.00 | 45.95% |
| 37 | Other Fees: | | | | | | | |
| 38 | Western Undergrad Exchge | \$1,724.00 | \$1,850.00 | \$2,000.00 | \$2,095.00 | \$2,210.00 | \$810.00 | 46.98% |
| 39 | In-service Fees/Cr Hr - Undergrad | \$55.00 | \$60.00 | \$65.00 | \$69.00 | \$72.00 | \$27.00 | 49.09% |
| 40 | In-service Fees/Cr Hr - Grad | \$66.00 | \$72.00 | \$77.00 | \$82.00 | \$86.00 | \$30.00 | 45.45% |

**College & Universities
Peer Comparisons
Resident Undergraduate Tuition and Fees
FY 2004 - FY 2007**

| | <u>2003-2004</u> | <u>2004-2005</u> | <u>2005-2006</u> | <u>2006-2007</u> | INCREASE OVER PRIOR YEAR | |
|--------------------------------------|------------------|------------------|------------------|------------------|-------------------------------------|----------------|
| | | | | | <u>AMOUNT</u> | <u>PERCENT</u> |
| IDAHO STATE UNIVERSITY | | | | | | |
| 1 Indiana State University | \$5,422 | \$5,640 | \$5,864 | \$6,436 | \$796 | 13.6% |
| 2 University of Kansas | \$4,101 | \$4,737 | 5,413 | 6,153 | 1,416 | 26.2% |
| 3 University of Oregon | 4,683 | 5,121 | 5,193 | 5,970 | 849 | 16.3% |
| 4 University of Northern Iowa | 4,916 | 5,387 | 5,602 | 5,912 | 525 | 9.4% |
| 5 University of North Dakota | 4,156 | 4,828 | 5,327 | 5,792 | 964 | 18.1% |
| 6 Montana State University - Bozeman | 4,145 | 4,577 | 5,220 | 5,676 | 1,099 | 21.1% |
| 7 Portland State University | 4,206 | 4,311 | 4,499 | 5,210 | 899 | 20.0% |
| 8 University of Montana | 4,104 | 4,377 | 4,711 | 4,970 | 593 | 12.6% |
| 9 University of Colorado - Denver | 3,517 | 3,888 | 4,926 | 4,773 | 885 | 18.0% |
| 10 Northern Arizona University | 3,593 | 4,072 | 4,393 | 4,546 | 474 | 10.8% |
| 11 New Mexico State University | 3,372 | 3,666 | 3,918 | 4,230 | 564 | 14.4% |
| 12 Idaho State University | 3,448 | 3,700 | 4,000 | 4,190 | 490 | 12.3% |
| 13 University of Northern Colorado | 3,241 | 3,370 | 3,837 | 3,900 | 530 | 13.8% |
| 14 University of Nevada - Las Vegas | 2,670 | 3,210 | 3,476 | 3,732 | 522 | 15.0% |
| 15 University of Nevada - Reno | 2,670 | 3,034 | 3,270 | 3,684 | 650 | 19.9% |
| 16 University of Wyoming | 3,090 | 3,243 | 3,426 | 3,515 | 272 | 7.9% |
| 17 Peer Averages | 3,833 | 4,198 | 4,567 | 4,918 | 721 | 15.8% |

* SOURCES:
WICHE Tuition & Fees In Public Higher Education in the West
The Chronicle of Higher Education

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IDAHO STATE UNIVERSITY

DOCUMENTS PROVIDED BEFORE AND DURING CAMPUS FEE HEARINGS

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PUBLIC NOTICE

Public hearings will be held March 7th & 8th, 2007, to gather input on proposed student fees to become effective Fall 2007. The hearing location & time are as follows:

March 7th, 12:00pm, Idaho Falls Bennion Student Union, Multi Purpose Room

March 7th, 5:30pm, Pocatello Pond Student Union, South Fork Room

March 8th, 12:00pm, Pocatello Pond Student Union, Clearwater Room

The meetings will continue until all presenters have had an opportunity to speak.

Written testimony will be received until the time of the meetings.

Mail to the office of University Counsel, Campus Stop 8410 or E-mail to genecoun@mm.isu.edu

IDAHO STATE UNIVERSITY STUDENT FEE DISTRIBUTION

| | Board Approv. Semester 2006-2007 | Proposed Semester 2007-2008 | Increase | |
|---|--|-----------------------------------|-----------------|-------------|
| | Full Fee (1) | Full Fee (1) | Amount | % |
| Tuition | \$1,344.56 | \$1,450.81 | \$106.25 | 7.9% |
| Facilities Fee - Facilities | 217.00 | 217.00 | 0.00 | 0.0% |
| Facilities Fee - Campus Technology | 75.00 | 75.00 | 0.00 | 0.0% |
| Activity Fees | | | | |
| Intercollegiate Athletics | 103.40 | 103.40 | 0.00 | 0.0% |
| Student Health Center | 55.50 | 60.00 | 4.50 | 8.1% |
| Student Union Operations | 131.50 | 131.50 | 0.00 | 0.0% |
| ASISU Activities | 63.15 | 63.15 | 0.00 | 0.0% |
| Leadership & Counselor Training | 3.30 | 3.30 | 0.00 | 0.0% |
| Janet C Anderson Gender Resource Center | 5.70 | 5.70 | 0.00 | 0.0% |
| Childcare Services | 12.55 | 12.55 | 0.00 | 0.0% |
| Photo ID | 2.35 | 2.35 | 0.00 | 0.0% |
| Marching Band | 6.75 | 6.75 | 0.00 | 0.0% |
| Debate Team | 4.35 | 4.35 | 0.00 | 0.0% |
| Rodeo Team | 4.89 | 4.89 | 0.00 | 0.0% |
| Bengal Dance Team | 0.00 | 4.13 | 4.13 | NEW |
| Recreation Facility Operation | 21.00 | 21.00 | 0.00 | 0.0% |
| Intramurals | 4.70 | 4.70 | 0.00 | 0.0% |
| Student Band/Choir | 5.00 | 5.00 | 0.00 | 0.0% |
| Student Support Service | 5.00 | 5.00 | 0.00 | 0.0% |
| Alumni Activities | 2.50 | 2.50 | 0.00 | 0.0% |
| Scholarships | 19.50 | 19.50 | 0.00 | 0.0% |
| Student Wellness Program | 4.10 | 4.22 | 0.12 | 2.9% |
| C W HOG | 3.20 | 3.20 | 0.00 | 0.0% |
| TOTAL ACTIVITY FEES | \$458.44 | \$467.19 | \$8.75 | 1.9% |
| TOTAL FULL-TIME FEE | \$2,095.00 (1) | \$2,210.00 (1) | \$115.00 | 5.5% |
| Graduate Class Fee | \$370.00 | \$380.00 | \$10.00 | 2.7% |
| Non-Resident Tuition | \$4,135.00 | \$4,300.00 | \$165.00 | 4.0% |

| | Board Approv. Sem 06/07 Summer (07) | Proposed Sem 07/08 Summer (08) | Increase | |
|--|---|--------------------------------------|---------------|--------------|
| | Cr.Hr.Fee | Cr.Hr.Fee | Amount | % |
| Tuition | \$161.60 | \$168.57 | 6.97 | 4.3% |
| Facilities Fee - Campus Technology | 9.00 | 9.00 | 0.00 | 0.0% |
| Activity Fees | 43.40 | 43.43 | 0.03 | 0.1% |
| Stadium Operations | 6.00 | 6.00 | 0.00 | 0.0% |
| Student Union Operations | 9.50 | 9.50 | 0.00 | 0.0% |
| Intercollegiate Athletics | 3.00 | 3.00 | 0.00 | 0.0% |
| Janet C Anderson Gender Resource Center | 1.20 | 1.20 | 0.00 | 0.0% |
| Childcare Services | 2.00 | 2.00 | 0.00 | 0.0% |
| Recreation Facility Operation | 3.75 | 3.75 | 0.00 | 0.0% |
| Intramurals | 1.00 | 1.00 | 0.00 | 0.0% |
| Student Wellness Program (Sem & Summer) | 1.05 | 1.08 | 0.03 | 2.9% |
| Leadership & Counselor Training | 1.00 | 1.00 | 0.00 | 0.0% |
| Student Support Service (Sem & Summer) | 1.00 | 1.00 | 0.00 | 0.0% |
| Outreach Programming | 2.00 | 2.00 | 0.00 | 0.0% |
| ASISU (Fall & Spring)/Student Prog(Summer) | 7.00 | 7.00 | 0.00 | 0.0% |
| Photo ID | 1.25 | 1.25 | 0.00 | 0.0% |
| Marching Band | 1.65 | 1.65 | 0.00 | 0.0% |
| Student Health Center | 2.00 | 2.00 | 0.00 | 0.0% |
| TOTAL CREDIT HOUR FEE | \$214.00 | \$221.00 | \$7.00 | 3.27% |
| Graduate Class Fee | \$37.00 | \$38.00 | \$1.00 | 2.7% |
| Non-Resident Tuition | \$115.00 | \$120.00 | \$5.00 | 4.4% |

| | | | | |
|--|--------------|----------------|----------|------|
| Pharmacy Professional Fee (Continuing Resident Student) | \$965.00 | \$1,050.00 | \$85.00 | 8.8% |
| Pharmacy Professional Fee (Continuing Non-Resident Student) | \$2,900.00 | \$3,045.00 | \$145.00 | 5.0% |
| Pharmacy Professional Fee (New Resident Student) | \$3,090.00 | \$3,183.00 | \$93.00 | 3.0% |
| Pharmacy Professional Fee (New Non-Resident Student) | \$4,875.00 | \$5,021.00 | 146.00 | 3.0% |
| Physical/Occupational Therapy Prof Fee (Resident) | \$760.00 (2) | \$783.00 (2) | \$23.00 | 3.0% |
| Physical/Occupational Therapy Prof Fee (Non-Resident) | 2,620.00 (2) | 2,700.00 (2) | 80.00 | 3.1% |
| Physician Assistant (Res) 3 sessions per yr | \$5,050.00 | \$5,200.00 | \$150.00 | 3.0% |
| Physician Assistant (Non-Res) 3 sessions per yr | 5,615.00 | 5,785.00 | 170.00 | 3.0% |
| Graduate Counseling | 0.00 | 325.00 | New | New |
| Nursing MSN | \$655.00 | \$675.00 | \$20.00 | 3.1% |
| Idaho Dental Education Program | \$8,307.00 | \$8,960.00 Est | \$653.00 | 7.9% |

(1) Cost of Technology Session is one-half of the semester charge
(2) Not charged during Summer Session

**IDAHO STATE UNIVERSITY
STUDENT FEE HEARING
March 7, 2007 - 12:00 noon
Idaho Falls Campus**

In attendance: Bradley H. Hall, General Counsel; Ken Prolo, Vice President of Financial Services; Leo Herrman, Budget Officer; and one student.

Bradley Hall opened the hearing at 12:00 noon, explaining the format of the hearing, and invited testimony. Although one student was in attendance, she chose not to submit oral or written testimony. There was no testimony for or against the proposed student fee increase. Some questions were asked informally about certain budget items. They were answered by Ken Prolo and Leo Herrman. Two individuals later submitted written response via email. Those responses are attached.

A last call for testimony was issued at 12:15 p.m. and the hearing was closed at 12:20 p.m.

3/15/07
Date

Rita Magee
Rita Magee
Assistant to the General Counsel
Idaho State University

Student Fee Hearing
Pond Student Union Building
March 7, 2006
5:30 pm

1. Todd Itami

16. _____

2. Elsina Ericson

17. _____

3. Katie Ikum

18. _____

4. Tara Grote

19. _____

5. Kate Griffith

20. _____

6. Lacey Duffin

21. _____

7. Lindsay Tucker

22. _____

8. JOSH Bcr

23. _____

9. Amy Taylor

24. _____

10. Wayland Olsen

25. _____

11. Todd Robertson

26. _____

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30. _____

**IDAHO STATE UNIVERSITY
STUDENT FEE HEARING
March 7, 2007- 5:30 pm
Pocatello Campus**

In attendance: Bradley H. Hall, General Counsel; Ken Prolo, Vice President of Financial Services; Leo Herrman, Budget Officer; Hillary Hoffmaier, Director, Bengal Dancers

Bradley Hall opened the hearing at 5:30 pm, explaining the format of the hearing and opened it for testimony.

Testimony was presented as follows:

Todd Itami: My name is Todd Itami, I am a student senator with the college of Arts & Sciences, student association. I would just like to come and express our appreciation for the work that has been put into this budget, first of all. This budget was presented to us as a senate, I don't speak officially for the senate at this time. At the last senate meetings it was my perception there were no major concerns with any of the items. I especially want to give my support today for the new fee of \$4.13 going to the Bengal Dance Team. I feel the Bengal Dance Team is a nationally competitive team. Over the past few years they've proven their competitiveness and their effort and these are some of the hardest working athletes that we have on campus. As far as I'm concerned and best representing my constituency as a senator, I completely support this fee and congratulate you for putting it on the budget.

Elsina Ericson: My name is Elsina Ericson and I am a member of the Bengal Dancers. This is actually my first year at ISU and I would just like to voice my support for the fee that is going to go to support us. One of the major things that I think is important for the Bengal Dancing team, I went to school in Utah for two years and I was on their dance team there and we didn't get a scholarship, we didn't get anything, and it was really hard to keep going with the dance team. It was really hard to get everybody to go to all the games. It was really hard to get any kind of support for us at all because we were not supported at all, with any kind of money. So, our program just went down hill year after year, it was so frustrating. One of the years that I was there, well both years actually, every year we went, we would see ISU at the competition that we go to in Vegas, and every year I would watch ISU and they were amazing, like they were so good. And I was like, why did I come to school in Utah for no scholarship when I could be at school at ISU and be on a really good team and have a scholarship and be supported so that actually was the main reason that I was interested in ISU in the first place. I probably wouldn't have had a second thought about coming, it's a great school but the dance team was what initially caught my interest and that's the main reason that I came. I know there is a couple of other girls on the team that are from out of state and from other teams that weren't supported or weren't as good as we were and they saw ISU at competitions and that is what brought us here. I think it is a really good idea to have support. Thank you very much.

Katie Illum: My name is Katie Illum and I am also a Bengal Dancer here at Idaho State University. I would like to say that I am very grateful for this fee that will be added to help support us. I am a freshman here and a lot of colleges that I applied to offered me some pretty big academic scholarships but I chose to attend Idaho State University because of the prestigious dance team. I grew up in American Falls, so I have been watching them since I was a little girl. I was very grateful that I was able to come to ISU, get a scholarship, and dance on a nationally ranked team. Thank you.

Tara Grote: My name is Tara Grote and I'm from Boise, Idaho. It would have been my choice to choose to go to Boise State, but since I've heard about the Bengal Dancers and how they were so successful in winning nationals, or like second place, and then we won nationals this year. I chose to come to this college because of the Bengal Dancers. Not because of Pocatello, it is not the best city to be at, we all know that. I am initially here just for the Bengal Dancers. I am really supportive of the fee and I hope it is successful. Thank you very much.

Kay Griffith: Hi my name is Kay Griffith. I am also a Bengal Dancer and a student. I am very supportive of the fees. I came here to dance and I came from a different college so it's really important that the fee, because I love dancing here.

Lacey Duffin: My name is Lacey Duffin. I am a student here at ISU and I am in favor of the budget here that has been made. I feel that the budget that was put out definitely helps ISU grow. ISU is still very affordable. I feel that it's a very affordable college and this budget keeps in mind for expansions for ISU. I am in favor of it.

Lindsay Tucker: My name is Lindsay Tucker. I am actually a graduate student at ISU, I am in the Doctorate of Audiology program, so academics are very important to me. I actually received a full ride scholarship to Harvard, but chose to come here for the dance team, because I also love dancing. My parents are really supportive of me coming to ISU and I just think it would be great if we can continue to support the Bengal Dancers. I am in full support of this fee increase and I think it's great that we have such a great dance team in such a rural area. Especially on the west coast because if you come to competition with us, you will see that the majority of the good dancers are on the East Coast, and we do compete against Harvard and we do beat them. I fully support this fee increase and I think it's just great that we have the dance team that we have here. I was part of the dance team for four years and this is my second year as the assistant coach so I'm obviously a groupie, I love it, I probably won't ever leave. Thank you.

Josh Bell: My name is Josh Bell, and like Todd Itami, I am a senator for the College of Arts and Sciences. I first wanted to express, I feel the process of these budget hearings has been very, very good, that's to say the least. It has been open, it's been publicized, everyone has been invited to come and I think these are wonderful, I wish there would be more people here to express concerns or opinions but we have a very good showing today, especially from the Bengal Dancers. I wanted to give my support, first and foremost to this proposed budget. I feel that a lot of hard work and a lot of time has been spent in coming up with the numbers and seeing where they need to be and I feel that they have all been placed especially with the Bengal Dancers

getting their \$4.13 increase is a very wonderful thing. They consistently bring home national championships or nationally ranked titles. A new ERP system for our computers is going to be a wonderful thing. I just wanted to voice my support publicly and on record.

Amy Taylor: I'm Amy Taylor and I'm a senior on the Bengal Dancers and currently the captain. I am here to support the increase for the Bengal Dancers because it is excellent to give any team or club that opportunity to continue their practice. The Bengal Dancers are so appreciative of any sort of fee increase that I know any other recreation or club that gets it is totally supportive. Any opportunity that anybody can get would be awesome. I just wanted to stand here and say, I want to support it.... Bengal Dancers is also an awesome part for all dancers and girls because dancers get an opportunity to go to college or to go professional, and a lot of the girls chose to go to college because of scholarships and because the records we have here at ISU. I know you can pick the opportunity to go professional and get paid or go to college and get support to get your education. All the girls here chose education. When you take that away, I don't think we'd get as many girls and we all leave with an education. It's an awesome opportunity and I hope you support this. Go Bengals.

Nayland Olsen: My name is Nayland Olsen and I would just like to say as a student of ISU, I fully support the Bengal Dancers and would not mind a fee increase in whatever amount that could keep them competing at a national level and bringing home titles to Pocatello and doing as well as they've been doing.

Todd Robertson: My name is Todd Robertson, I'm also not on the team, but I am involved with athletics as part of the Marching Band. I do a lot of those things, the pep-band stuff, I understand how important it is to have extra support for the teams and how important it is to them. I think the \$4.00 increase is extremely important for the Bengal Dancers. That's it.

Hearing was closed at 6:00 p.m.

3-15-07
Date

Rita Magee
Rita Magee
Assistant to the General Counsel
Idaho State University

Student Fee Hearing
Pond Student Union Building
March 8, 2007
12:00 pm

1. Zane Mickelsen

16. _____

2. Devri Ellis

17. _____

3. INHTNEN doSmith

18. _____

4. Ross Cunningham

19. _____

5. Tom Briggs

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IDAHO STATE UNIVERSITY
STUDENT FEE HEARING
March 8, 2007 - 12:00 pm
Pocatello Campus

In attendance: Bradley H. Hall, General Counsel; Leo Herrman, Budget Officer; Lowell Richards, Vice President of Student Affairs; and various students.

Bradley Hall opened the hearing at 12:00 pm, explaining the format of the hearing and opened it for testimony.

Testimony was presented as follows:

Zane Mickelsen: My name is Zane Mickelsen. One of the things that I wanted to state on the record was that I felt like this year there was a good process of that I was informed several weeks ago about the budget and the budget hearing and that I feel that the process has been fair and open to students. I do support the Bengal Dance Team receiving, having secured funds. The one thing that I do question is that in form we are securing funds for them but in substance I feel like it's athletics really receiving the increase. Bengal Dancers are receiving what they have received and now this allows more money for athletics so I don't know how necessary that is. I'm not sure I'm strongly opposed to it but I just think that the substance of what that transaction is, is that it needs to be looked at. Like I said, I think that the hearing has been open and as a student I've been able to have access to this information and to look over it, and that this meeting was open and welcoming to students.

Devri Ellis: My name is Devri Ellis. I am a student at ISU and also a Bengal Dancer. I just came here to help support the fee, for us (Bengal Dancers) to get that. The Bengal Dancers, I wouldn't be here if it wasn't for the Bengal Dancers. My first year, I came here and I wasn't a Bengal Dancer and was ready to transfer until they got me to try out and now I am staying and I like ISU and I will continue to stay and I will graduate. I think that is a good thing for ISU to have the Bengal Dancers. If we don't get the money then we wouldn't be here.

Whitney Smith: My name is Whitney Smith and I attend ISU and I am also a Bengal Dancer. I just wanted to come and support the fee for the Bengal Dancers. I think it is a really great thing that they would want to do this for us. The Bengal Dancers is a really positive attribute of the student body of ISU and I think we support this school well and I think this fee would help with our funding and it would be a really good thing for us as a team. I just also wanted to support it and say that I think it would be a really great thing to have.

Ross Cunningham: Hi, I am Ross Cunningham. I am a full time student at ISU, as well. I am known to many as "Super Fan". I would also like to say that I support this increase very much. I believe the Bengal Dancers have done nothing but..... remaining testimony failed to record.

Tom Briggs: Testimony failed to record.

The hearing was closed at 12:30 p.m.

3-15-07
Date

Rita Magee
Rita Magee
Assistant to the General Counsel
Idaho State University

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IDAHO STATE UNIVERSITY

DOCUMENTS PROVIDED BEFORE AND DURING CAMPUS FEE HEARINGS

STUDENT INFORMATION

Subject: Genecoun post from ben_baker33@hotmail.com requires approval
From: genecoun-owner@mm.isu.edu
Date: Wed, 07 Mar 2007 17:06:15 -0700
To: genecoun-owner@mm.isu.edu

As list administrator, your authorization is requested for the following mailing list posting:

List: Genecoun@mm.isu.edu
From: ben_baker33@hotmail.com
Subject: student fees
Reason: Post by non-member to a members-only list

At your convenience, visit:

<http://mm.isu.edu/mailman/admindb/genecoun>

to approve or deny the request.

Subject: student fees
From: ben baker <ben_baker33@hotmail.com>
Date: Wed, 07 Mar 2007 17:06:09 -0700
To: genecoun@mm.isu.edu

I wanted to comment on student fees.
I feel that the raised tuition fees are unjustified. I also feel that the school should not appeal to the government as a supplement. Instead it should tighten its belt, lower its spending, and lower tuition fees.

Ben Baker
Junior

Play Flexicon: the crossword game that feeds your brain. PLAY now for FREE.
http://zone.msn.com/en/flexicon/default.htm?icid=flexicon_hmtagline

Subject: confirm 575e4f07efbcacf4430d8ccc435056afa0697c27
From: genecoun-request@mm.isu.edu

If you reply to this message, keeping the Subject: header intact, Mailman will discard the held message. Do this if the message is spam. If you reply to this message and include an Approved: header with the list password in it, the message will be approved for posting to the list. The Approved: header can also appear in the first line of the body of the reply.

student fees.eml Content-Type: message/rfc822

confirm 575e4f07efbcacf4430d8ccc435056afa0697c27.eml Content-Type: message/rfc822

Subject: Genecoun post from andy_ferguson_@hotmail.com requires approval
From: genecoun-owner@mm.isu.edu
Date: Wed, 07 Mar 2007 15:22:45 -0700
To: genecoun-owner@mm.isu.edu

As list administrator, your authorization is requested for the following mailing list posting:

List: Genecoun@mm.isu.edu
From: andy_ferguson_@hotmail.com
Subject: tuition
Reason: Post by non-member to a members-only list

At your convenience, visit:

<http://mm.isu.edu/mailman/admin/db/genecoun>

to approve or deny the request.

Subject: tuition
From: Andy Ferguson <andy_ferguson_@hotmail.com>
Date: Wed, 07 Mar 2007 15:22:25 -0700
To: genecoun@mm.isu.edu

I am opposed to paying higher fees in tuition, unless those fees go towards expanding the Idaho Falls campus. I personally feel that Idaho Falls students should not pay more money to benefit students attending in Pocatello. Depending on what the tuition increase will be, will weigh my decision to attend a different college if necessary, because other schools tuition costs approximately the same as what I pay now and they get more for their dollar.

Find a local pizza place, movie theater, and more....then map the best route!

Subject: confirm 8b4c14dd2fb90eff4b3edffd44f1596e95aeff18
From: genecoun-request@mm.isu.edu

If you reply to this message, keeping the Subject: header intact, Mailman will discard the held message. Do this if the message is spam. If you reply to this message and include an Approved: header with the list password in it, the message will be approved for posting to the list. The Approved: header can also appear in the first line of the body of the reply.

tuition.eml Content-Type: message/rfc822

confirm 8b4c14dd2fb90eff4b3edffd44f1596e95aeff18.eml Content-Type: message/rfc822

Subject: Genecoun post from reedwilding@hotmail.com requires approval
From: genecoun-owner@mm.isu.edu
Date: Wed, 07 Mar 2007 13:48:41 -0700
To: genecoun-owner@mm.isu.edu

As list administrator, your authorization is requested for the following mailing list posting:

List: Genecoun@mm.isu.edu
From: reedwilding@hotmail.com
Subject: fees
Reason: Post by non-member to a members-only list

At your convenience, visit:

<http://mm.isu.edu/mailman/admindb/genecoun>

to approve or deny the request.

Subject: fees
From: Reed Wilding <reedwilding@hotmail.com>
Date: Wed, 7 Mar 2007 13:48:39 -0700
To: <genecoun@mm.isu.edu>

I don't feel that the students fees increase should go towards a bigger gym in Pocatello. In all honesty how many times on average would a typical IF student use the facility to make it worth the increase. I would rather personally pay more money to have another building constructed at University Place that would provide students with more local and opportune classes near where they live. Some class schedules, like mine, require students to be at school all day or leave and return several times a day in order to effectively and economically attend college.

Reed Wilding

"Life is not measured by the number of breaths we take, but by the moments that take our breath away."

Subject: confirm 8370f71c1269f99da45bf43212d233176238bc0a
From: genecoun-request@mm.isu.edu

If you reply to this message, keeping the Subject: header intact, Mailman will discard the held message. Do this if the message is spam. If you reply to this message and include an Approved: header with the list password in it, the message will be approved for posting to the list. The Approved: header can also appear in the first line of the body of the reply.

fees.eml Content-Type: message/rfc822

confirm 8370f71c1269f99da45bf43212d233176238bc0a.eml Content-Type: message/rfc822

Subject: Genecoun post from dboyter@nwpwrservices.com requires approval
From: genecoun-owner@mm.isu.edu
Date: Wed, 07 Mar 2007 14:15:55 -0700
To: genecoun-owner@mm.isu.edu

As list administrator, your authorization is requested for the following mailing list posting:

List: Genecoun@mm.isu.edu
From: dboyter@nwpwrservices.com
Subject: Fee increase
Reason: Post by non-member to a members-only list

At your convenience, visit:

<http://mm.isu.edu/mailman/admindb/genecoun>

to approve or deny the request.

Subject: Fee increase
From: David Boyter <dboyter@nwpwrservices.com>
Date: Wed, 07 Mar 2007 14:15:26 -0700
To: genecoun@mm.isu.edu

I got the email about the meeting for student fees increase. I was unable to attend since I have to work to pay life's fees, but I got some questions:

Students are being asked to sacrifice by the increase fees, what is the school sacrificing? What programs are being canceled? Who is losing a job?

Please have the school calculate the following (always wanted to know):

Teaching efficiently = (total # of hours spent teaching by all ISU paid employees) / (total # of hours paid by ISU)

- o I am OK if the school includes grading papers and answering students' questions with teaching
- o All ISU paid employees should include teacher, administrators, janitors, but not student employees

What are the increase fees being used for?

What is the school doing to decrease the amount of time needed to graduate? For example, have they thought about decreasing general education requirements? We spend k-12 grade learning general stuff, get that out of the program so students can decrease one year of required classes. Also if there are less general classes required then there are less teachers and more money. Maybe just make all incoming students take a test on the general material, if they pass they don't have to take those classes. If they don't pass then make their k-12 grade schools pay those class fees. This would decrease the students' fees while maintaining a general education requirement, which I still believe is unneeded at this stage of education.

Thanks,
Dave Boyter

Subject: confirm 29a72ce38397df1e4b143c75358131b92d6f21a4

From: genecoun-request@mm.isu.edu

If you reply to this message, keeping the Subject: header intact, Mailman will discard the held message. Do this if the message is spam. If you reply to this message and include an Approved: header with the list password in it, the message will be approved for posting to the list. The Approved: header can also appear in the first line of the body of the reply.

Fee increase.eml Content-Type: message/rfc822

confirm 29a72ce38397df1e4b143c75358131b92d6f21a4.eml Content-Type: message/rfc822

UNIVERSITY OF IDAHO

STUDENT FEE RECOMMENDATION

TO

THE IDAHO STATE BOARD OF EDUCATION

- **Student Fee Recommendation Narrative Page 3**
- **Provided by OSBE:**
 - Recommendations for Changes to Student Fees for FY 2008..... Page 6
 - Potential Student Fee Revenue Changes for FY 2008..... Page 7
 - 4-year History of Board Approved Fees plus FY 2008 Recommended Fees .. Page 8
 - Peer Comparisons of Resident Undergraduate Tuition and Fees..... Page 9
- **Other Documents Provided by Institutions for Fee HearingsPage 11**
- **Student Supplied InformationPage 43**

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UNIVERSITY OF IDAHO
Student Fees and Tuition Information

The Fee Process

The UI collaborative fee process started in January with active participation throughout by the Student Fee Committee. This representative committee includes student leaders from the ASUI, the GPSA (Graduate and Professional Students Association) and the SBA (Student Bar Association representing the Law School). Auxiliary units and others requesting dedicated fee support presented requests for program maintenance and expansion and new programs and activities. A public meeting was held on February 6, 2007, wherein each unit presented their fee request. The meeting was attended by students and university community members. All fee presentations were submitted to the University Budget Office and posted on the web:

http://www.webs.uidaho.edu/ipb/Budget_Office/budgetoffice.htm

The fee committee met on a weekly basis throughout the month of February to discuss the fee requests from each unit. A comprehensive fee proposal was developed by student leaders and presented to the administration on March 7, 2007. The formal Initial Notice was issued on March 8th as required by Board Policy.

General Education Fees and Tuition

The attached worksheet, which estimates potential fee and tuition revenue changes for FY2008, is predicated on the fee and tuition rates contained in the UI Notice of Intent to Adopt Student Fee and Rate Increases, which was issued on March 8, 2007. The proposed rate changes are supported by UI student leadership. The proposed full-time fee increase is 5.95%.

The additional revenue will provide the following:

- An offset to enrollment losses and help offset inflationary increases in fixed cost contracts, such as police and city services.
- An increase to student scholarship programs.
- An allocation for the career and professional planning program (CAPP) to hire AmeriCorp members and graduate interns to serve as a career advisors as recommended by student leadership

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

- A Vandal access/safety transit program which is designed to move disabled students around campus during the daytime hours and to serve as a safe ride for everyone at night as recommended by student leadership
- An increase to the facilities fee will provide the base needed to begin improvements to the University infrastructure and deferred maintenance needs.

Increases are also proposed for the College of Law and Architecture Professional Fee. These requests are a component of a multi-year phased increase that will be used to sustain the quality of the programs.

Increases in the fees for Summer Programs and Outreach Programs (off campus programs) are also proposed. Both programs rely extensively on generated income and will use the additional revenues to offset enrollment losses and sustain the delivery infrastructure.

Non-General Education Fees

The following information briefly summarizes the uses of the dedicated activity fee net of enrollment decreases that were contained in the fee notices:

MCO/maintenance of programs/activities:

| | |
|---------------------------|-----------|
| Associated Students | \$125,000 |
| Intercollegiate Athletics | \$ 28,000 |
| Student Health | \$ 46,400 |
| Student Research Grants | \$ 14,200 |

New programs: Approved by the student fee committee to assert leadership on this issue.

| | |
|-----------------|-----------|
| Transit Service | \$ 52,200 |
|-----------------|-----------|

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UNIVERSITY OF IDAHO

Changes to Student Fees for FY 2008 Annual Full-Time Fees and Part-Time Credit Hours Fees

| Student Fees: | Bd Appv | FY07 Fees | FY08 Initial Notice | Requested Fees | | |
|---|------------|-----------------|------------------------|-----------------|----------------|-------------|
| | | | | FY08 Fees | Change | % Chg. |
| Full-time Fees: | | | | | | |
| Matriculation Fee {Note 1} | ** | \$2,635.40 | \$2,748.10 | \$2,748.10 | \$112.70 | 4.3% |
| Technology Fee | ** | 117.00 | 127.00 | 127.00 | 10.00 | 8.5% |
| Facilities Fees | ** | 540.50 | 620.50 | 620.50 | 80.00 | 14.8% |
| Student Activity Fees | ** | 907.10 | 954.40 | 954.40 | 47.30 | 5.2% |
| Total Full-time Fees | | <u>4,200.00</u> | <u>4,450.00</u> | <u>4,450.00</u> | <u>250.00</u> | <u>6.0%</u> |
| Part-time Credit Hour Fees: | | | | | | |
| Education Fee | ** | \$143.35 | \$155.35 | \$155.35 | \$12.00 | 8.4% |
| Technology Fee | ** | 6.00 | 6.00 | 6.00 | 0.00 | 0.0% |
| Facilities Fees | ** | 18.70 | 18.70 | 18.70 | 0.00 | 0.0% |
| Student Activity Fees | ** | 31.95 | 31.95 | 31.95 | 0.00 | 0.0% |
| Total Part-time Cr Hr Fees: | | <u>\$200.00</u> | <u>\$212.00</u> | <u>\$212.00</u> | <u>\$12.00</u> | <u>6.0%</u> |
| Other Student Fees: | | | | | | |
| Graduate Fees: | | | | | | |
| Full-time Grad/Prof | ** | \$540.00 | \$540.00 | \$540.00 | \$0.00 | 0.0% |
| Part-time Graduate/Hour | ** | \$27.00 | \$27.00 | \$27.00 | \$0.00 | 0.0% |
| Summer Session 2006 | ** | \$190.00 | \$200.00 | \$200.00 | \$10.00 | 5.3% |
| Outreach Programs | ** | \$200.00 | \$212.00 | \$212.00 | \$12.00 | 6.0% |
| Nonresident Tuition | | | | | | |
| Nonres Tuition - Full-Time | ** | \$9,600.00 | \$9,850.00 | \$9,850.00 | \$250.00 | 2.6% |
| Part-time Nonres Tuition | ** | \$140.00 | \$148.00 | \$148.00 | \$8.00 | 5.7% |
| Professional Fees: | | | | | | |
| Law College FT | ** | \$4,800.00 | \$5,250.00 | \$5,250.00 | \$450.00 | 9.4% |
| Law College PT | ** | \$240.00 | \$263.00 | \$263.00 | \$23.00 | 9.6% |
| Art & Architecture FT | ** | \$774.00 | \$812.00 | \$812.00 | \$38.00 | 4.9% |
| Art & Architecture PT | ** | \$38.00 | \$40.00 | \$40.00 | \$2.00 | 5.3% |
| Other Fees: | | | | | | |
| Western Undergrad Exchge | ** | \$2,100.00 | \$2,225.00 | \$2,224.00 | \$124.00 | 5.9% |
| In-service Fees/Cr Hr - Undergrad | ** | \$69.00 | \$72.00 | \$72.00 | \$3.00 | 4.3% |
| In-service Fees/Cr Hr - Grad | ** | \$82.00 | \$86.00 | \$86.00 | \$4.00 | 4.9% |
| Changes to Student Activity Fees | | | | | | |
| Full-time | | | | | | |
| Associated Students | | 150.60 | 170.60 | 170.60 | 20.00 | 13.3% |
| Intercollegiate Athletics | | 216.68 | 227.98 | 227.98 | 11.30 | 5.2% |
| Student Health | | 71.60 | 79.60 | 79.60 | 8.00 | 11.2% |
| Student Research Grants | | 10.00 | 12.00 | 12.00 | 2.00 | 20.0% |
| Transit Service | | 0.00 | 6.00 | 6.00 | 6.00 | |
| Student Health Insurance Premium | | \$1,192 | | | | |

UNIVERSITY OF IDAHO

Potential Student Fee Revenue Changes for FY 2008 Due to Enrollment and Fee Changes

| Student Fees: | Projected | | Potential Revenue Generated Due to Enrollment and Fee Changes | | | | | |
|--|-----------------|--------|---|-------------|-------------|-------------|----------------|------------|
| | HC/SCH Enrollmt | | Enrollment Changes | | Fee Changes | | Total Rev Chge | |
| | FY07 | FY08 | Gen Educ | Local | Gen Educ | Local | Gen Educ | Local |
| 1 Full-time Fees: | | -3.7% | | | | | | |
| 2 Matriculation Fee {Note 1} | 9,025 | 8,700 | (\$856,500) | | \$980,500 | | \$124,000 | |
| 3 Technology Fee | 9,025 | 8,700 | | (38,000) | | 87,000 | | 49,000 |
| 4 Facilities Fees | 9,025 | 8,700 | | (175,700) | | 696,000 | | 520,300 |
| 5 Student Activity Fees | 9,025 | 8,700 | | (294,800) | | 411,500 | | 116,700 |
| 6 Total Full-time Fees | | | (\$856,500) | (\$508,500) | \$980,500 | \$1,194,500 | \$124,000 | \$686,000 |
| 7 | | | | | | | | |
| 8 Part-time Credit Hour Fees: | | -11.1% | | | | | | |
| 9 Education Fee | 5,400 | 4,800 | (\$86,000) | | \$57,600 | | (\$28,400) | |
| 10 Technology Fee | 5,400 | 4,800 | | (3,600) | | 0 | | (3,600) |
| 11 Facilities Fees | 5,400 | 4,800 | | (11,200) | | 0 | | (11,200) |
| 12 Student Activity Fees | 5,400 | 4,800 | | (19,200) | | 0 | | (19,200) |
| 13 Total Part-time Cr Hr Fees: | | | (\$86,000) | (\$34,000) | \$57,600 | \$0 | (\$28,400) | (\$34,000) |
| 14 | | | | | | | | |
| 15 Other Student Fees: | | | | | | | | |
| 16 Graduate Fees: | | | | | | | | |
| 17 Full-time Grad/Prof | 1,170 | 1,100 | (\$37,800) | | \$0 | | (\$37,800) | |
| 18 Part-time Grad/Prof/CrHr | 12,700 | 12,700 | 0 | | 0 | | 0 | |
| 19 Summer Session 2006 | 14,300 | 12,700 | (304,000) | | 127,000 | | (177,000) | |
| 20 Outreach Programs | 16,400 | 16,400 | 0 | | 196,800 | | 196,800 | |
| 21 Nonresident Tuition | | | | | | | | |
| 22 Nonres Tuition - Full-Time | 720 | 630 | (855,014) | (8,986) | 157,500 | | (697,514) | (8,986) |
| 23 Part-time Nonres Tuition | 1,360 | 970 | (54,600) | | 7,800 | | (46,800) | |
| 24 Professional Fees: | | | | | | | | |
| 25 Law College FT | 290 | 300 | 48,000 | | 135,000 | | 183,000 | |
| 26 Law College PT | 370 | 350 | (4,800) | | 8,100 | | 3,300 | |
| 27 Art & Architecture FT | 600 | 560 | (31,000) | {Note 2} | 21,300 | | (9,700) | |
| 28 Art & Architecture PT | 370 | 270 | (3,800) | | 500 | | (3,300) | |
| 29 Other Fees: | | | | | | | | |
| 30 Western Undergrad Exchge | 980 | 1,220 | 504,000 | | 151,300 | | 655,300 | |
| 31 In-srvc Fees/Cr Hr - Undergrad | 600 | 400 | (13,800) | | 1,200 | | (12,600) | |
| 32 In-srvc Fees/Cr Hr - Grad | 3,970 | 3,100 | (71,300) | | 12,400 | | (58,900) | |
| 33 Total Other Student Fees | | | (\$824,114) | (\$8,986) | \$818,900 | \$0 | (\$5,214) | (\$8,986) |
| 34 | | | | | | | | |
| 35 Total Additional Student Fee Revenue | | | (\$1,766,614) | (\$551,486) | \$1,857,000 | \$1,194,500 | \$90,386 | \$643,014 |
| 36 | | | | | | | | |
| 37 Changes to Student Activity Fees | | | | | | | | |
| 38 Full-time | | | | | | | | |
| 39 Associated Students | 9,025 | 8,700 | | (48,900) | | 174,000 | | 125,100 |
| 40 Intercollegiate Athletics | 9,025 | 8,700 | | (70,400) | | 98,300 | | 27,900 |
| 41 Student Health | 9,025 | 8,700 | | (23,300) | | 69,600 | | 46,300 |
| 42 Student Research Grants | 9,025 | 8,700 | | (3,300) | | 17,400 | | 14,100 |
| 43 Transit Service | 9,025 | 8,700 | | 0 | | 52,200 | | 52,200 |
| 44 | | | | | | | | |
| 45 | | | | | | | | |
| 46 | | | | | | | | |
| 47 | | | | | | | | |

UNIVERSITY OF IDAHO

4-year History of Board Approved Fees plus FY08 Requested Fees Annual Full-Time Fees and Part-Time Credit Hours Fees

| | | FY 2004 | FY 2005 | FY 2006 | FY 2007 | #REF! FY 2008 | 5-Year Increase | % Increase |
|--------------------------------------|--|-----------------|-----------------|-----------------|-----------------|------------------|--------------------|---------------|
| Student Fees: | | | | | | | | |
| 1 Full-time Fees | | | | | | | | |
| 2 Matriculation Fee | | \$1,999.20 | \$2,282.00 | \$2,529.30 | \$2,635.40 | \$2,748.10 | \$748.90 | 37.46% |
| 3 Technology Fee | | 117.00 | 117.00 | 117.00 | 117.00 | 127.00 | 10.00 | 8.55% |
| 4 Facilities Fees | | 577.50 | 540.50 | 540.50 | 540.50 | 620.50 | 43.00 | 7.45% |
| 5 Student Activity Fees | | 654.30 | 692.50 | 781.20 | 907.10 | 954.40 | 300.10 | 45.87% |
| 6 Total Full-time Fees | | <u>3,348.00</u> | <u>3,632.00</u> | <u>3,968.00</u> | <u>4,200.00</u> | <u>4,450.00</u> | <u>1,102.00</u> | <u>32.92%</u> |
| 7 | | | | | | | | |
| 8 Part-time Credit Hour Fees | | | | | | | | |
| 9 Education Fee | | \$110.85 | \$121.35 | \$133.35 | \$143.35 | \$155.35 | \$44.50 | 40.14% |
| 10 Technology Fee | | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 | 0.00% |
| 11 Facilities Fees | | 20.85 | 18.70 | 18.70 | 18.70 | 18.70 | (2.15) | 0.00% |
| 12 Student Activity Fees | | 29.30 | 31.95 | 31.95 | 31.95 | 31.95 | 2.65 | 9.04% |
| 13 Total Part-time Cr Hr Fees | | <u>\$167.00</u> | <u>\$178.00</u> | <u>\$190.00</u> | <u>\$200.00</u> | <u>\$212.00</u> | <u>\$45.00</u> | <u>26.95%</u> |
| 14 | | | | | | | | |
| 15 Other Student Fees | | | | | | | | |
| 16 Graduate Fees: | | | | | | | | |
| 17 Full-time Grad/Prof | | \$540.00 | \$540.00 | \$540.00 | \$540.00 | \$540.00 | \$0.00 | 0.00% |
| 18 Part-time Graduate/Hour | | \$27.00 | \$27.00 | \$27.00 | \$27.00 | \$27.00 | \$0.00 | 0.00% |
| 19 Summer Session 2006 | | \$183.00 | \$178.00 | \$190.00 | \$190.00 | \$200.00 | \$17.00 | 9.29% |
| 20 Outreach Programs | | \$167.00 | \$178.00 | \$190.00 | \$200.00 | \$212.00 | \$45.00 | 26.95% |
| 21 Nonresident Tuition | | | | | | | | |
| 22 Nonres Tuition - Full-Time | | \$7,392.00 | \$8,020.00 | \$8,770.00 | \$9,600.00 | \$9,850.00 | \$2,458.00 | 33.25% |
| 23 Part-time Nonres Tuition | | \$115.00 | \$123.00 | \$130.00 | \$140.00 | \$148.00 | \$33.00 | 28.70% |
| 24 Professional Fees: | | | | | | | | |
| 25 Law College FT | | \$2,900.00 | \$3,400.00 | \$4,400.00 | \$4,800.00 | \$5,250.00 | \$2,350.00 | 81.03% |
| 26 Law College PT | | \$90.00 | \$105.00 | \$220.00 | \$240.00 | \$263.00 | \$173.00 | 192.22% |
| 27 Architecture Programs FT | | \$704.00 | \$704.00 | \$704.00 | \$774.00 | \$812.00 | \$108.00 | 15.34% |
| 28 Architecture Programs PT | | \$35.00 | \$35.00 | \$35.00 | \$38.00 | \$40.00 | \$5.00 | 14.29% |
| 29 Other Fees: | | | | | | | | |
| 30 Western Undergrad Exchg | | \$1,674.00 | \$1,816.00 | \$1,984.00 | \$2,100.00 | \$2,224.00 | \$550.00 | 32.86% |
| 31 In-service Fees/Cr Hr - Undergrad | | \$55.00 | \$60.00 | \$65.00 | \$69.00 | \$72.00 | \$17.00 | 30.91% |
| 32 In-service Fees/Cr Hr - Grad | | \$66.00 | \$72.00 | \$77.00 | \$82.00 | \$86.00 | \$20.00 | 30.30% |

**College & Universities
Peer Comparisons
Resident Undergraduate Tuition and Fees
FY 2004 - FY 2007**

| | | | | | INCREASE OVER PRIOR YEAR | |
|---|-----------|-----------|-----------|-----------|-----------------------------|---------|
| | 2003-2004 | 2004-2005 | 2005-2006 | 2006-2007 | AMOUNT | PERCENT |
| UNIVERSITY OF IDAHO | | | | | | |
| 1 Texas Tech University | \$4,895 | \$5,848 | \$6,152 | \$6,339 | \$491 | 8.0% |
| 2 Washington State University | 4,836 | 5,154 | 5,506 | 5,887 | 733 | 13.3% |
| 3 University of Nebraska - Lincoln | 4,711 | 5,341 | 5,540 | 5,867 | 526 | 9.5% |
| 4 Iowa State University | 5,028 | 5,426 | 5,634 | 5,860 | 434 | 7.7% |
| 5 University of Arkansas - Fayetteville | 4,768 | 5,179 | 5,495 | 5,808 | 629 | 11.4% |
| 6 Kansas State University | 4,060 | 4,665 | 5,124 | 5,779 | 1,114 | 21.7% |
| 7 Montana State University - Bozeman | 4,145 | 4,577 | 5,220 | 5,676 | 1,099 | 21.1% |
| 8 Oregon State University | 4,719 | 5,094 | 5,442 | 5,643 | 549 | 10.1% |
| 9 Oklahoma State University | 3,748 | 4,071 | 4,365 | 4,997 | 926 | 21.2% |
| 10 University of Arizona | 3,593 | 4,087 | 4,487 | 4,754 | 667 | 14.9% |
| 11 Colorado State University | 3,744 | 3,790 | 4,442 | 4,597 | 807 | 18.2% |
| 12 New Mexico State University | 3,372 | 3,666 | 3,918 | 4,230 | 564 | 14.4% |
| 13 University of Idaho | 3,348 | 3,632 | 3,968 | 4,200 | 568 | 14.3% |
| 14 Utah State University | 3,141 | 3,247 | 3,672 | 3,949 | 702 | 19.1% |
| 15 University of Nevada - Reno | 2,670 | 3,034 | 3,270 | 3,684 | 650 | 19.9% |
| 16 University of Wyoming | 3,090 | 3,243 | 3,426 | 3,515 | 272 | 7.9% |
| 17 Peer Averages | 3,992 | 4,378 | 4,729 | 5,049 | 671 | 14.2% |

* SOURCES:
WICHE Tuition & Fees In Public Higher Education in the West
The Chronicle of Higher Education

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UNIVERSITY OF IDAHO

DOCUMENTS PROVIDED BEFORE AND DURING CAMPUS FEE HEARINGS

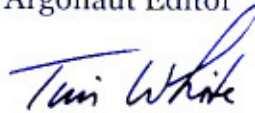
- Initial Notice Page 13
- Fee Hearing Information..... Page 18

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MEMORANDUM

TO: Humberto Cerrillo, ASUI President
Pele Peacock, SBA President
Luis Guerrero, GPSA President
Cynthia Reynaud, Argonaut Editor

FROM: Timothy P. White
President



DATE: March 8, 2007

SUBJECT: FY2008 STUDENT FEES AND TUITION

The University of Idaho fee setting process is now concluded and will be forwarded to the Regents of the University of Idaho for action at the April 19-20, 2007, State Board of Education (SBOE) meeting. On March 27th, an open forum will be held on campus to obtain final reaction to our proposal.

I am grateful to each of the students who participated in the process and want to extend a special acknowledgement to each of you in leadership positions. Student participation and leadership was critical as we worked through the issues associated with student fees. I am pleased to learn of the strong and principled efforts exhibited. I am also grateful for the efforts and leadership of Bev Rhoades, Bruce Pitman and other UI staff.

The attached *Notice of Intent* proposes an increase of \$125.00 in resident undergraduate fees per semester. This 5.95% increase will bring the semester cost of attending the University of Idaho from \$2,100.00 to \$2,225.00. The proposal will provide revenues that are essential to help the university and various activity areas maintain and improve programs and services for our students, as well as invest in areas necessary for a vibrant future.

I accepted your recommendations on Dedicated Activity Fees and made one addition for student research. Student research and creativity is such an important component of our learning environment, I felt compelled to increase this support. I commend you for investing in Transit Service. Your vision and commitment will help us sustain this important service between the UI and WSU, which not only benefits students and others who use the service, but also contributes to our ongoing effort to fulfill our sustainability commitment to minimize carbon emissions.

With respect to the Matriculation Fee, revenues for Career and Professional Planning and Vandal Access and Safety Transit have been identified as dedicated items. Also in the Matriculation Fee is a dedicated increase in need-based scholarship funds

proportionate to the overall fee increase, to be consistent with our commitment to financial accessibility. I have also included a request to the Regents for Deferred Maintenance within our Facility Fees. This significant issue has been ignored for too long and will take many years to resolve. Yet, as proper and forward-leaning stewards of the University of Idaho, we have a responsibility to take action *now* to preserve and improve this iconic campus for generations of students to come.

In the final analysis, we have settled on an outcome that is a wise investment of student resources. While enrolled at the University of Idaho, access to a wide range of quality programs, both academic and non-academic, provides an advantage to our students, an advantage that helps enable UI graduates to live, work, compete and prosper in a multi-cultural and global environment.

In addition to the *Notice of Intent*, a *Summary* and a proposed model are attached. These materials have been prepared and distributed as prescribed by Board Policy. As mentioned above, a final determination will not be made by the Regents of the University of Idaho/SBOE until the Board meeting on April 19-20, 2007. Until that time, I invite you to provide feedback to this notice by writing or sending e-mail to Vice President, Lloyd Mues (lmues@uidaho.edu), Provost and Executive Vice President, Doug Baker (doubaker@uidaho.edu), or by contacting me directly (timwhite@uidaho.edu).

Again, thank you for your leadership.

Cc: Doug Baker, Provost and Executive Vice President
Tyrone Brooks, Operations Officer
Bill McLaughlin, Chair, Faculty Council
Lloyd Mues, Vice President, Finance and Administration
Bruce Pitman, Vice Provost for Student Affairs and Dean of Students
Bev Rhoades, Budget Office
Jane Stotler, Controller

Attachments

NOTICE OF INTENT TO ADOPT STUDENT FEE AND RATE INCREASES

Fiscal Year 2008: Academic Year 2007-2008

Notice is hereby given that the University of Idaho intends to raise the following fees:

Increases to full-time fees and tuition

General full-time fee by \$125.00 per semester (5.95% increase)

Law School fee by \$225.00 per semester

Architecture programs fee by \$19.00 per semester

Nonresident Tuition by \$125.00 per semester (2.60% increase)

Western Undergraduate Exchange fee by \$63.00 per semester (6.00% increase)
(increased calculated fee rate of \$62.50 to a whole number)

Increases to part-time fees and tuition

Part-time fee by \$12.00 per credit hour

Nonresident tuition by \$4.00 per credit hour

Summer Session 2008 fee by \$12.00 per credit hour

Law School fee by \$23.00 per credit hour

Architecture programs fee by \$2.00 per credit hour

A COMPLETE SCHEDULE OF CURRENT AND INCREASED FEE AND TUITION RATES IS ATTACHED AS AN OFFICIAL PART OF THIS "NOTICE OF INTENT TO ADOPT STUDENT FEE AND RATE INCREASES." A STUDENT FEE OPEN FORUM IS SCHEDULED FOR MARCH 27, 2007 AT 4:00 PM IN THE IDAHO COMMONS WHITEWATER ROOM.

Proposed Fee and Tuition Rates: Fiscal Year 2008

| <u>Full-time Fee and Tuition Rates:</u> | <u>Current Rates</u> | <u>Proposed Increases</u> | <u>New Rates</u> | <u>Percent Change</u> |
|---|----------------------|---------------------------|------------------|-----------------------|
| General UnderGrad fee/semester | \$ 2,100.00 | \$ 125.00 | \$ 2,225.00 | 5.95% |
| Grad/Professional fee/semester | \$ 270.00 | \$ - | \$ 270.00 | 0.00% |
| Law School fee/semester | \$ 2,400.00 | \$ 225.00 | \$ 2,625.00 | 9.38% |
| Architecture fee/semester {Note 1} | \$ 387.00 | \$ 19.00 | \$ 406.00 | 4.91% |
| FT nonresident tuition/semester | \$ 4,800.00 | \$ 125.00 | \$ 4,925.00 | 2.60% |
| Western Undergrad Exchange (WUE) | \$ 1,050.00 | \$ 63.00 | \$ 1,113.00 | 6.00% |

Initial Notice - Summary Issued March 8th

| <u>Part-time Fee and Tuition Rates</u> | <u>Current Rates</u> | <u>Proposed Increases</u> | <u>New Rates</u> | <u>Percent Change</u> |
|---|----------------------|---------------------------|------------------|-----------------------|
| On-campus PT/credit hour | \$ 200.00 | \$ 12.00 | \$ 212.00 | 6.00% |
| Off-campus PT/credit hour (Outreach) | \$ 200.00 | \$ 12.00 | \$ 212.00 | 6.00% |
| Grad/Professional Fee per credit hour | \$ 27.00 | \$ - | \$ 27.00 | 0.00% |
| PT nonresident tuition/credit hour | \$ 140.00 | \$ 4.00 | \$ 144.00 | 2.86% |
| Law College Dedicated/credit hour | \$ 240.00 | \$ 23.00 | \$ 263.00 | 9.58% |
| Architecture Dedicated/credit hour {Note 1} | \$ 38.00 | \$ 2.00 | \$ 40.00 | 5.26% |

UI Student Fee Schedule - Academic Year 2007-2008

Full-time Student Fee Changes for Fall 2007/FY2008

| | Estimated Headcount | FY2007 Full-time Per Semester | Proposed Change in FY2008 | Percent Change fm FY07 | Estimated Revenue Change in FY08 |
|---|------------------------|-------------------------------------|---------------------------------|------------------------------|--|
| Facility Fees | | | | | |
| Deferred Maintenance | 17,400 | - | \$ 40.00 | | \$ 696,000 |
| Bond Series 1996 | 17,400 | 55.00 | | | |
| Bond Series 1997 A&B | 17,400 | 5.00 | | | |
| Commons Bond Series 1997 | 17,400 | 75.00 | | | |
| Revenue Bond Series 2003 | 17,400 | 48.25 | | | |
| Student Recreation Center Series 1999 | 17,400 | 82.00 | | | |
| Sweet Ave/Campus Impr Series 1999B | 17,400 | 5.00 | | | |
| Subtotal for Facility Fees | 17,400 | \$ 270.25 | \$ 40.00 | 14.86% | \$696,000 |
| General Education Operating Budget | | | | | |
| Matriculation Fee | 17,400 | \$ 1,317.70 | \$ 56.35 | 4.28% | 980,490 |
| Career & Professional Planning - \$1.55 | | | | | |
| Scholarship - \$7.50 | | | | | |
| Vandal Access & Safety Transit - \$2.65 | | | | | |
| Student Computing & Network Access | 17,400 | 58.50 | \$ 5.00 | 8.55% | 87,000 |
| Dedicated Activity Fees | | | | | |
| Alumni Association Fee | 17,400 | \$ 1.00 | \$ - | 0.00% | 0 |
| Associated Students-Incl Diversity Ctr \$2.00 | 17,400 | 77.30 | 10.00 | 12.94% | 174,000 |
| Campus Card | 17,400 | 7.90 | | 0.00% | 0 |
| Campus Rec: Intramurals/Sports Clubs | 17,400 | 19.25 | | 0.00% | 0 |
| Campus Rec: SRC Operations / R & R | 17,400 | 40.75 | | 0.00% | 0 |
| Commons/Union Operations / R & R | 17,400 | 87.35 | | 0.00% | 0 |
| Fine Arts | 17,400 | 3.00 | | 0.00% | 0 |
| HPERD Locker Services | 17,400 | 1.25 | | 0.00% | 0 |
| Intercollegiate Athletics | 17,400 | 108.34 | 5.65 | 5.22% | 98,310 |
| Kibbie - Mem Gym Cage / Swim Ctr | 17,400 | 5.25 | | 0.00% | 0 |
| Kibbie Center Operations | 17,400 | 22.53 | | 0.00% | 0 |
| Marching Band | 17,400 | 6.25 | | 0.00% | 0 |
| Sales Tax (event tickets) | 17,400 | 1.35 | | 0.00% | 0 |
| Spirit Squad | 17,400 | 2.45 | | 0.00% | 0 |
| Student Health Services | 17,400 | 35.80 | 4.00 | 11.17% | 69,600 |
| Student Research Grants | 17,400 | 5.00 | 1.00 | 20.00% | 17,400 |
| Student Services - Campus Life | 17,400 | 1.00 | | 0.00% | 0 |
| Student Services - Counseling & Testing | 17,400 | 5.28 | | 0.00% | 0 |
| Student Services - Early Childhood | 17,400 | 6.00 | | 0.00% | 0 |
| Student Services - Minority Student Programs | 17,400 | 1.50 | | 0.00% | 0 |
| Student Services - New Student Orientation | 17,400 | 3.00 | | 0.00% | 0 |
| Student Services - Sexual Assault Awareness | 17,400 | 3.00 | | 0.00% | 0 |
| Student Services - Women's Center | 17,400 | 4.00 | | 0.00% | 0 |
| Sustainability Center | 17,400 | 5.00 | | 0.00% | 0 |
| Transit Service | 17,400 | - | 3.00 | 0.00% | 52,200 |
| Subtotal Dedicated Activity Fees | 17,400 | \$ 453.55 | \$ 23.65 | 5.21% | \$ 411,510 |
| Total Full Time Fee per Semester | | \$ 2,100.00 | \$ 125.00 | 5.95% | \$ 2,175,000 |
| New Fee Total = | | | \$ 2,225.00 | | |
| Other Fees and Tuition | | | | | |
| Graduate/Professional Fee | 2,189 | \$ 270 | \$ - | 0.00% | \$ - |
| Law College Dedicated Fee | 606 | \$ 2,400 | \$ 225.00 | 9.38% | \$ 136,350 |
| Architecture Program Dedicated Fee | 1,119 | \$ 387 | \$ 19.00 | 4.91% | \$ 21,261 |
| Non-Resident Tuition | 1,250 | \$ 4,800 | \$ 125.00 | 2.60% | \$ 156,250 |
| WUE Fee | 2,439 | \$ 1,050 | \$ 63.00 | 6.00% | \$ 153,657 |

**UNIVERSITY OF IDAHO
RECOMMENDED FEES
FY 2007**

| | Bd Appv | FY07 Fees | FY08 Initial Notice | Recommended Fees | | |
|---|------------|-----------------|------------------------|------------------|----------------|--------|
| | | | | FY08 Fee | Amt Incr | % Incr |
| Student Fees: | | | | | | |
| Full-time Fees: | | | | | | |
| Matriculation Fee | ** | \$2,635.40 | \$2,748.10 | \$2,748.10 | \$112.70 | 4.28% |
| Technology Fee | | 117.00 | 127.00 | 127.00 | 10.00 | 8.55% |
| Facilities Fees | | 540.50 | 620.50 | 620.50 | 80.00 | 14.80% |
| Student Activity Fees | | 907.10 | 954.40 | 954.40 | 47.30 | 5.21% |
| Total Full-time Fees | | <u>4,200.00</u> | <u>4,450.00</u> | <u>4,450.00</u> | <u>250.00</u> | 5.95% |
| Part-time Credit Hour Fees: | | | | | | |
| Education Fee | ** | \$143.35 | \$155.35 | \$155.35 | \$12.00 | 8.37% |
| Technology Fee | | 6.00 | 6.00 | 6.00 | 0.00 | 0.00% |
| Facilities Fees | | 18.70 | 18.70 | 18.70 | 0.00 | 0.00% |
| Student Activity Fees | | 31.95 | 31.95 | 31.95 | 0.00 | 0.00% |
| Total Part-time Cr Hr Fees: | | <u>\$200.00</u> | <u>\$212.00</u> | <u>\$212.00</u> | <u>\$12.00</u> | 6.00% |
| Other Student Fees: | | | | | | |
| Graduate Fees: | | | | | | |
| Full-time Grad/Prof | ** | \$540.00 | \$540.00 | \$540.00 | \$0.00 | 0.00% |
| Part-time Graduate/Hour | ** | \$27.00 | \$27.00 | \$27.00 | \$0.00 | 0.00% |
| Summer Session 2007 | ** | \$190.00 | \$200.00 | \$200.00 | \$10.00 | 5.26% |
| Outreach Programs | ** | \$200.00 | \$212.00 | \$212.00 | \$12.00 | 6.00% |
| Nonresident Tuition | | | | | | |
| Nonres Tuition - Full-Time | ** | \$9,600.00 | \$9,850.00 | \$9,850.00 | \$250.00 | 2.60% |
| Part-time Nonres Tuition | ** | \$140.00 | \$148.00 | \$148.00 | \$8.00 | 5.71% |
| Professional Fees: | | | | | | |
| Law College FT | ** | \$4,800.00 | \$5,250.00 | \$5,250.00 | \$450.00 | 9.38% |
| Law College PT | ** | \$240.00 | \$263.00 | \$263.00 | \$23.00 | 9.58% |
| Art & Architecture FT | ** | \$774.00 | \$812.00 | \$812.00 | \$38.00 | 4.91% |
| Art & Architecture PT | ** | \$38.00 | \$40.00 | \$40.00 | \$2.00 | 5.26% |
| Other Fees: | | | | | | |
| Western Undergrad Exchge | ** | \$2,100.00 | \$2,226.00 | \$2,226.00 | \$126.00 | 6.00% |
| In-service Fees/Cr Hr - Undergrad | | \$69.00 | \$69.00 | \$69.00 | \$0.00 | 0.00% |
| In-service Fees/Cr Hr - Grad | | \$82.00 | \$82.00 | \$82.00 | \$0.00 | 0.00% |
| Changes to Student Activity Fees | | | | | | |
| Full-time | | | | | | |
| Associated Students | | 75.30 | 85.30 | | 10.00 | 13.28% |
| Intercollegiate Athletics | | 108.34 | 113.99 | | 5.65 | 5.22% |
| Student Health | | 35.80 | 39.80 | | 4.00 | 11.17% |
| Student Research Grants | | 5.00 | 6.00 | | 1.00 | 20.00% |
| Transit Service | | 0.00 | 3.00 | | 3.00 | |

UNIVERSITY OF IDAHO

4-year History of Board Approved Fees plus FY08 Requested Fees Annual Full-Time Fees and Part-Time Credit Hours Fees

| | | FY2004 | FY2005 | FY2006 | FY2007 | Request FY2008 | 5-Year Increase | % Increase |
|----|------------------------------------|-----------------|-----------------|-----------------|-----------------|-------------------|--------------------|---------------|
| 1 | Student Fees: | | | | | | | |
| 2 | Full-time Fees: | | | | | | | |
| 3 | Matriculation Fee | \$1,999.20 | \$2,282.00 | \$2,529.30 | \$2,635.40 | \$2,748.10 | \$748.90 | 37.46% |
| 4 | Technology Fee | 117.00 | 117.00 | 117.00 | 117.00 | 127.00 | 10.00 | 8.55% |
| 5 | Facilities Fees | 577.50 | 540.50 | 540.50 | 540.50 | 620.50 | 43.00 | 7.45% |
| 6 | Student Activity Fees | 654.30 | 692.50 | 781.20 | 907.10 | 954.40 | 300.10 | 45.87% |
| 7 | Total Full-time Fees | <u>3,348.00</u> | <u>3,632.00</u> | <u>3,968.00</u> | <u>4,200.00</u> | <u>4,450.00</u> | <u>1,102.00</u> | <u>32.92%</u> |
| 8 | Part-time Credit Hour Fees: | | | | | | | |
| 9 | Education Fee | \$110.85 | \$121.35 | \$133.35 | \$143.35 | \$155.35 | \$44.50 | 40.14% |
| 10 | Technology Fee | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 | 0.00% |
| 11 | Facilities Fees | 20.85 | 18.70 | 18.70 | 18.70 | 18.70 | (2.15) | -10.31% |
| 12 | Student Activity Fees | 29.30 | 31.95 | 31.95 | 31.95 | 31.95 | 2.65 | 9.04% |
| 13 | Total Part-time Cr Hr Fees: | <u>\$167.00</u> | <u>\$178.00</u> | <u>\$190.00</u> | <u>\$200.00</u> | <u>\$212.00</u> | <u>45.00</u> | <u>26.95%</u> |
| 14 | | | | | | | | |
| 15 | Other Student Fees: | | | | | | | |
| 16 | Graduate Fees: | | | | | | | |
| 17 | Full-time Grad/Prof | \$540.00 | \$540.00 | \$540.00 | \$540.00 | \$540.00 | \$0.00 | 0.00% |
| 18 | Part-time Graduate/Hour | \$27.00 | \$27.00 | \$27.00 | \$27.00 | \$27.00 | \$0.00 | 0.00% |
| 19 | Summer Session | \$154.00 | \$167.00 | \$178.00 | \$190.00 | \$200.00 | \$46.00 | 29.87% |
| 20 | Outreach Programs | \$167.00 | \$178.00 | \$190.00 | \$200.00 | \$212.00 | \$45.00 | 26.95% |
| 21 | Nonresident Tuition | | | | | | | |
| 22 | Nonres Tuition - Full-Time | \$7,392.00 | \$8,020.00 | \$8,770.00 | \$9,850.00 | \$9,850.00 | \$2,458.00 | 33.25% |
| 23 | Part-time Nonres Tuition | \$115.00 | \$123.00 | \$130.00 | \$148.00 | \$148.00 | \$33.00 | 28.70% |
| 24 | Professional Fees: | | | | | | | |
| 25 | Law College FT | \$2,900.00 | \$3,400.00 | \$4,400.00 | \$5,250.00 | \$5,250.00 | \$2,350.00 | 81.03% |
| 26 | Law College PT | \$90.00 | \$105.00 | \$220.00 | \$263.00 | \$263.00 | \$173.00 | 192.22% |
| 27 | Art & Architecture FT | \$704.00 | \$704.00 | \$704.00 | \$812.00 | \$812.00 | \$108.00 | 15.34% |
| 28 | Art & Architecture PT | \$35.00 | \$35.00 | \$35.00 | \$40.00 | \$40.00 | \$5.00 | 14.29% |
| 29 | Other Fees: | | | | | | | |
| 30 | Western Undergrad Exchgr | \$1,674.00 | \$1,816.00 | \$1,984.00 | \$2,226.00 | \$2,226.00 | \$552.00 | 32.97% |
| 31 | In-service Fees/Cr Hr - Unc | \$55.00 | \$60.00 | \$65.00 | \$69.00 | \$69.00 | \$14.00 | 25.45% |
| 32 | In-service Fees/Cr Hr - Gra | \$66.00 | \$72.00 | \$77.00 | \$82.00 | \$82.00 | \$16.00 | 24.24% |

| University of Idaho | | | |
|--|--------------------|---------------------|------------------|
| Student Fees and Tuition for Fall 2007 | | | |
| Supplementary Information: Fee Change History | | | |
| | | | |
| | | Full Time | Percent |
| | | Per Semester | of Change |
| Full Time Student Fee | | | |
| | Fall 1987 | \$ 521.00 | |
| | Fall 1988 | \$ 524.00 | 0.58% |
| | Fall 1989 | \$ 549.00 | 4.77% |
| | Fall 1990 | \$ 583.00 | 6.19% |
| | Fall 1991 | \$ 618.00 | 6.00% |
| | Fall 1992 | \$ 648.00 | 4.85% |
| | Fall 1993 | \$ 713.00 | 10.03% |
| | Fall 1994 | \$ 774.00 | 8.56% |
| | Fall 1995 | \$ 810.00 | 4.65% |
| | Fall 1996 | \$ 884.00 | 9.14% |
| | Fall 1997 | \$ 971.00 | 9.84% |
| | Fall 1998 | \$ 1,068.00 | 9.99% |
| | Fall 1999 | \$ 1,174.00 | 9.93% |
| | Fall 2000 | \$ 1,238.00 | 5.45% |
| | Fall 2001 | \$ 1,360.00 | 9.85% |
| | Fall 2002 | \$ 1,522.00 | 11.91% |
| | Fall 2003 | \$ 1,674.00 | 9.99% |
| | Fall 2004 | \$ 1,816.00 | 8.48% |
| | Fall 2005 | \$ 1,984.00 | 9.25% |
| | Fall 2006 | \$ 2,100.00 | 5.85% |
| | Proposed Fall 2007 | \$ 2,225.00 | 5.95% |

| University of Idaho | | | | |
|---|---------------------------------|--------------|---------|--|
| Student Fees and Tuition for Fall 2007 | | | | |
| Supplementary Information: Tuition Change History | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | Rate | Percent | |
| Full Time Nonresident Tuition | | Per Semester | Change | |
| | New Students Fall 1992 | \$ 1,450.00 | | |
| | New Students Fall 1993 | \$ 1,950.00 | 34.48% | |
| | New Students Fall 1994 | \$ 2,207.00 | 13.18% | |
| | New Students Fall 1995 | \$ 2,690.00 | 21.88% | |
| | New Students Fall 1996 | \$ 2,826.00 | 5.06% | |
| | New Students Fall 1997 | \$ 2,900.00 | 2.62% | |
| | New Students Fall 1998 | \$ 3,000.00 | 3.45% | |
| | New Students Fall 1999 | \$ 3,000.00 | 0.00% | |
| | New Students Fall 2000 | \$ 3,000.00 | 0.00% | |
| | New Students Fall 2001 | \$ 3,000.00 | 0.00% | |
| | New Students Fall 2002 | \$ 3,360.00 | 12.00% | |
| | New Students Fall 2003 | \$ 3,696.00 | 10.00% | |
| | New Students Fall 2004 | \$ 4,010.00 | 8.50% | |
| | New Students Fall 2005 | \$ 4,385.00 | 9.35% | |
| | New Students Fall 2006 | \$ 4,800.00 | 9.46% | |
| | New Students Proposed Fall 2007 | \$ 4,925.00 | 2.60% | |

In-state tuition and fees comparisons

Institution

| | | 1999-00 | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|
| Michigan State | In-state | 5,036 | 5,170 | 5,627 | 6,101 | 6,703 | 7,000 | 7,880 | 8,887 |
| U of California-Davis | In-state | 4,034 | 4,072 | 4,601 | 4,765 | 5,853 | 6,936 | 7,457 | 7,576 |
| Washington State | In-state | 3,662 | 3,790 | 4,239 | 4,864 | 5,210 | 5,628 | 6,010 | 6,447 |
| U of Nebraska-Lincoln | In-state | 3,308 | 3,450 | 3,790 | 4,145 | 4,711 | 5,341 | 5,598 | 5,867 |
| Iowa State | In-state | 3,004 | 3,204 | 3,442 | 4,110 | 5,028 | 5,426 | 5,634 | 5,860 |
| U of Oregon* | In-state | 3,810 | 3,819 | 4,071 | 4,404 | 4,959 | 5,490 | 5,805 | 5,838 |
| U of Arkansas-Fayetteville | In-state | 3,534 | 3,669 | 3,956 | 4,228 | 4,768 | 5,179 | 5,495 | 5,808 |
| Montana State-Bozeman | In-state | 2,965 | 3,079 | 3,381 | 3,759 | 4,145 | 4,577 | 5,220 | 5,672 |
| Oregon State | In-state | 3,561 | 3,654 | 3,987 | 4,014 | 4,719 | 5,319 | 5,442 | 5,643 |
| Kansas State | In-state | 2,592 | 2,781 | 2,835 | 3,436 | 4,060 | 4,665 | 5,124 | 5,434 |
| Texas Tech | In-state | 1,797 | 3,274 | 3,489 | 3,867 | 4,895 | 5,848 | 6,152 | 5,376 |
| Oklahoma State | In-state | 2,412 | 2,587 | 2,779 | 2,960 | 3,748 | 4,071 | 4,365 | 4,997 |
| U of Arizona | In-state | 2,264 | 2,348 | 2,486 | 2,594 | 3,603 | 4,097 | 4,487 | 4,766 |
| Colorado State | In-state | 3,062 | 3,133 | 3,252 | 3,435 | 3,920 | 3,790 | 4,262 | 4,717 |
| New Mexico State | In-state | 2,502 | 2,790 | 3,000 | 3,216 | 3,372 | 3,666 | 3,918 | 4,230 |
| U Idaho | In-state | 2,348 | 2,476 | 2,720 | 3,044 | 3,348 | 3,632 | 3,968 | 4,200 |
| Utah State | In-state | 2,314 | 2,403 | 2,445 | 2,898 | 3,071 | 3,247 | 3,672 | 3,949 |
| U of Nevada-Reno | In-state | 2,309 | 2,418 | 2,597 | 2,672 | 2,802 | 2,682 | 3,060 | 3,576 |
| U of Wyoming | In-state | 2,456 | 2,575 | 2,807 | 2,997 | 3,090 | 3,243 | 3,429 | 2,951 |
| Peer Average | In-state | 2,998 | 3,194 | 3,448 | 3,764 | 4,316 | 4,728 | 5,104 | 5,358 |
| Peer SD | In-state | 797 | 726 | 831 | 889 | 1,025 | 1,219 | 1,287 | 1,377 |



Office of the Provost & Executive Vice President
Administration Building Room 105
P.O. Box 443152
Moscow, ID 83844-3152
(208) 885-6448

January 19, 2007

TO: ASUI President Humberto Cerrillo
Graduate & Professional Student Association President Luis Guerrero
Student Bar Association President Pele Peacock
Vice Presidents, Deans and Directors

FROM: Provost and Executive Vice President Doug Baker
Vice Provost for Student Affairs Bruce Pitman

SUBJECT: Activity/Dedicated Fee Proposals for FY2008

Below is the calendar of events for the fee proposal discussions. Also attached is a brief set of guidelines for the fee proposals, presentations and discussions. ***Note that all activities that currently receive student fees must provide a brief summary or description of the uses of those revenues.***

To initiate the process we are asking that any proposed changes in Activity/Dedicated/Facility Fees for FY2008 be submitted to the Budget Office by February 2nd. The fee process for this cycle will include presentations on February 6th, subsequent weekly discussions during February and a formal workshop on March 27th. The Board-required Initial Notice (formal notice) will be completed and published on or before March 8 as prescribed by Board Policy. The process timeline is as follows:

| ACTION | TIMELINE |
|---|--|
| Submit proposals | February 2 |
| Presentation of Fee Proposals by Unit Directors and Leaders | February 6, 4:00 p.m. Commons Clearwater Room |
| Weekly discussions of Fee Priorities and Fee Issues (Student Fee Committee) | February 8, 15, 22, March 1 TLC 232 |
| Issue formal Initial Notice per Board Policy | March 8 |
| Community Workshop/Forum | March 27 |

Please direct any questions to Bruce Pitman, Vice Provost for Student Affairs. Thank you.

Attachments:

Copy to: President White

Fee Proposal Guidelines and Information

Please provide:

- 1) A brief description/one-page summary of the uses of student fees that your service, activity or facility currently receives; and***
- 2) A brief description of the services/activities/facility for which additional student fee support is being requested (see guidelines below).***

As applicable, prepare fee requests to address maintenance of the current level of operation (MCO) of your services/activities/facility including:

- Change in Employee Compensation (CEC), identify the amount needed to provide a 5% permanent raise in FY2008
- Utilities and inflation on other fixed costs or contracts
- Fringe benefits, use a 2% increase for health insurance (other rate components will be relatively flat)
- Facility maintenance/facility R&R (repair and replacement funding)
- Other specific issues as applicable

Enhancement requests, requests for expanded services and activities, can also be presented and should be listed in priority order.

Be prepared to present the initial fee requests for your respective areas at the February 6th workshop. Equipment will be provided for PowerPoint presentations. Subsequent discussions on prioritizing requests will take place in weekly meetings with students and administrators.

Concurrent with the submission of the fee request materials, please provide PowerPoint summary slides (5 to 10 slides maximum) of the fee requests. These slides (files) will be placed on a web site for public review prior to and after the workshop. The files should be e-mailed to Cretia Bunney in the Budget Office at: cretiab@uidaho.edu

Fee Proposal Schedule

| <u>Date</u> | <u>Time</u> | <u>Meeting/Activity</u> | <u>Location</u> |
|--------------------|-------------|--|---|
| January 19 | | Issue fee proposal guidelines | Provost's Office & Vice Provost for Student Affairs |
| February 2 | COB | Fee proposals and presentation due in the Budget Office | Budget Office |
| February 6 | 4:00 | Workshop presentation of fee proposals | Commons Clearwater Room |
| February 9 | | Fee presentations posted on Budget Office web site | Budget Office |
| February 8, 15, 22 | 4:00 | Regular weekly meeting | Dean of Students Office TLC 232 |
| March 1 | | Regular weekly meeting | Dean of Students Office TLC 232 |
| March 6 | TBD | Forward fee committee recommendations to President White | Dean of Students Office |
| March 6 to 8 | | President's review and approval | Office of the President |
| March 8 | | Initial Notice issued | Office of the President |
| March 27 | 4:00 | Community Workshop/Forum | Commons Whitewater Room |

Section V Financial Affairs

R. Establishment of Tuition and Fees

1. Board Policy on Student Tuition and Fees

Consistent with the Statewide Plan for Higher Education in Idaho, the institutions shall maintain tuition and fees that provide for quality education and maintain access to educational programs for Idaho citizens. In setting fees, the Board will consider recommended fees as compared to fees at peer institutions, percent fee increases compared to inflationary factors, fees as a percent of per capita income and/or household income, and the share students pay of their education costs. Other criteria may be considered as is deemed appropriate at the time of a fee change. An institution cannot request more than a ten percent (10%) increase in the total full-time student fee unless otherwise authorized by the Board.

2. Tuition and Fee Setting Process - Board Approved Tuition and Fees

a. Initial Notice

A proposal to alter student tuition and fees covered by Subsection V.R.3. shall be formalized by initial notice of the chief executive officer of the institution at least six (6) weeks prior to the Board meeting at which a final decision is to be made.

Notice will consist of transmittal, in writing, to the student body president and to the recognized student newspaper during the months of publication of the proposal contained in the initial notice. The proposal will describe the amount of change, statement of purpose, and the amount of revenues to be collected.

The initial notice must include an invitation to the students to present oral or written testimony at the public hearing held by the institution to discuss the fee proposal. A record of the public hearing as well as a copy of the initial notice shall be made available to the Board.

b. Board Approval

Board approval for fees will be considered when appropriate or necessary. This approval will be timed to provide the institutions with sufficient time to prepare the subsequent fiscal year operating budget.

c. Effective Date

Any change in the rate of tuition and fees becomes effective on the date approved by the Board unless otherwise specified.

3. Definitions and Types of Tuition and Fees

The following definitions are applicable to tuition and fees charged to students at all of the state colleges and universities, except where limited to a particular institution or institutions.

a. General and Professional-Technical Education Tuition and Fees

Tuition and fees approved by the State Board of Education. Revenues from these fees are deposited as required by Section V, Subsection Q.

- (1) Tuition - University of Idaho

Tuition is defined as the fee charged for the cost of instruction at the University of Idaho. The cost of instruction shall not include those costs associated with the construction, maintenance, and operation of buildings and facilities, student services; or institutional support, which are complementary to, but not a part of, the instructional program. Tuition may be charged only to nonresident students enrolled in the University of Idaho, or to resident students enrolled in the University of Idaho who are in a professional program, college, school, or department approved by the State Board of Education and the Board of Regents of the University of Idaho; who are taking extra studies; or who are part-time students at the institutions.

- (2) Matriculation Fee - University of Idaho

Matriculation fee is defined as the fee charged at the University of Idaho for all educational costs other than the cost of instruction, including, but not limited to, costs associated with the construction, maintenance, and operation of buildings and facilities, student services, and institutional support.

- (3) Tuition - Boise State University, Idaho State University, Lewis-Clark State College

Tuition is defined as the fee charged for any and all educational costs at Boise State University, Idaho State University, and Lewis Clark State College. Tuition fees include, but are not limited to, costs associated with academic services; instruction; the construction, maintenance, and operation of buildings and facilities; student services; or institutional support.

- (4) Professional-Technical Education Fee

Professional-Technical Education fee is defined as the fee charged for educational costs for students enrolled in Professional-Technical Education pre employment, preparatory programs.

- (5) Part-time Credit Hour Fee

Part-time credit hour fee is defined as the fee per credit hour charged for educational costs for part-time students enrolled in any degree program.

- (6) Graduate Fee

Graduate fee is defined as the additional fee charged for educational costs for full-time and part-time students enrolled in any post baccalaureate degree-granting program.

- (7) Western Undergraduate Exchange (WUE) Fee

Western Undergraduate Exchange fee is defined as the additional fee for full-time students participating in this program and shall be equal to fifty percent (50%) of the total of the tuition fee, matriculation fee, facility fee, and activity fee.

- (8) Employee/Spouse Fee

The fee for eligible participants shall be a registration fee of twenty dollars (\$20.00) plus five dollars (\$5.00) per credit hour. Eligibility shall be determined by each institution. Employees at institutions, agencies and the school under the jurisdiction of the Board may be eligible for this fee. Special course fees may also be charged.

- (9) Senior Citizen Fee

The fee for Idaho residents who are 60 years of age or older shall be a registration fee of twenty dollars (\$20.00) plus five dollars (\$5.00) per credit hour. This fee is for courses on a space available basis only. Special course fees may also be charged.

- (10) In-Service Teacher Education Fee

The fee shall be one-third of the average part-time undergraduate credit hour fee or one-third of the average graduate credit hour fee. This special fee shall be applicable only to approved teacher education courses. The following guidelines will determine if a course or individual qualifies for this special fee.

- a. The student must be an Idaho public school teacher or other professional employee of an Idaho school district.
 - b. The costs of instruction are paid by an entity other than an institution.
 - c. The course must be approved by the appropriate academic unit(s) at the institution.
 - d. The credit awarded is for professional development and cannot be applied towards a degree program.
- (11) Workforce Training Credit Fee

This fee is defined as a fee charged students enrolled in a qualified Workforce Training course where the student elects to receive credit. The fee is charged for processing and transcribing the credit. The cost of delivering Workforce Training courses, which typically are for noncredit, is an additional fee since Workforce Training courses are self-supporting. The fees for delivering the courses are retained by the technical colleges. The Workforce Training fee shall be \$10.00 per credit.

b. Institutional Local Fees - Approved by the Board

Institutional local fees are both full-time and part-time student fees that are approved by the State Board of Education and deposited into local institutional accounts. Local fees shall be expended for the purposes for which they were collected.

The facilities, activity and technology fees shall be displayed with the institution's tuition and fees when the Board approves tuition and fees.

- (1) Facilities Fee

Facilities fee is defined as the fee charged for capital improvement and building projects and for debt service required by these projects. Revenues collected from this fee may not be expended on the operating costs of the general education facilities.

- (2) Activity Fee

Activity fee is defined as the fee charged for such activities as intercollegiate athletics, student health center, student union operations, the associated student body, financial aid, intramural and recreation, and other activities which directly benefit and involve students. The activity fee shall not be charged for educational costs or major capital improvement or building projects. Each institution shall

develop a detailed definition and allocation proposal for each activity for internal management purposes.

- (3) Technology Fee

Technology fee is defined as the fee charged for campus technology enhancements and operations.

- (4) Professional Fees

To designate a professional fee for a Board approved program, all of the following criteria must be met:

- a. Credentialing Requirement:

- 1) A professional fee may be assessed if graduates of the professional program obtain a specialized higher education degree that qualifies them to practice a professional service or to be eligible for credentialing or licensing to practice a professional service.
- 2) The program leads to a degree that is at least the minimum required for entry to the practice of a profession.

- b. Accreditation Requirement (if applicable): The program meets the requirements of national/specialized/ professional accrediting agencies as defined by the State Board of Education.

- c. Extraordinary Program Costs: The cost of the professional program significantly exceeds the cost of nonprofessional programs at the institution. Institutions will be required to provide documentation to support the reported cost of the program.

Institutions will propose professional fees for Board approval based on the costs to deliver the program.

- (5) Self-Support Certificate and Program Fees

Self-support certificates and programs are a defined set of specific courses that must all be successfully completed in order to earn the certificate. Such programs must be encapsulated, separate and distinct from the regular courses of the institution. Institutions may offer self-support certificates and programs if the fees assessed cover all costs of the program and no appropriated funds are used to support the program. In addition, students pay a fee for the entire program and

may not enroll for program courses on an individual course-by-course basis. Students enrolled in the self-support programs may take courses outside of the program as long as they pay the required tuition and fees for those courses. Institutions will establish such fees on an individual program basis according to anticipated expenditures. Self-support certificate and program fees are retained by the institution.

- (6) Contracts and Grants

Special fee arrangements are authorized by the Board for instructional programs provided by an institution pursuant to a grant or contract approved by the Board.

- (7) Student Health Insurance Premiums or Room and Board Rates

Fees for student health insurance premiums paid either as part of the uniform student fee or separately by individual students, or charges for room and board at the dormitories or family housing units of the institutions. Changes in insurance premiums or room and board rates or family housing charges shall be approved by the Board no later than three (3) months prior to the semester the change is to become effective. The Board may delegate the approval of these premiums and rates to the chief executive officer.

- c. Institutional Local Fees and Charges Approved by Chief Executive Officer

These local fees and charges are assessed to support specific activities and are only charged to students that engage in these particular activities. Local fees and charges are deposited into local institutional accounts and shall only be expended for the purposes for which they were collected.

- (1) Continuing Education

Continuing education fee is defined as the additional fee to part-time students which is charged on a per credit hour basis to support the costs of continuing education.

- (2) Course Overload Fee

This fee may be charged to full-time students with excessive course loads as determined by each institution.

- (3) Special Course Fees or Assessments

A special course fee is a fee required for a specific course or special activity and, therefore, not required of all students enrolled at the

institution. Fees such as penalty assessments, library fines, continuing education fees, parking fines, laboratory fees, breakage fees, fees for video outreach courses, late registration fees, and fees for special courses offered for such purposes as remedial education credit that do not count toward meeting degree requirements are considered special course fees. All special course fees or penalty assessments, or changes to such fees or assessments, are established and become effective in the amount and at the time specified by the chief executive officer of the institution. The chief executive officer is responsible for reporting these fees to the Board upon request.

UI Student Fee Schedule - Academic Year 2006-2007

Board-Approved
4/20/06

| Ln | | On-Campus Full Time Per Semester | Fall/Spring On-Campus Part Time Per Cr. Hour | Fall/Spring Off-Campus Part Time Per Cr. Hour | SummerSess On-Campus Part Time Per Cr. Hour | SummerSess Off-Campus Part Time Per Cr. Hour |
|----------------------|--|---|--|---|---|--|
| Facility Fees | | | | | | |
| 1 | Bond Issues: | | | | | |
| 2 | Bond Series 1996 | \$ 55.00 | \$ 2.00 | \$ 2.00 | \$ 2.00 | \$ 2.00 |
| 3 | Bond Series 1997 A&B | 5.00 | 0.15 | 0.15 | 0.15 | 0.15 |
| 4 | Commons Bond Series 1997 | 75.00 | 7.50 | 7.50 | 7.50 | 7.50 |
| 5 | Revenue Bond Series 2003 | 48.25 | 0.85 | 0.85 | 0.85 | 0.85 |
| 6 | SRC Series 1999 | 82.00 | 8.20 | 1.20 | 8.20 | 1.20 |
| 7 | Sweet Ave/Campus Impr Series 1999B | 5.00 | - | - | - | - |
| 8 | Subtotal Facility Fees | \$ 270.25 | \$ 18.70 | \$ 11.70 | \$ 18.70 | \$ 11.70 |
| 9 | | | | | | |
| 10 | General Education Operating Budget | | | | | |
| 11 | Matriculation Fee (Full-time only) | \$ 1,317.70 | | | | |
| 12 | Education Fee (Part-time only) | | \$ 143.35 | \$ 118.00 | \$ 133.35 | \$ 110.00 |
| 13 | Outreach Fee (Off-campus courses) | | | \$ 40.00 | | \$ 38.00 |
| 14 | | | | | | |
| 15 | Student Computing and Network Access | \$ 58.50 | \$ 6.00 | \$ 6.00 | \$ 6.00 | \$ 6.00 |
| 16 | | | | | | |
| 17 | Activity Fees/Dedicated Fees | | | | | |
| 18 | Alumni Association | \$ 1.00 | | | | |
| 19 | Associated Students - Incl Diversity Ctr | 77.30 | \$ 2.60 | | \$ 2.60 | |
| 20 | Campus Card | 7.90 | 1.50 | | 1.50 | |
| 21 | Campus Recreation - Intramurals/Sports Clubs | 19.25 | 3.20 | | 3.20 | |
| 22 | Campus Recreation - SRC Operations / R & R | 40.75 | 2.90 | | 2.90 | |
| 23 | College Dedicated Fees | - | - | \$ 19.10 | - | \$ 19.10 |
| 24 | Commons/Union Operations / R & R | 87.35 | 4.00 | | 4.00 | |
| 25 | Fine Arts | 3.00 | - | | - | |
| 26 | HPERD - Locker Services | 1.25 | 1.25 | | 1.25 | |
| 27 | Intercollegiate Athletics | 108.34 | 3.00 | 3.00 | 3.00 | 3.00 |
| 28 | Kibbie - Mem Gym Cage/Swim Ctr | 5.25 | 1.05 | | 1.05 | |
| 29 | Kibbie Center Operations | 22.53 | 5.00 | | 5.00 | |
| 30 | Marching Band | 6.25 | 1.25 | | 1.25 | |
| 31 | Sales Tax | 1.35 | - | | - | |
| 32 | Student Advisory Services | 23.78 | | | | |
| 33 | Spirit Squad | 2.45 | - | - | - | - |
| 34 | Student Health | 35.80 | 6.20 | 2.20 | 6.20 | 2.20 |
| 35 | Sustainability Center | 5.00 | - | | - | |
| 36 | Student Undergraduate Research Grants | 5.00 | - | | - | |
| 37 | Subtotal Activity/Dedicated Fees | \$ 453.55 | \$ 31.95 | \$ 24.30 | \$ 31.95 | \$ 24.30 |
| 38 | | | | | | |
| 39 | TOTAL | \$ 2,100.00 | \$ 200.00 | \$ 200.00 | \$ 190.00 | \$ 190.00 |
| 40 | | | | | | |
| 41 | Other Fees/Tuition: | | | | | |
| 42 | Graduate/Professional Fee | \$ 270.00 | \$ 27.00 | \$ 27.00 | \$ 27.00 | \$ 27.00 |
| 43 | Law College Dedicated Fee | \$ 2,400.00 | \$ 240.00 | \$ 240.00 | \$ 220.00 | \$ 220.00 |
| 44 | Architecture Program Dedicated Fee | \$ 387.00 | \$ 38.00 | \$ 38.00 | \$ 35.00 | \$ 35.00 |
| 45 | Nonresident Tuition | \$ 4,800.00 | \$ 140.00 | \$ 140.00 | | |
| 46 | In-Service Fee - Undergraduate | | \$ 69.00 | \$ 69.00 | \$ 65.00 | \$ 65.00 |
| 47 | In-Service Fee - Graduate | | \$ 82.00 | \$ 82.00 | \$ 77.00 | \$ 77.00 |
| 48 | Western Undergraduate Education Fee | \$ 1,050.00 | | | | |

Part time non-resident tuition charges do not apply to summer session.

UNIVERSITY of IDAHO
FY2007 OPERATING BUDGETS by FUND SOURCE

| <u>Appropriated Funds</u> | State General Account (1) | U of Idaho Land Grant Endowments | Federal Funds | (1) Student Fees, Tuition, & Misc | Total | Budgeted Positions FTE |
|---|---------------------------------|--|---------------------------|---|-----------------------------|------------------------------|
| 1. General Education | \$88,986,700 | \$4,859,600 | | \$41,087,100 | \$134,933,400 | 1,205.03 |
| 2. Ag Research & Extension Svc | 26,129,000 | | 4,599,500 | 321,900 | 31,050,400 | 370.46 |
| 3. WOI Veterinary Medicine | 1,674,100 | | | 100,000 | 1,774,100 | 6.92 |
| 4. WWAMI Medical Education | 3,290,400 | | | 243,400 | 3,533,800 | 6.57 |
| 5. Forest Utilization Research | 603,400 | | | | 603,400 | 5.75 |
| 6. Idaho Geological Survey | 828,400 | | | | 828,400 | 10.35 |
| Total U of I Appropriations (6) | <u>\$121,512,000</u> | <u>\$4,859,600</u> | <u>\$4,599,500</u> | <u>\$41,752,400</u> | <u>\$172,723,500</u> | <u>1,605.08</u> |
| Percentage by Fund Source | <u>70.35%</u> | <u>2.81%</u> | <u>2.66%</u> | <u>24.17%</u> | <u>100.00%</u> | |
| <u>Other Funds:</u> | | | | | | |
| Auxiliary Services (Board defined, including Kibbie Dome and Student Recr Center) | | | | | 39,109,100 | 132.05 |
| Other Auxiliary Services | | | | | 3,977,000 | 27.09 |
| Local Sales and Service Activities | | | | | 48,157,000 | 224.58 |
| Estimated Gifts and Donations (non-budgeted accounts) | | | | | 4,595,200 | 4.33 |
| Estimated Grants and Contracts (federal, state and private) | | | | | 74,611,800 | 8.94 |
| Capital Projects (Incl State DPW and Bond R&R projects; less General Education projects) | | | | | <u>5,654,100</u> | |
| Total Other Funds | | | | | <u>\$176,104,200</u> | <u>396.99</u> |
| Total Appropriations, Other Funds and Full-Time Equivalent Positions (FTE) | | | | | <u>\$348,827,700</u> | <u>2,002.07</u> |

**(1) Breakdown of Student Fees and Tuition for
the General Education Appropriation:**

| | |
|-------------------------------|----------------------------|
| Full-time student fees | \$24,413,585 |
| Part-time student fees | 861,570 |
| Non-resident tuition | 9,088,400 |
| Dedicated and Misc Other Fees | <u>6,723,545</u> |
| Total | <u>\$41,087,100</u> |

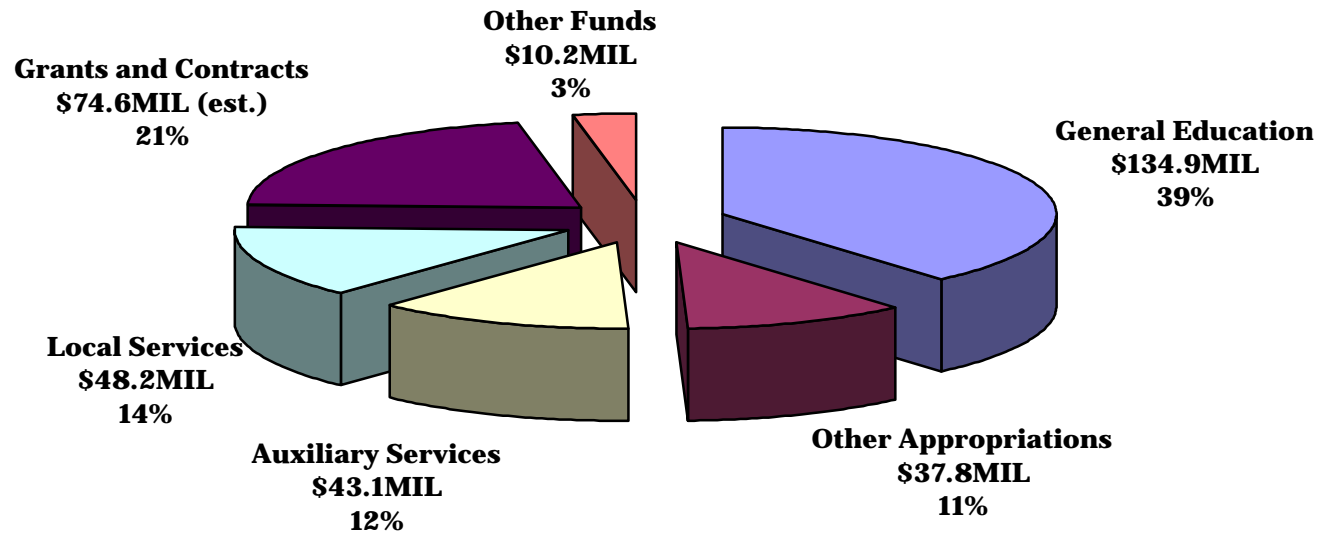
Full-time Equivalent (FTE) Enrollment - Fall 2006

| | |
|------------------------|----------------------|
| Lower Division | 5,214 |
| Upper Division | 3,602 |
| Graduate | 1,102 |
| Law School | 316 |
| WAMI Medical Education | <u>18</u> |
| Total FTE | <u>10,252</u> |

Capital Projects Plan for FY2007

| | |
|-------------------------------|---------------------------|
| PBF/State | \$4,661,046 |
| Grants and Contracts | 0 |
| Private Funds | 54 round to hundreds |
| Other Institutional Resources | <u>993,000</u> |
| Subtotal | <u>5,654,100</u> |
| General Education | 0 |
| Total | <u>\$5,654,100</u> |

FY2007 Budgets by Fund Source \$348.8MIL



■ General Education ■ Other Appropriations ■ Auxiliary Services ■ Local Services ■ Grants and Contracts ■ Other Funds

The Matriculation Fee

| | <u>FY2007</u> |
|--|----------------------|
| Estimated Revenue in FY2007 | <u>\$ 23,784,485</u> |
| Defined (Restricted) Uses of the Matriculation Fee | |
| Student Services | \$ 9,019,275 |
| Physical Plant (Note 1) | 21,129,682 |
| Institutional Support | <u>17,688,303</u> |
| Total Uses | <u>\$ 47,837,260</u> |
| Matriculation Fee vs. Defined Uses | <u>49.72%</u> |
| Excess Capacity: Matriculation Fee vs. Defined Uses | <u>\$ 24,052,775</u> |

Note 1: In most years, Matriculation Fee revenues are primarily used to fund Physical Plant and Student Services expenditures.

UI Finances: Revenue Information

| | <u>Audit Report for FY2006</u> | <u>Percent</u> |
|--|---|-----------------------|
| <u>Revenue totals from audit:</u> | | |
| Net fees and tuition per audit | 51,976,798 | 15.6% |
| All other revenues | 280,431,740 | 84.4% |
| Total revenues | <u>332,408,538</u> | <u>100.0%</u> |

| | <u>Operating Budget for FY2007</u> | <u>Percent</u> |
|--|---|-----------------------|
| <u>Budgeted GenEduc revenues:</u> | | |
| State funds | 88,986,700 | 65.9% |
| Fees and tuition | 45,946,700 | 34.1% |
| Total revenues | <u>134,933,400</u> | <u>100.0%</u> |

General Education Fund Sources:

| | State General Account | Land Grant Endowments | Matriculation Fees | Other Fees and Tuition | General Education Total |
|--------|--------------------------|--------------------------|-----------------------|---------------------------|----------------------------|
| FY1995 | \$62,236,400 | \$4,512,400 | \$7,456,780 | \$7,773,320 | \$81,978,900 |
| FY1996 | \$64,764,000 | \$5,299,700 | \$7,947,040 | \$8,387,960 | \$86,398,700 |
| FY1997 | \$66,924,000 | \$5,486,900 | \$8,608,200 | \$8,616,900 | \$89,636,000 |
| FY1998 | \$66,763,600 | \$6,111,800 | \$9,395,300 | \$9,046,900 | \$91,317,600 |
| FY1999 | \$69,781,600 | \$7,340,300 | \$9,964,090 | \$9,001,810 | \$96,087,800 |
| FY2000 | \$72,526,900 | \$7,232,600 | \$10,235,650 | \$9,656,350 | \$99,651,500 |
| FY2001 | \$77,479,200 | \$8,097,200 | \$10,982,340 | \$9,287,860 | \$105,846,600 |
| FY2002 | \$83,242,300 | \$10,511,100 | \$11,545,500 | \$9,540,200 | \$114,839,100 |
| FY2003 | \$76,359,200 | \$8,874,100 | \$15,273,750 | \$11,439,650 | \$111,946,700 |
| FY2004 | \$78,718,300 | \$7,855,000 | \$18,692,500 | \$13,299,500 | \$118,565,300 |
| FY2005 | \$80,961,500 | \$6,528,600 | \$21,827,300 | \$14,757,700 | \$124,075,100 |
| FY2006 | \$82,753,500 | \$6,314,000 | \$22,978,691 | \$15,888,909 | \$127,935,100 |
| FY2007 | \$88,986,700 | \$4,859,600 | \$23,784,485 | \$17,302,615 | \$134,933,400 |

Percent of Total:

| | | | | | |
|--------|--------|-------|--------|--------|---------|
| FY1995 | 75.92% | 5.50% | 9.10% | 9.48% | 100.00% |
| FY1996 | 74.96% | 6.13% | 9.20% | 9.71% | 100.00% |
| FY1997 | 74.66% | 6.12% | 9.60% | 9.61% | 100.00% |
| FY1998 | 73.11% | 6.69% | 10.29% | 9.91% | 100.00% |
| FY1999 | 72.62% | 7.64% | 10.37% | 9.37% | 100.00% |
| FY2000 | 72.78% | 7.26% | 10.27% | 9.69% | 100.00% |
| FY2001 | 73.20% | 7.65% | 10.38% | 8.77% | 100.00% |
| FY2002 | 72.49% | 9.15% | 10.05% | 8.31% | 100.00% |
| FY2003 | 68.21% | 7.93% | 13.64% | 10.22% | 100.00% |
| FY2004 | 66.39% | 6.63% | 15.77% | 11.22% | 100.00% |
| FY2005 | 65.25% | 5.26% | 17.59% | 11.89% | 100.00% |
| FY2006 | 64.68% | 4.94% | 17.96% | 12.42% | 100.00% |
| FY2007 | 65.95% | 3.60% | 17.63% | 12.82% | 100.00% |

Percent of Total: Summary

| | State Funds | Fees/Tuition | |
|--------|-------------|--------------|--------|
| FY1995 | 81.4% | 18.6% | 100.0% |
| FY1996 | 81.1% | 18.9% | 100.0% |
| FY1997 | 80.8% | 19.2% | 100.0% |
| FY1998 | 79.8% | 20.2% | 100.0% |
| FY1999 | 80.3% | 19.7% | 100.0% |
| FY2000 | 80.0% | 20.0% | 100.0% |
| FY2001 | 80.8% | 19.2% | 100.0% |
| FY2002 | 81.6% | 18.4% | 100.0% |
| FY2003 | 76.1% | 23.9% | 100.0% |
| FY2004 | 73.0% | 27.0% | 100.0% |
| FY2005 | 70.5% | 29.5% | 100.0% |
| FY2006 | 69.6% | 30.4% | 100.0% |
| FY2007 | 69.6% | 30.4% | 100.0% |

General Education Fund Sources:

| | FY2000 | FY2001 | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | Term Change |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------------|
| State General Account | 72,526,900 | 77,479,200 | 83,242,300 | 76,359,200 | 78,718,300 | 80,961,500 | 82,753,500 | 88,986,700 | 22.69% |
| Land Grant Endowments | 7,232,600 | 8,097,200 | 10,511,100 | 8,874,100 | 7,855,000 | 6,528,600 | 6,314,000 | 4,859,600 | -32.81% |
| Matriculation Fees | 10,235,650 | 10,982,340 | 11,545,500 | 15,273,750 | 18,692,500 | 21,827,300 | 22,978,691 | 23,784,485 | 132.37% |
| Other Fees and Tuition | 9,656,350 | 9,287,860 | 9,540,200 | 11,439,650 | 13,299,500 | 14,757,700 | 15,888,909 | 17,302,615 | 79.18% |
| General Education Total | 99,651,500 | 105,846,600 | 114,839,100 | 111,946,700 | 118,565,300 | 124,075,100 | 127,935,100 | 134,933,400 | 35.41% |

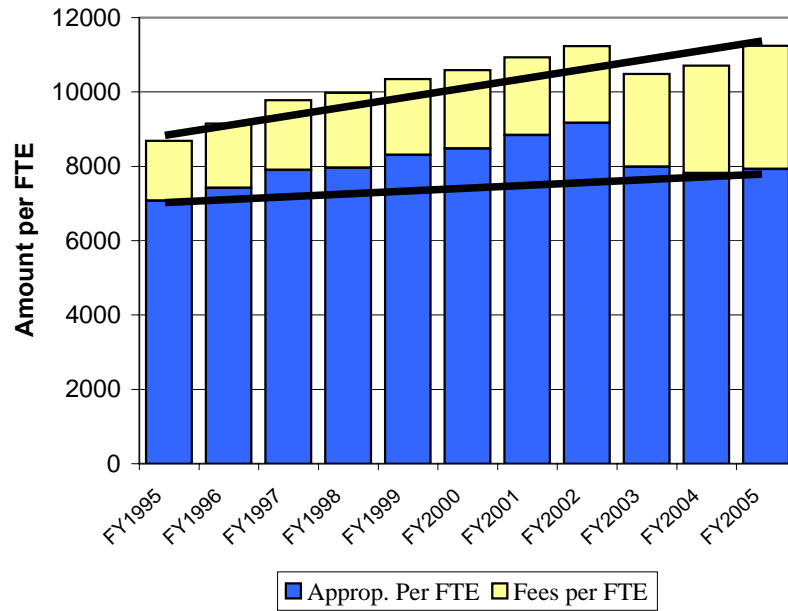
Percent of Total:

| | | | | | | | | |
|-------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| State General Account | 72.78% | 73.20% | 72.49% | 68.21% | 66.39% | 65.25% | 64.68% | 65.95% |
| Land Grant Endowments | 7.26% | 7.65% | 9.15% | 7.93% | 6.63% | 5.26% | 4.94% | 3.60% |
| Matriculation Fees | 10.27% | 10.38% | 10.05% | 13.64% | 15.77% | 17.59% | 17.96% | 17.63% |
| Other Fees and Tuition | 9.69% | 8.77% | 8.31% | 10.22% | 11.22% | 11.89% | 12.42% | 12.82% |
| General Education Total | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

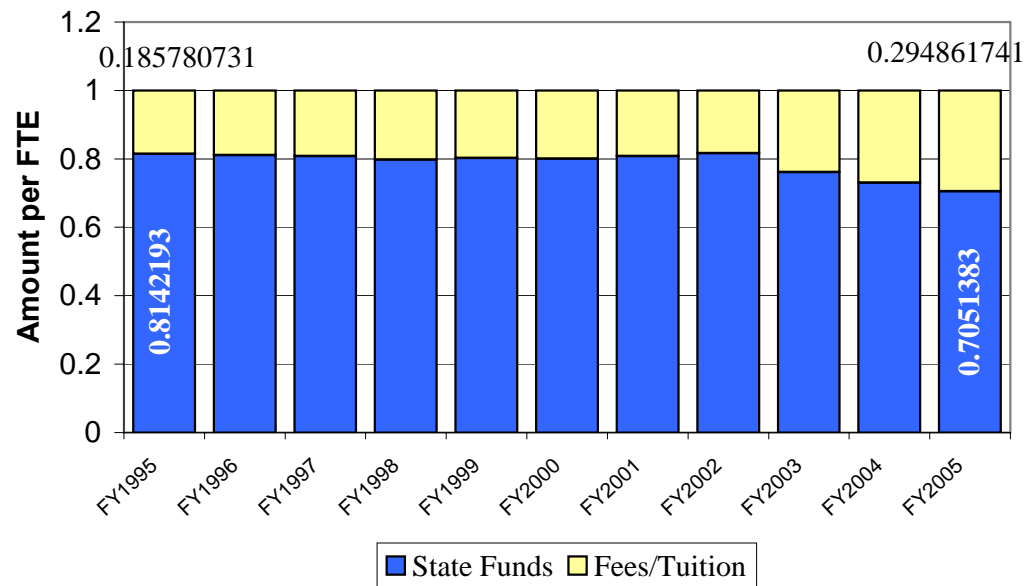
Percent of Total:

| | | | | | | | | |
|--------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| State Funds | 80.04% | 80.85% | 81.64% | 76.14% | 73.02% | 70.51% | 69.62% | 69.55% |
| Student Fees and Tuition | 19.96% | 19.15% | 18.36% | 23.86% | 26.98% | 29.49% | 30.38% | 30.45% |
| General Education Total | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

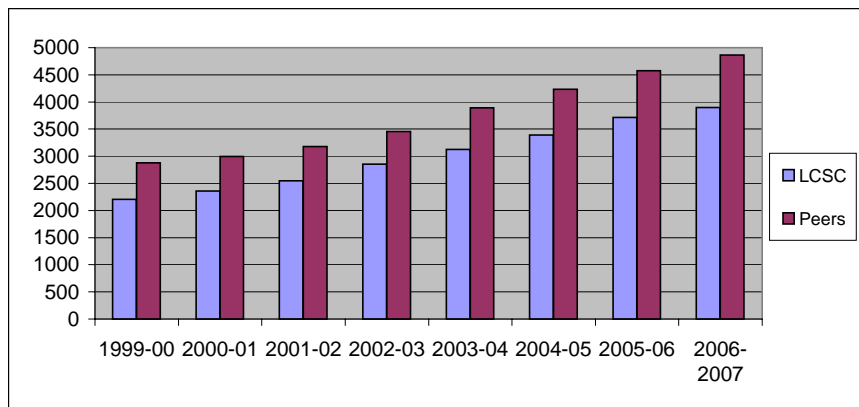
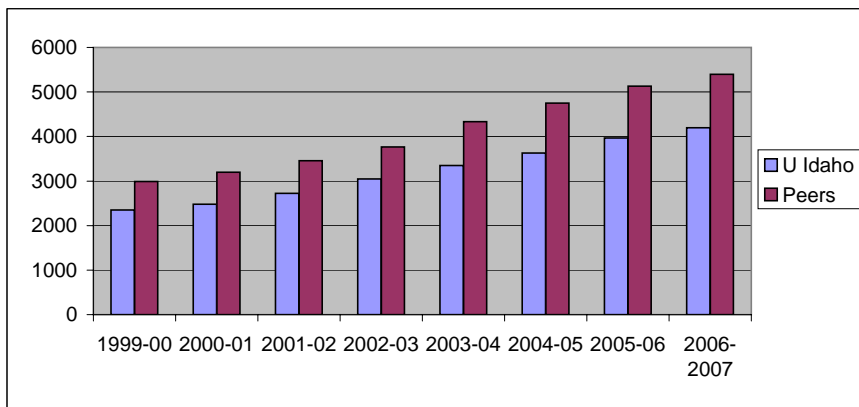
UI General Education Funding per FTE



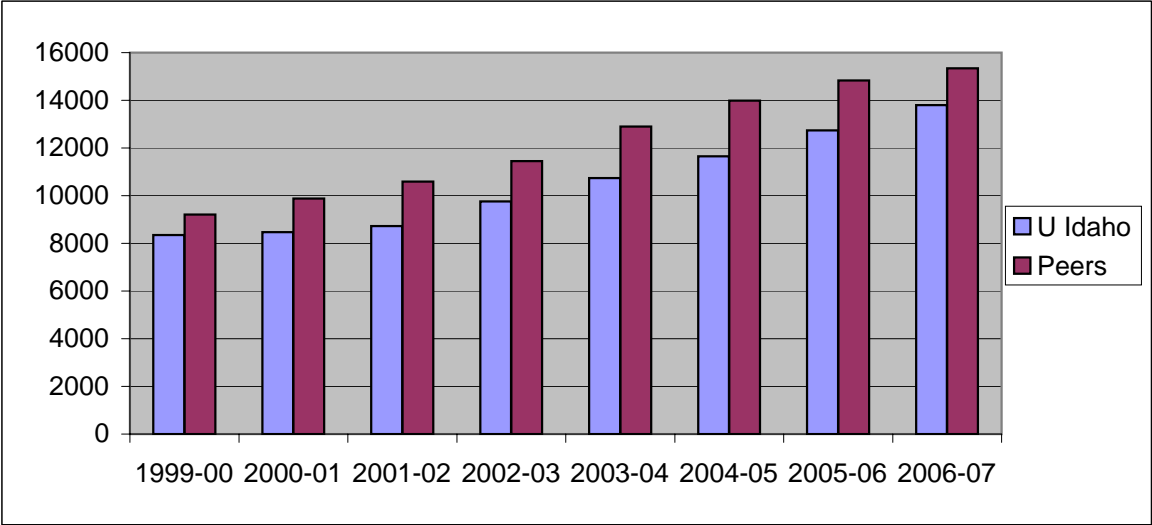
UI General Education Percent Funding



In-State Tuition and Fees As Reported in the Chronicle of Higher Education



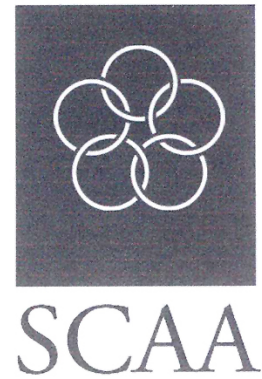
Out-Of-State Tuition and Fees As Reported in the Chronicle of Higher Education



UNIVERSITY OF IDAHO

DOCUMENTS PROVIDED BEFORE AND DURING CAMPUS FEE HEARINGS

STUDENT INFORMATION



8 March 2007

President Timothy White
University of Idaho
Administration 105
Moscow, Idaho 83844
timwhite@uidaho.edu

To President Timothy White:

In response to a request made by interim Dean Woolston to the Student Congress of Art & Architecture, we have drafted this letter concerning the potential increase to the Professional Fee.

The Congress does not authoritatively speak in behalf of all students of the College of Art & Architecture. However, this body does speak in behalf of the student organizations within the College. Though the number of students who participate in these various organizations is relatively low, it should be noted that these same students tend to be proactive and informed about the events within the College of Art and Architecture and the University of Idaho. By being informed and concerned with the current events within the College these student clubs and organizations provide critical leadership and information to their colleagues and peers who may be less involved.

Following a recent discussion concerning the possible increase in the Professional Fee, the Congress has reviewed the matter and we are in favor of a higher Fee. We recommend and support an annual increase of no more than five percent per year over the course of the next five years. At the conclusion of these five years we advocate for a reassessment of the increase and whether it should be increased, decreased or discontinued. We support this increase upon the condition that the additional revenue generated must be specifically dispersed to the department budgets, namely Architecture & Interior Design, Landscape Architecture, and Virtual Technology & Design. We reiterate the need for transparency and accountability for the expenditure of the Fee. We expect an annual report from the Dean's office and departments as to the distribution of the Professional Fee funds.

This increase is supported by the undersigned student leadership.

Thank you for your time and consideration of our views on this matter.

Robert Harder
President
Artists and Designers

David Sane
SCAA Representative
American Institute of Architecture Students
University of Idaho Chapter

Nicole Nale
President
American Institute of Graphic Artists
University of Idaho Chapter

Emily Rawls
President
American Society of Interior Designers
Intermountain Chapter

Douglas Woodruff
President
University of Idaho Students of Landscape
Architecture

Robert Nathan Tonks
Contact for SCAA
Graduate Architecture Student

Timothy White
President
National Art Education Association
University of Idaho Chapter

March 7, 2007

University of Idaho
President Timothy White

Dear President White,

This letter is in the continuing support of the increases in the dedicated law student professional fee. The increases are part of a five-year plan that was developed in consultation with student leadership in the spring of 2006. During the previous five-year period, the dedicated fee had risen from \$1900 per year to \$4400 per year, representing an average increase of approximately 18% per year. The current five-year plan provides for the dedicated fee to rise more moderately from \$4400 to \$6900 by the year 2010-11, representing an average increase of slightly less than 10% per year over the five-year period. The FY 2007-08 increase, from \$4800 to \$5250 per year, will amount to approximately 10.9%.

This is still a substantial increase, of course. The dedicated fee is an investment by future lawyers in the quality of their education and professional development. The FY 2007-08 fee increase will support a market-based adjustment in law faculty salaries (the dedicated law school fee not being subject to any constitutional prohibition against "tuition"); the increase is necessary to attract two nationally competitive new faculty members -- one to work in the strategically important "Water of the West" program, and the other to cover essential curricular needs in contract law as well as to enhance the law school's offerings in intellectual property law.

The dedicated fee increase also will support increased faculty strength in legal research and writing, as well as an addition to staff for development, alumni relations, and special events. Finally, the fee increase will support an investment by the law school, as needed, in strategic planning and collaboration with the Idaho Supreme Court in exploring the feasibility of a state law library/learning center in Boise that could house an expanded third-year study opportunity for law students.

The law students strongly support the law school professional fee increases and the initiatives that the increases will support. These increases are a worthy student financial investment that will better the University of Idaho College of Law in many needed facets. Thank you for your consideration.

Thank you,

Pele K. Peacock

University of Idaho College of Law
Student Bar Association President
peac1715@uidhoo.edu
957 North Polk
Moscow, Idaho 83843
(208) 720-4127

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LEWIS-CLARK STATE COLLEGE

STUDENT FEE RECOMMENDATION

TO

THE IDAHO STATE BOARD OF EDUCATION

- **Student Fee Recommendation Narrative Page 3**
- **Provided by OSBE:**
 - Recommendations for Changes to Student Fees for FY 2008..... Page 4
 - Potential Student Fee Revenue Changes for FY 2008..... Page 5
 - 4-year History of Board Approved Fees plus FY 2008 Recommended Fees .. Page 6
 - Peer Comparisons of Resident Undergraduate Tuition and Fees..... Page 7
- **Other Documents Provided by Institutions for Fee Hearings Page 9**
- **Student Supplied Information Page 23**

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BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 19-20, 2007

Lewis-Clark State College
Student Fee Proposal

Proposed Changes to Student Fees

Lewis-Clark State College (LCSC) requests approval from the State Board to increase student fees for FY2008 by 5.00%.

Mindful of the importance of keeping fees as low as possible to preserve access to higher education, this increase is necessary to sustain current educational programs and infrastructure at LCSC. The requested 5% increase equates to an additional \$97.50 per semester, raising the full-time fee per semester from \$1,948.50 to \$2,046.

LCSC's administration, faculty, staff, and students participate in a systematic assessment, planning, programming, and budgeting process each year, which enables the College to allocate scarce resources to the areas with the highest strategic impact for our assigned mission areas. As part of this planning and budgeting cycle, each unit, and each level within the organization identifies and prioritizes its requirements, to include "must pay" costs to sustain essential ongoing programs, as well as opportunities for program improvements or expansion. For FY08, we project that there will be limited resources available for program enhancements because almost all available funds from all sources—including student fees—will be needed to sustain the current level of operations.

LCSC greatly appreciates the support of the Board, the Governor, and the Legislature for the FY08 budget which included, *inter alia*, a 5% merit increase for employees (not including fringe), 3.5 additional nursing positions, and a one-time appropriation to build a nursing/health sciences building. However, to sustain ongoing operations in FY08, LCSC will need additional funds.

Based on our realistic estimate of the revenues that would be generated by the proposed student fee increase with our estimated headcount for FY08, we project that the proposed 5% student fee increase will generate approximately \$220,000 in additional operating revenue. That amount will help offset the impact of the State's earmarking of \$97,100 in our Normal School endowment fund for employee benefit costs and approximately \$70,900 that we requested (but did not receive) to cover inflation for utilities and other operating costs (based on a 1.81% standard for inflation) for FY08. The projected net impact of the proposed 5% student fee increase is an increase of operating funds of approximately \$52,000 for FY08, over a lean FY07 budget.

These factors were considered by the LCSC Student Body, which has endorsed the requested fee increase in order to sustain current programs through the next year (see attached ASLCSC Senate Resolution #07-S005). Minutes from the Student Fee Hearing are also attached.

LEWIS-CLARK STATE COLLEGE

Changes to Student Fees for FY 2008 Annual Full-Time Fees and Part-Time Credit Hours Fees

| | Bd Appv | FY07 Fees | FY08 Initial Notice | Requested Fees | | |
|--|------------|-------------------|------------------------|-------------------|-----------------|-------------|
| | | | | FY08 Fees | Change | % Chg. |
| Student Fees: | | | | | | |
| 1 Full-time Fees: | | | | | | |
| 2 Tuition Fee | ** | \$2,703.00 | \$2,898.00 | \$2,888.00 | \$185.00 | 6.8% |
| 3 Technology Fee | ** | 70.00 | 70.00 | 70.00 | 0.00 | 0.0% |
| 4 Facilities Fees | ** | 468.00 | 468.00 | 468.00 | 0.00 | 0.0% |
| 5 Student Activity Fees | ** | 656.00 | 656.00 | 666.00 | 10.00 | 1.5% |
| 6 Total Full-time Fees | | <u>\$3,897.00</u> | <u>\$4,092.00</u> | <u>\$4,092.00</u> | <u>\$195.00</u> | <u>5.0%</u> |
| 7 | | | | | | |
| 8 Part-time Credit Hour Fees: | | | | | | |
| 9 Education Fee | ** | \$149.00 | \$159.00 | \$159.00 | \$10.00 | 6.7% |
| 10 Technology Fee | ** | 4.25 | 4.25 | 4.25 | 0.00 | 0.0% |
| 11 Facilities Fees | ** | 13.75 | 13.75 | 13.75 | 0.00 | 0.0% |
| 12 Student Activity Fees | ** | 27.00 | 27.00 | 27.00 | 0.00 | 0.0% |
| 13 Total Part-time Cr Hr Fees | | <u>\$194.00</u> | <u>\$204.00</u> | <u>\$204.00</u> | <u>\$10.00</u> | <u>5.2%</u> |
| 14 | | | | | | |
| 15 Summer Credit Hour Fees: | | | | | | |
| 16 Education Fee | ** | \$107.60 | \$117.60 | \$117.60 | \$10.00 | 9.3% |
| 17 Technology Fee | ** | 4.25 | 4.25 | 4.25 | 0.00 | 0.0% |
| 18 Facilities Fees | ** | 13.75 | 13.75 | 13.75 | 0.00 | 0.0% |
| 19 Student Activity Fees | ** | 68.40 | 68.40 | 68.40 | 0.00 | 0.0% |
| 20 Total Summer Cr Hr Fees | | <u>\$194.00</u> | <u>\$204.00</u> | <u>\$204.00</u> | <u>\$10.00</u> | <u>5.2%</u> |
| 21 | | | | | | |
| 22 Other Student Fees: | | | | | | |
| 23 Nonresident Tuition: | | | | | | |
| 24 Nonres Tuition | ** | \$6,944.00 | \$7,290.00 | \$7,290.00 | \$346.00 | 5.0% |
| 25 Nonres Tuition-Asotin County | ** | \$3,168.00 | \$3,168.00 | \$3,168.00 | \$0.00 | 0.0% |
| 26 Professional Fees: | | | | | | |
| 27 None | | | | | | |
| 28 Other Fees: | | | | | | |
| 29 Western Undergrad Exchge | | \$1,948.50 | \$2,046.00 | \$2,046.00 | \$97.50 | 5.0% |
| 30 In-service Fees/Cr Hr - Undergrad | | \$69.00 | \$72.00 | \$72.00 | \$3.00 | 4.3% |
| 31 Overload (22 cr. or more) | | \$194.00 | \$204.00 | \$204.00 | \$10.00 | 5.2% |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 <u>Change to Student Activity Fees:</u> | | | | | | |
| 38 Full-time: | | | | | | |
| 39 Associated Student Body | | \$50.50 | \$0.00 | \$48.50 | (\$2.00) | -4.0% |
| 40 Intramurals-Competition | | \$13.50 | \$0.00 | \$15.50 | \$2.00 | 14.8% |
| 41 Newspaper | | \$10.00 | \$0.00 | \$11.00 | \$1.00 | 10.0% |
| 42 Outdoor Recreation | | \$6.00 | \$0.00 | \$7.00 | \$1.00 | 16.7% |
| 43 Radio Station | | \$2.00 | \$0.00 | \$6.00 | \$4.00 | 200.0% |
| 44 Student Activities | | \$11.00 | \$0.00 | \$13.00 | \$2.00 | 18.2% |
| 45 Student Programming | | \$17.00 | \$0.00 | \$19.00 | \$2.00 | 11.8% |
| 46 | | | | | | |
| 47 Student Health Insurance Premium | | \$1,114 | | | | |

LEWIS-CLARK STATE COLLEGE
Potential Student Fee Revenue Changes for FY 2008
Due to Enrollment and Fee Changes

| | Student Fees: | Projected | | Potential Revenue Generated Due to Enrollment and Fee Changes | | | | |
|----|---|-----------------|---------------|---|------------|-------------|-----------|----------------------------|
| | | HC/SCH Enrollmt | | Enrollment Changes | | Fee Changes | | Total Rev Change |
| | | FY07 | FY08 | Gen Educ | Local | Gen Educ | Local | Gen Educ Local |
| 1 | Full-time Fees: | | -1.9% | | | | | |
| 2 | Matriculation Fee | 2,243 | 2,200 | (\$116,300) | | \$405,900 | | \$289,600 |
| 3 | Technology Fee | 2,243 | 2,200 | | (3,000) | | 0 | (3,000) |
| 4 | Facilities Fees | 2,243 | 2,200 | | (20,100) | | 0 | (20,100) |
| 5 | Student Activity Fees | 2,243 | 2,200 | | (28,200) | | 22,000 | (6,200) |
| 6 | Total Full-time Fees | | | (\$116,300) | (\$51,300) | \$405,900 | \$22,000 | \$289,600 (\$29,300) |
| 7 | | | | | | | | |
| 8 | Part-time Credit Hour Fees: | | -0.9% | | | | | |
| 9 | Education Fee | 4,844 | 4,800 | (\$6,600) | | \$48,000 | | \$41,400 |
| 10 | Technology Fee | 4,844 | 4,800 | | (200) | | 0 | (200) |
| 11 | Facilities Fees | 4,844 | 4,800 | | (600) | | 0 | (600) |
| 12 | Student Activity Fees | 4,844 | 4,800 | | (1,200) | | 0 | (1,200) |
| 13 | Total Part-time Cr Hr Fees: | | | (\$6,600) | (\$2,000) | \$48,000 | \$0 | \$41,400 (\$2,000) |
| 14 | | | | | | | | |
| 15 | Summer Credit Hour Fees: | | -18.6% | | | | | |
| 16 | Education Fee | 2,825 | 2,300 | (\$56,500) | | \$23,000 | | (\$33,500) |
| 17 | Technology Fee | 2,825 | 2,300 | | (2,200) | | 0 | (2,200) |
| 18 | Facilities Fees | 2,825 | 2,300 | | (7,200) | | 0 | (7,200) |
| 19 | Student Activity Fees | 2,825 | 2,300 | | (35,900) | | 0 | (35,900) |
| 20 | Total Summer Cr Hr Fees | | | (\$56,500) | (\$45,300) | \$23,000 | \$0 | (\$33,500) (\$45,300) |
| 21 | | | | | | | | |
| 22 | Other Student Fees: | | | | | | | |
| 23 | Nonresident Tuition: | | | | | | | |
| 24 | Nonres Tuition | 63 | 60 | (\$20,800) | | \$20,800 | | \$0 |
| 25 | Nonres Tuition-Asotin County | 67 | 65 | (6,300) | | 0 | | (6,300) |
| 26 | Professional Fees: | | | | | | | |
| 27 | None | | | | | | | |
| 28 | Other Fees: | | | | | | | |
| 29 | Western Undergrad Exchge | 60 | 60 | 0 | | 5,900 | | 5,900 |
| 30 | In-service Fees/Cr Hr - Undergrad | | | 0 | | 0 | | 0 |
| 31 | Overload (22 cr. or more) | | | 0 | | 0 | | 0 |
| 32 | Total Other Student Fees | | | (\$27,100) | \$0 | \$26,700 | \$0 | (\$400) \$0 |
| 33 | | | | | | | | |
| 34 | Total Additional Student Fee Revenue | | | (\$206,500) | (\$98,600) | \$503,600 | \$22,000 | \$297,100 (\$76,600) |
| 35 | | | | | | | | |
| 36 | | | | | | | | |
| 37 | <u>Change to Student Activity Fees:</u> | | | | | | | |
| 38 | Full-time: | | | | | | | |
| 39 | Associated Student Body | 2,243 | 2,200 | | (\$2,200) | | (\$4,400) | (\$6,600) |
| 40 | Intramurals-Competition | 2,243 | 2,200 | | (\$600) | | \$4,400 | \$3,800 |
| 41 | Newspaper | 2,243 | 2,200 | | (\$400) | | \$2,200 | \$1,800 |
| 42 | Outdoor Recreation | 2,243 | 2,200 | | (\$300) | | \$2,200 | \$1,900 |
| 43 | Radio Station | 2,243 | 2,200 | | (\$100) | | \$8,800 | \$8,700 |
| 44 | Student Activities | 2,243 | 2,200 | | (\$500) | | \$4,400 | \$3,900 |
| 45 | Student Programming | 2,243 | 2,200 | | (\$700) | | \$4,400 | \$3,700 |

LEWIS-CLARK STATE COLLEGE

4-year History of Board Approved Fees plus FY08 Requested Fees Annual Full-Time Fees and Part-Time Credit Hours Fees

| Student Fees: | | FY 2004 | FY 2005 | FY 2006 | FY 2007 | #REF! FY 2008 | 5-Year Increase | % Increase |
|---------------|-----------------------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------|
| 1 | Full-time Fees | | | | | | | |
| 2 | Tuition (Unrestricted) | \$1,977.00 | \$ 2,230.00 | \$ 2,550.00 | \$ 2,703.00 | \$ 2,888.00 | \$ 911.00 | 46.1% |
| 3 | Technology Fee | 60.00 | 62.00 | 62.00 | 70.00 | 70.00 | 10.00 | 16.7% |
| 4 | Facilities Fees | 490.00 | 490.00 | 468.00 | 468.00 | 468.00 | (22.00) | -4.5% |
| 5 | Student Activity Fees | 599.00 | 610.00 | 634.00 | 656.00 | 666.00 | 67.00 | 11.2% |
| 6 | Total Full-time Fees | <u>\$3,126.00</u> | <u>\$ 3,392.00</u> | <u>\$ 3,714.00</u> | <u>\$ 3,897.00</u> | <u>\$ 4,092.00</u> | <u>\$ 966.00</u> | <u>30.9%</u> |
| 7 | | | | | | | | |
| 8 | Part-time Credit Hour Fees | | | | | | | |
| 9 | Education Fee | \$ 115.00 | \$ 130.00 | \$ 144.00 | \$ 149.00 | \$ 159.00 | \$ 44.00 | 38.3% |
| 10 | Technology Fee | 2.50 | 3.50 | 3.50 | 4.25 | 4.25 | 1.75 | 70.0% |
| 11 | Facilities Fees | 14.75 | 14.75 | 13.75 | 13.75 | 13.75 | (1.00) | -6.8% |
| 12 | Student Activity Fees | 20.75 | 22.75 | 23.75 | 27.00 | 27.00 | 6.25 | 30.1% |
| 13 | Total Part-time Cr Hr Fees | <u>\$ 153.00</u> | <u>\$ 171.00</u> | <u>\$ 185.00</u> | <u>\$ 194.00</u> | <u>\$ 204.00</u> | <u>\$ 51.00</u> | <u>33.3%</u> |
| 14 | | | | | | | | |
| 15 | Summer Credit Hour Fees | | | | | | | |
| 16 | Education Fee | \$ 81.75 | \$ 88.50 | \$ 102.50 | \$ 107.60 | \$ 117.60 | \$ 35.85 | 43.9% |
| 17 | Technology Fee | 2.50 | 3.50 | 3.50 | 4.25 | 4.25 | 1.75 | 70.0% |
| 18 | Facilities Fees | 14.75 | 14.75 | 13.75 | 13.75 | 13.75 | (1.00) | -6.8% |
| 19 | Student Activity Fees | 54.00 | 64.25 | 65.25 | 68.40 | 68.40 | 14.40 | 26.7% |
| 20 | Total Summer Cr Hr Fees | <u>\$ 153.00</u> | <u>\$ 171.00</u> | <u>\$ 185.00</u> | <u>\$ 194.00</u> | <u>\$ 204.00</u> | <u>\$ 51.00</u> | <u>33.3%</u> |
| 21 | Other Student Fees | | | | | | | |
| 22 | Nonresident Tuition: | | | | | | | |
| 23 | Nonres Tuition | \$5,998.00 | \$ 6,240.00 | \$ 6,552.00 | \$ 6,944.00 | \$ 7,290.00 | \$1,292.00 | 21.5% |
| 24 | Nonres Tuition-Asotin County | \$3,168.00 | \$ 3,168.00 | \$ 3,168.00 | \$ 3,168.00 | \$ 3,168.00 | \$ - | 0.0% |
| 27 | Other Fees: | | | | | | | |
| 28 | Western Undergrad Exchge | \$1,563.00 | \$ 1,563.00 | \$ 1,857.00 | \$ 1,948.50 | \$ 2,046.00 | \$ 483.00 | 30.9% |
| 29 | In-service Fees/Cr Hr - Undergrad | \$ 55.00 | \$ 60.00 | \$ 65.00 | \$ 69.00 | \$ 72.00 | \$ 17.00 | 30.9% |
| 30 | Overload (22 cr. or more) | \$ 153.00 | \$ 171.00 | \$ 185.00 | \$ 194.00 | \$ 204.00 | \$ 51.00 | 33.3% |

**College & Universities
Peer Comparisons
Resident Undergraduate Tuition and Fees
FY 2004 - FY 2007**

| | | | | | INCREASE OVER PRIOR YEAR | |
|---|-----------|-----------|-----------|-----------|-----------------------------|---------|
| | 2003-2004 | 2004-2005 | 2005-2006 | 2006-2007 | AMOUNT | PERCENT |
| LEWIS-CLARK STATE COLLEGE | | | | | | |
| 1 Lake Superior State University (Michigan) | \$5,454 | \$5,736 | \$6,306 | \$6,768 | \$1,032 | 16.4% |
| 2 University of South Carolina Aiken | 5,064 | 5,472 | 6,158 | 6,700 | 1,228 | 19.9% |
| 3 Lock Haven University of Pennsylvania | 5,874 | 6,100 | 6,258 | 6,445 | 345 | 5.5% |
| 4 Southwest State University (Minnesota) | 4,616 | 5,034 | 5,855 | 6,240 | 1,206 | 20.6% |
| 5 University of Maine Farmington | 4,790 | 5,150 | 5,541 | 6,219 | 1,069 | 19.3% |
| 6 Eastern Oregon University | 4,839 | 5,508 | 5,655 | 5,841 | 333 | 5.9% |
| 7 Dakota State University (South Dakota) | 4,544 | 4,614 | 4,832 | 5,700 | 1,086 | 22.5% |
| 8 Texas A&M Galveston | 3,718 | 5,086 | 5,118 | 5,651 | 565 | 11.0% |
| 9 Valley City State University (North Dakota) | 4,026 | 4,558 | 4,932 | 5,306 | 748 | 15.2% |
| 10 Central State University (Ohio) | 4,287 | 4,710 | 4,994 | 5,294 | 584 | 11.7% |
| 11 West Virginia University Institute of Technolo | 3,430 | 3,550 | 4,078 | 4,358 | 808 | 19.8% |
| 12 Montana State University- Northern | 3,494 | 4,167 | 4,088 | 4,324 | 157 | 3.8% |
| 13 University of Montana - Western | 3,028 | 3,731 | 3,939 | 4,164 | 433 | 11.0% |
| 14 University of Arkansas - Monticello | 3,330 | 3,626 | 3,910 | 4,150 | 524 | 13.4% |
| 15 Southern Utah University (Missouri) | 3,976 | 3,810 | 3,916 | 4,096 | 286 | 7.3% |
| 16 Lewis-Clark State College | 3,126 | 3,392 | 3,714 | 3,897 | 505 | 13.6% |
| 17 Southeastern Oklahoma State University | 2,947 | 3,122 | 3,254 | 3,574 | 452 | 13.9% |
| 18 Western State College (Colorado) | 2,564 | 2,764 | 3,188 | 3,351 | 587 | 18.4% |
| 19 University of Hawaii Hilo | 2,426 | 2,500 | 2,610 | 3,148 | 648 | 24.8% |
| 20 New Mexico Highlands University | 2,184 | 2,280 | 2,280 | 2,424 | 144 | 6.3% |
| 21 Peer Averages | 3,886 | 4,246 | 4,531 | 4,883 | 637 | 14.1% |

* SOURCES:
WICHE Tuition & Fees In Public Higher Education in the West
The Chronicle of Higher Education

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LEWIS-CLARK STATE COLLEGE

DOCUMENTS PROVIDED BEFORE AND DURING CAMPUS FEE HEARINGS

- Initial Notice Page 11
- Fee Hearing Information..... Page 17

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Lewis-Clark STATE

C O L L E G E

Connecting Learning to Life

MEMORANDUM

TO: President of ASLCSC
Editor of Pathfinder

FROM: Chet Herbst, Vice President for Finance and Administration *CHH*

DATE: February 12, 2007

SUBJECT: Public Hearing of Proposed Student Fees for FY 2008

As specified in State Board of Education policy V.R.4.b., this letter serves as initial notice of a public hearing to be held at 12:00 PM on Wednesday, February 28, 2007 to gather input on proposed student fees to become effective with the Summer 2007 session. The hearing will be held in the Library TCC. Students wishing to submit written testimony should send their comments to the Office of Vice President for Finance and Administration in the Administration Building, Lewiston campus.

This proposal includes a 5% increase (\$97.50) in the full-time fee. Revenue generated by the fee increase will be used to support the ongoing costs of the institution.

No changes to the Student Technology Fee, any of the Facility Fees, or any of the Activity Fees are proposed at this time.

The proposal also includes increases to the credit hour fee for both part-time instruction and summer term instruction of \$10.00 per credit hour (5.2% increase) and to nonresident tuition in the amount of \$173.00 per semester (5% increase).

This letter should also serve as a request that the attached Notice of Public Hearing be published in the next issue of the *Pathfinder*. Any assistance that you can provide us in notifying students of the hearing will be greatly appreciated. This notice will appear on the web site of the LCSC Budget Office for the next few weeks at: <http://www.lcsc.edu/adminservices/budget-office.htm>.

Thank you.

Enclosure

NOTICE OF PUBLIC HEARING
PROPOSED STUDENT FEES - FY 2008

A public hearing will be held February 28, 2007, beginning at 12 p.m. to gather input on proposed student fee increases to be effective with the Summer 2007 session. The hearing will be held in the Library TCC. Written testimony will be received up to the time of the hearing and should be sent to the Office of Administrative Services in the Administration Building, Lewis-Clark State College campus.

| Description | Current Fee | Proposed Fee | \$ Increase | % Increase | Projected Revenue |
|--|--------------------|--------------------|-----------------|---------------|----------------------|
| FULL-TIME RESIDENT FEES | | | | | |
| TUITION FEE | \$ 1,351.50 | \$ 1,449.00 | \$ 97.50 | 7.2% | 410,000 |
| FACILITY FEES | \$ 234.00 | \$ 234.00 | \$ - | 0.0% | 0 |
| STUDENT TECHNOLOGY FEE | \$ 35.00 | \$ 35.00 | \$ - | 0.0% | 0 |
| ACTIVITY FEES | \$ 328.00 | \$ 328.00 | \$ - | 0.0% | 0 |
| TOTAL FULL-TIME FEE | \$ 1,948.50 | \$ 2,046.00 | \$ 97.50 | 5.0% | 410,000 |
| PART-TIME CREDIT HOUR FEE | | | | | |
| Education Fee | \$ 149.00 | \$ 159.00 | \$ 10.00 | 6.7% | 45,000 |
| Technology Fee | \$ 4.25 | \$ 4.25 | \$ - | 0.0% | 0 |
| Facility Fees | \$ 13.75 | \$ 13.75 | \$ - | 0.0% | 0 |
| Student Activity Fees | \$ 27.00 | \$ 27.00 | \$ - | 0.0% | 0 |
| TOTAL PART-TIME FEE | \$ 194.00 | \$ 204.00 | \$ 10.00 | 5.2% | 45,000 |
| SUMMER CREDIT HOUR FEE | | | | | |
| Education Fee | \$ 107.60 | \$ 117.60 | \$ 10.00 | 9.3% | 24,000 |
| Technology Fee | \$ 4.25 | \$ 4.25 | \$ - | 0.0% | 0 |
| Facility Fees | \$ 13.75 | \$ 13.75 | \$ - | 0.0% | 0 |
| Student Activity Fees | \$ 68.40 | \$ 68.40 | \$ - | 0.0% | 0 |
| TOTAL SUMMER FEE | \$ 194.00 | \$ 204.00 | \$ 10.00 | 5.2% | 24,000 |
| NONRESIDENT TUITION | | | | | |
| Nonresident | \$ 3,472.00 | \$ 3,645.00 | \$ 173.00 | 5.0% | 16,000 |
| Asotin County Student | \$ 1,584.00 | \$ 1,584.00 | \$ - | 0.0% | 0 |
| TOTAL NONRESIDENT TUITION REVENUE | | | | | 16,000 |
| COMBINED RESIDENT & NONRESIDENT TUITION | | | | | |
| Nonresident | \$ 5,420.50 | \$ 5,691.00 | \$ 270.50 | 5.0% | |
| Asotin County Student | \$ 3,532.50 | \$ 3,630.00 | \$ 97.50 | 2.8% | |
| TOTAL ANNUAL NONRESIDENT TUITION | | | | | |
| Nonresident | \$ 10,841.00 | \$ 11,382.00 | \$ 541.00 | 5.0% | |
| Asotin County Student | \$ 7,065.00 | \$ 7,260.00 | \$ 195.00 | 2.8% | |
| OVERLOAD FEE | \$ 194.00 | \$ 204.00 | \$ 10.00 | 5.2% | |
| GENERAL EDUCATION BUDGET (estimated additional revenue) | | | | | |
| RESIDENT TUITION | | | | | \$ 410,000 |
| PART-TIME FEE | | | | | \$ 45,000 |
| SUMMER FEE | | | | | \$ 24,000 |
| NONRESIDENT TUITION | | | | | \$ 16,000 |
| TOTAL GENERAL EDUCATION REVENUE | | | | | \$ 495,000 |

LEWIS-CLARK STATE COLLEGE
STUDENT FEES - SUMMARY of PROPOSED CHANGES

| | Current Fee | Proposed Change | Proposed 2007 - 2008 Fees | % Change |
|--|----------------|--------------------|---------------------------------|----------|
| FULL-TIME FEE (per semester) | | | | |
| General Education Budget | 1,351.50 | 97.50 | 1,449.00 | 7.2% |
| Alumni | 3.25 | | 3.25 | |
| Artist Series | 2.00 | | 2.00 | |
| Associated Student Body | 25.25 | | 25.25 | |
| Athletics | 64.50 | | 64.50 | |
| Athletics – Gender Equity | 15.25 | | 15.25 | |
| Co-Curricular Activities | 8.25 | | 8.25 | |
| Day Care | 4.75 | | 4.75 | |
| Drama | 4.00 | | 4.00 | |
| Facility – Activity Center | 36.75 | | 36.75 | |
| Facility – Amphitheater | 5.00 | | 5.00 | |
| Facility – Facilities & Special Services | 21.00 | | 21.00 | |
| Facility – Silverthorne Theatre | 15.00 | | 15.00 | |
| Facility – SUB Debt | 70.00 | | 70.00 | |
| Facility – SUB Expansion | 86.25 | | 86.25 | |
| Fitness Center | 9.50 | | 9.50 | |
| I.D. Card | 3.50 | | 3.50 | |
| Institutional Development | 12.50 | | 12.50 | |
| Intramurals – Competition | 6.75 | | 6.75 | |
| Music | 4.00 | | 4.00 | |
| Newspaper | 5.00 | | 5.00 | |
| Non-Curricular Activities | 2.00 | | 2.00 | |
| Outdoor Recreation | 3.00 | | 3.00 | |
| Radio Station | 1.00 | | 1.00 | |
| Resident Halls Operations | 25.00 | | 25.00 | |
| Sales Tax | 1.00 | | 1.00 | |
| Scholarships | 22.50 | | 22.50 | |
| Student Activities | 5.50 | | 5.50 | |
| Student Health Center | 50.00 | | 50.00 | |
| Student Literary Publication | 1.50 | | 1.50 | |
| Student Programming | 8.50 | | 8.50 | |
| Student Technology | 35.00 | | 35.00 | |
| Student Union Building Operations | 29.50 | | 29.50 | |
| Student Work Scholarship | 10.00 | | 10.00 | |
| Total Full-Time Fee per Semester | 1,948.50 | 97.50 | 2,046.00 | 5.0% |

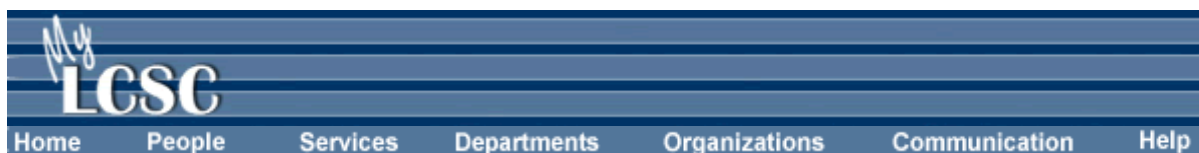
LEWIS-CLARK STATE COLLEGE

STUDENT FEES - SUMMARY of PROPOSED CHANGES

| | Current Fee | Proposed Change | Proposed 2007 - 2008 Fees | % Change |
|---|----------------|--------------------|---------------------------------|----------|
| <u>NON-RESIDENT TUITION (per semester)</u> | | | | |
| Full-time Student (non Asotin County, WA) | 3,472.00 | 173.00 | 3,645.00 | 5.0% |
| Full-time Student - Asotin County, WA | 1,584.00 | | 1,584.00 | |
| <u>PART-TIME FEE (per credit hour)</u> | | | | |
| General Education Budget | 149.00 | 10.00 | 159.00 | 6.7% |
| Alumni | 0.25 | | 0.25 | |
| Associated Student Body | 2.00 | | 2.00 | |
| Athletics | 5.50 | | 5.50 | |
| Facility – Activity Center | 3.75 | | 3.75 | |
| Facility – Amphitheater | 0.50 | | 0.50 | |
| Facility – Silverthorne Theatre | 1.00 | | 1.00 | |
| Facility – SUB Expansion | 8.50 | | 8.50 | |
| Intramurals – Competition | 1.50 | | 1.50 | |
| Student Health Center | 4.75 | | 4.75 | |
| Student Technology | 4.25 | | 4.25 | |
| Student Work Scholarship | 0.75 | | 0.75 | |
| SUB Operations | 12.25 | | 12.25 | |
| Total Fee per Credit Hour | 194.00 | 10.00 | 204.00 | 5.2% |
| <u>COMMUNITY PROGRAMS FEE</u> | | | | |
| <u>Part-time (per credit hour)</u> | | | | |
| General Education Budget | 111.50 | 10.00 | 121.50 | 9.0% |
| Community Programs | 78.50 | | 78.50 | |
| Student Technology | 3.50 | | 3.50 | |
| Student Work Scholarship | 0.50 | | 0.50 | |
| Total Fee per Credit Hour | 194.00 | 10.00 | 204.00 | 5.2% |
| <u>Full-time Resident (per semester)</u> | | | | |
| General Education Budget | 1,360.50 | 97.50 | 1,458.00 | 7.2% |
| Community Programs | 510.50 | | 510.50 | |
| Co-Curricular Activities | 3.50 | | 3.50 | |
| I.D. Card | 3.50 | | 3.50 | |
| Outreach Student Government | 7.00 | | 7.00 | |
| Scholarships | 18.50 | | 18.50 | |
| Student Technology | 35.00 | | 35.00 | |
| Student Work Scholarship | 10.00 | | 10.00 | |
| Total Full-Time Fee per Semester | 1,948.50 | 97.50 | 2,046.00 | 5.0% |

LEWIS-CLARK STATE COLLEGE
STUDENT FEES - SUMMARY of PROPOSED CHANGES

| | Current Fee | Proposed Change | Proposed 2007 - 2008 Fees | % Change |
|--|----------------|--------------------|---------------------------------|-------------|
| <u>SUMMER SCHOOL 2007 - ALL LOCATIONS (per credit hour)</u> | | | | |
| General Education Budget | 107.60 | 10.00 | 117.60 | 9.3% |
| Facility – Activity Center | 3.75 | | 3.75 | |
| Facility – Amphitheater | 0.50 | | 0.50 | |
| Facility – Silverthorne Theatre | 1.00 | | 1.00 | |
| Facility – SUB Expansion | 8.50 | | 8.50 | |
| Student Health Center | 4.25 | | 4.25 | |
| Student Technology | 4.25 | | 4.25 | |
| Summer School Expenses | 62.65 | | 62.65 | |
| Student Work Scholarship | 1.50 | | 1.50 | |
| Total Fee per Credit Hour | 194.00 | 10.00 | 204.00 | 5.2% |
| <u>Other "Miscellaneous" Fees</u> | | | | |
| Credit by Exam Fee | | | | |
| Flat fee | 35.00 | | 35.00 | |
| Per credit hour | 5.00 | | 5.00 | |
| Dual Enrollment | 69.00 | | 69.00 | |
| Faculty/Staff/Spouse Fee | | | | |
| Flat fee | 20.00 | | 20.00 | |
| Per credit hour | 5.00 | | 5.00 | |
| Overload Fee (22 credits or more) | 194.00 | 10.00 | 204.00 | 5.2% |
| PACE Summer - Elementary | 1,948.50 | 97.50 | 2,046.00 | 5.0% |
| Portfolio Fee | 194.00 | | 194.00 | |
| Senior Citizen Fee | | | | |
| Flat fee | 20.00 | | 20.00 | |
| Per credit hour | 5.00 | | 5.00 | |
| Teacher In-Service Training | 69.00 | | 69.00 | |



Student fee hearing is set for Feb. 28

Lewis-Clark State College will hold a public hearing of proposed student fees for the 2008 fiscal year on Feb. 28 at noon in the Library Teleconference Communication room on the LCSC campus.

The hearing will allow students and the public to comment on proposed student fee increases, which would become effective for the 2007 Summer session.

LCSC administrators are proposing a 5 percent increase in the full-time student fee, which would equate to an increase of \$97.50. Revenue generated by the fee increase will be used to support the ongoing costs of the institution.

According to LCSC administrators there are no proposed changes to the Student Technology Fee, any of the Facility Fees, or Activity Fees.

The proposal includes increases to credit hour fee for both part-time instruction and summer term instruction of \$10 per credit hour (a 5.2 percent increase) and to nonresidential tuition of \$173 per semester (a 5 percent increase).

Students who cannot attend the meeting in person but wish to submit written testimony should send their comments to the Office of Vice President for Finance and Administration in the Administration Building.

After the public hearing, LCSC will present its fee increase to the Idaho State Board of Education, which will make the final decision.

Questions or comments e-mail the intranet [webmaster](#)

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Student fee hearing to be held Feb. 28

Maria Lacey
Pathfinder editor
compiled from reports

Lewis-Clark State College will hold a public hearing of proposed student fees for the 2008 fiscal year on Feb. 28 at noon in the Library Teleconference Communication room on the LCSC campus.

The hearing will allow students and the public to comment on proposed student fee increases, which would become effective for the 2007 Summer session.

LCSC administrators are proposing a 7.2 percent, or \$97.50, increase in the full-time resident tuition fee, which would result in an overall increase of 5 percent in the total full-time resident fee. Revenue generated by the increase will be used to support the ongoing costs of the institution.

According to LCSC administrators, revenue generated by the increase will be used to support the ongoing costs of the institution.

No changes to the Student Technology Fee, any Facility Fees or Activity Fees are proposed at this time.

The proposal includes increases to the credit hour fee for both part-time instruction and summer term instruction of \$10 per credit hour (a 5.2 percent increase) and to nonresidential tuition of \$173 per semester (a 5 percent increase).

Students who cannot attend the meeting in person but wish to submit written testimony should send their comments to the Office of Vice President for Finance and Administration in the Administration Building on the Lewiston campus. Written testimony will be received up to the time of the hearing.

The Associated Students of Lewis-Clark State College will wait until after the fee hearing to present its counter-proposal, says ASLCSC president, Cody Bloomsburg.

"My instinct is to go in there [to the fee hearing] with a counter-proposal ready," says Bloomsburg. "But [ASLCSC vice president] Matt [Smith] pointed out that we really should wait for student input before we go charging in there, trying to get things done. He's right, so that's what we're going to do."

After the public hearing, LCSC will present its proposed fee increase to the Idaho State Board of Education, which will then make the final decision.

The Notice of Public hearing appears directly below. It is reproduced at very close to 100 percent of the document's original size.

NOTICE OF PUBLIC HEARING PROPOSED STUDENT FEES - FY 2008

A public hearing will be held February 28, 2007, beginning at 12 p.m. to gather input on proposed student fee increases to be effective with the Summer 2007 session. The hearing will be held in the Library TCC. Written testimony will be received up to the time of the hearing and should be sent to the Office of Administrative Services in the Administration Building, Lewis-Clark State College campus.

| Description | Current Fee | Proposed Fee | \$ Increase | % Increase | Projected Revenue |
|--|--------------------|--------------------|-----------------|-------------|-------------------|
| FULL-TIME RESIDENT FEES | | | | | |
| TUITION FEE | \$ 1,351.50 | \$ 1,449.00 | \$ 97.50 | 7.2% | 410,000 |
| FACILITY FEES | \$ 234.00 | \$ 234.00 | \$ - | 0.0% | 0 |
| STUDENT TECHNOLOGY FEE | \$ 35.00 | \$ 35.00 | \$ - | 0.0% | 0 |
| ACTIVITY FEES | \$ 328.00 | \$ 328.00 | \$ - | 0.0% | 0 |
| TOTAL FULL-TIME FEE | \$ 1,948.50 | \$ 2,046.00 | \$ 97.50 | 5.0% | 410,000 |
| PART-TIME CREDIT HOUR FEE | | | | | |
| Education Fee | \$ 149.00 | \$ 159.00 | \$ 10.00 | 6.7% | 45,000 |
| Technology Fee | \$ 4.25 | \$ 4.25 | \$ - | 0.0% | 0 |
| Facility Fees | \$ 13.75 | \$ 13.75 | \$ - | 0.0% | 0 |
| Student Activity Fees | \$ 27.00 | \$ 27.00 | \$ - | 0.0% | 0 |
| TOTAL PART-TIME FEE | \$ 194.00 | \$ 204.00 | \$ 10.00 | 5.2% | 45,000 |
| SUMMER CREDIT HOUR FEE | | | | | |
| Education Fee | \$ 107.60 | \$ 117.60 | \$ 10.00 | 9.3% | 24,000 |
| Technology Fee | \$ 4.25 | \$ 4.25 | \$ - | 0.0% | 0 |
| Facility Fees | \$ 13.75 | \$ 13.75 | \$ - | 0.0% | 0 |
| Student Activity Fees | \$ 68.40 | \$ 68.40 | \$ - | 0.0% | 0 |
| TOTAL SUMMER FEE | \$ 194.00 | \$ 204.00 | \$ 10.00 | 5.2% | 24,000 |
| NONRESIDENT TUITION | | | | | |
| Nonresident | \$ 3,472.00 | \$ 3,645.00 | \$ 173.00 | 5.0% | 16,000 |
| Asotin County Student | \$ 1,584.00 | \$ 1,584.00 | \$ - | 0.0% | 0 |
| TOTAL NONRESIDENT TUITION REVENUE | | | | | 16,000 |
| COMBINED RESIDENT & NONRESIDENT TUITION | | | | | |
| Nonresident | \$ 5,420.50 | \$ 5,691.00 | \$ 270.50 | 5.0% | |
| Asotin County Student | \$ 3,532.50 | \$ 3,630.00 | \$ 97.50 | 2.8% | |
| TOTAL ANNUAL NONRESIDENT TUITION | | | | | |
| Nonresident | \$ 10,841.00 | \$ 11,382.00 | \$ 541.00 | 5.0% | |
| Asotin County Student | \$ 7,065.00 | \$ 7,260.00 | \$ 195.00 | 2.8% | |
| OVERLOAD FEE | \$ 194.00 | \$ 204.00 | \$ 10.00 | 5.2% | |
| GENERAL EDUCATION BUDGET (estimated additional revenue) | | | | | |
| RESIDENT TUITION | | | | | \$ 410,000 |
| PART-TIME FEE | | | | | \$ 45,000 |
| SUMMER FEE | | | | | \$ 24,000 |
| NONRESIDENT TUITION | | | | | \$ 16,000 |
| TOTAL GENERAL EDUCATION REVENUE | | | | | \$ 495,000 |

Go to the student fee hearing. Seriously, right now

By Matt Wilson
of *The Pathfinder*

Ladies and gentleman, boys and girls, and everything and anything you may want to refer to yourselves as: This message is for all of you.

There is a good chance you are picking this issue of the paper up at the start of your lunch hour today, Wednesday, the last day of this beautiful February. Perhaps you even have a sandwich or a wrap or some other delectable treat from the SUB in your mouth right now. If this is you, as much as I hate giving the order to put down delicious cafeteria food, do it anyway. Duty calls.

The annual student fee hearing is going down today at noon. It is an open forum for students and the community to voice their opinions regarding student fees.

In the past, the hearing has experienced attendance from up to seven or eight students, most of whom were affiliated with ASLCSC.

Since I know, through direct conversations with other students and a great deal of eavesdropping, that most people don't feel 'the lowest tuition in Idaho,' is quite low enough, everybody who is physically capable ought to be in attendance.

The administration will be answering questions and hearing opinions regarding, not only the amount of student fees, but also the manner in which they are distributed throughout the college. They will then make a decision, based on what they hear at the meeting of course, and take that decision to the State Board of Education, who may or may not approve it.

So, in short, this is your opportunity to make all that complaining you've been doing of all things financial actually be heard by someone other than your mother or your kids.

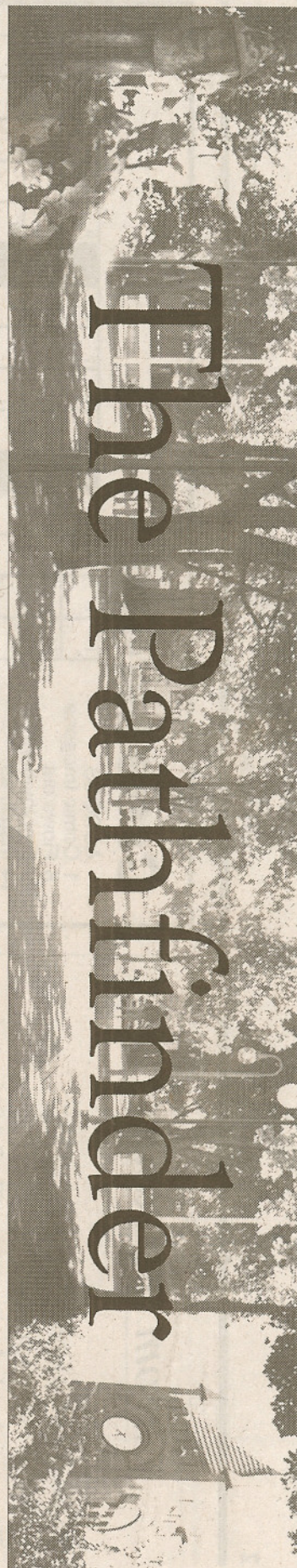
The hearing is being held in the Library Teleconference Communications Room. If you don't know exactly where this is, look. It's not hard to find.

And yes, we realize this is the third week in a row we've addressed this campus event. That should tell you how important we feel it is. And we're the press, so what we feel is important, is inevitably what you should feel is important.

Issue 20 Volume XX

A Student Owned and Operated Newspaper

February 28, 2007

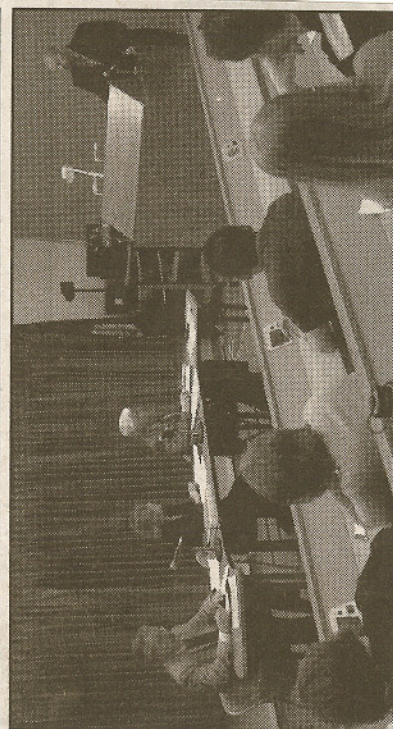


The Pathfinder

Issue 21 Volume 114

A Student Owned and Operated Newspaper

March 7, 2007



Pathfinder/Matt Wilson
From left to right: Tony Fernandez, Trudy Alva, Chet Herbst and Matt Smith at the Student Fee Hearing.

Four speak at fee hearing

By Matt Wilson
of The Pathfinder

The annual Student Fee Hearing was held Wednesday, Feb. 28, in the library Teleconference Communications room. Provost and Vice President for Academic Affairs Tony Fernandez, Vice President for Finance and Administration Chet Herbst and Budget Director Trudy Alva made up the panel that sat before roughly twenty LC students.

Of those twenty students, four presented to the panel—Pathfinder Editor Maria Lacey, ASLCSC Academic Senator Eric Estes, ASLCSC Vice President Matt

Smith and Junior Jennifer Spears. ASLCSC President Cody Bloomsburg opened the session by thanking the administration for the lowest proposed student fee increase in years and inviting those in attendance to present their opinions to the panel.

Lacey said present funds allocated to The Pathfinder do not allow the paper to pay its student employees adequately.

She proposed a \$2.50 increase in the line item for The Pathfinder.

She also emphasized that the Radio Club is poised to face a similar situation and asked that an

See "Hearing" page 9

March 7, 2007

"Hearing" from page 1

increase in funding to that club be considered as well.

"They don't want, they need a larger space and more equipment. And they would like to give their people stipends," she said.

Estes addressed the panel with student health in mind.

"What we see is a big cluster of problems," he said. "Kind of like a bottleneck with the Student Health Services."

Though Estes did not ask for a specific increase in funding to Student Health, he did say he "would rather see money go there than other places because there is a health concern."

The next speaker was Smith, who said he would be addressing the board not as ASLCSC VP, but "just as Matt."

Citing the increase in student fees from 2002 to present, Smith said this year's increase was the lowest proposal since he started attending. Smith went on to say, "I feel it could be even lower."

"I'd also like to echo what Eric Estes and Maria said."

The fourth and final student to present to the board was Spears, a Social Science Secondary Education major.

Spears asked that the administration consider student fee increases once every four years, rather than yearly.

"Since I decided to come to college, me and my family have all made sacrifices," Spears said. "As Matt said, it's been a six hundred dollar increase since I've been here."

Spears told the panel she felt increases in four year increments would help students know what to expect for the total price of their education, what "sacrifices" to expect for all four years.

Herbst and Fernandez concluded the hearing by encouraging students to come talk to them on a less formal basis about the proposals if they so desired.

"The door is always open," said Herbst. "I hope we can continue to do this as a team effort because it affects all of us and our progress."

ASSOCIATED STUDENTS of LEWIS-CLARK STATE COLLEGE

500 8th Avenue • Lewiston • Idaho • 83501

Tenth Senate

Spring Session

In the ASLCSC Senate

Senate Resolution: #07-S005

Authored By: President Bloomsburg

Whereas: The Administration of Lewis-Clark State College is committed to providing the highest quality education and maintaining the operational integrity of this institution, and have proposed a total fee increase of 5.0 percent with no increases to Student Activity Line Items.

Whereas: The students at Lewis-Clark State College have expressed an interest in low tuition and growth in programs related to Student Activities.

Whereas: The Associated Students of Lewis-Clark State College are representatives of the students of LCSC.

Whereas: The Finance Committee negotiated with LCSC Administration to produce an amended fee proposal that includes a 5.0 percent total fee increase with \$5.00 going to Student Activity Fees. This fee increase in Student Activity Fees to be distributed between the following Student Activity Fee Line Items: Student Activities, Student Programming, Intramurals -Competition, Outdoor Recreation, Newspaper, the Radio Station and ASB relinquishing \$1.00 from their line item to be given to the Radio Station Line Item.

THEREFORE BE IT RESOLVED BY THE ASLCSC SENATE:

ASSOCIATED STUDENTS of LEWIS-CLARK STATE COLLEGE

500 8th Avenue • Lewiston • Idaho • 83501

Section 1: That the ASLSCS Senate support the recommendation of the Finance Committee to accept the amended fee proposal of LCSC Administration that outlines a 5.0 percent total fee increase with the aforementioned Student Activity Fee changes.

Section 2: This Resolution will pass by a two-thirds (2/3) majority vote of the ASLCSC Senate and the signature of the ASLCSC President.



**Comparison of Fees with LCSC's MGT Peer Institutions
and with other Idaho 4-Year Colleges**

| Fees/Tuition per Semester | | | |
|---|------------------|-------------|--------------------------------|
| LCSC MGT Peer Institutions | 2005-2006 | | 2006-2007 |
| University of Maine Farmington (ME) | \$2,816 | | \$3,292 |
| Lake Superior State University (MI) | \$3,153 | | \$3,279 |
| University of South Carolina Aiken (SC) | \$3,064 | | \$3,235 |
| Lock Haven University of Pennsylvania (PA) | \$3,129 | | \$3,222 |
| Southwest Minnesota State University (MN) | \$2,928 | | \$3,120 |
| Texas A&M Galveston (TX) | \$2,559 | | \$2,825 15 credits |
| Valley City State University (ND)* | \$2,466 | 15 credits | \$2,654 15 credits |
| Central State University (OH) | \$2,144 | | \$2,647 |
| Dakota State University (SD)* | \$2,416 | 15 credits | \$2,530 15 credits |
| West Virginia University Institute of Technology (WV)** | \$2,039 | 4-yr degree | \$2,204 |
| Montana State University-Northern** | \$2,230 | \$2,041 LD | \$2,419 UD 2,041 LD \$2419 HD |
| LCSC | \$1,857 | | \$1,949 |
| Eastern Oregon University (OR)* | \$1,885 | 15 credits | \$1,947 |
| University of Montana-Western (MT)** | \$1,975 | \$1,717 LD | \$2,233 UD \$1797 LD \$2346 UD |
| Southeastern Oklahoma State University (OK) | \$1,342 | | \$1,785 15 credits |
| Southern Utah University (UT) | \$1,679 | | \$1,782 |
| Western State College (CO) | \$1,594 | | \$1,700 |
| University of Arkansas at Monticello (AR) | \$1,955 | | \$1,575 15 credit hours |
| University of Hawaii Hilo (HI) | \$1,305 | | \$1,500 |
| New Mexico Highlands University (NM) | \$1,140 | | \$1,212 |
| Average | \$2,184 | | \$2,359 |
| Idaho Four-Year Colleges | | | |
| University of Idaho | \$1,984 | | \$2,100 |
| Idaho State University | \$2,000 | | \$2,095 |
| Boise State University | \$1,936 | | \$2,077 |
| Lewis-Clark State College | \$1,857 | | \$1,949 |

LEWIS-CLARK STATE COLLEGE

DOCUMENTS PROVIDED BEFORE AND DURING CAMPUS FEE HEARINGS

STUDENT INFORMATION

Lewis-Clark State College
Student Fee Hearing
February 28, 2007
Minutes

Meeting Initiators:

Chet Herbst, VP for Finance and Administration

Anthony Fernandez, Provost/VP Academic Affairs

Trudy Alva, Budget Director

Meeting convened at 12:00 p.m.

Trudy Alva welcomed everyone. The purpose of the meeting is to allow students to provide feedback on LCSC's proposed Student fee increase. The fee will not be finalized until April 19-20 2007 when it is proposed to the State Board of Education in Moscow, Idaho.

Cody Bloomsburg, Junior, Communications Major, Associated Student Body President thanked the administration for the lowest increase in fees out of all of the colleges. He explained that they did not offer a counter to the proposed fees yet because they want to hear what the student body had to say. He encouraged anyone there to please state any concerns they had.

Maria Lacey, Senior, English Major, Pathfinder Editor stated that she would like to protest the zero percent increase in the student activity fees. She would like to see an increase in the allocations specifically to the Pathfinder and Radio station. Maria stated with regards to the Pathfinder there has not been an increase in salaries since I-Time has started, which she thought was at least five years ago. The lack of increases causes a lot of problems. One is that they can hardly find anyone because of the pay. By the time the reporter conducts interviews, take pictures, edits and personal time involved, the reporter is making less than minimum wage. She also stated that the editor ends up writing a lot of the stories because of the limited writing staff. This also poses a problem from the time required to edit the paper. Once the articles are submitted the paper has to be laid out. This requires about twenty minutes per piece and there are about four pieces on each page. The Pathfinder tries to have eight to ten pages at a time.

Maria stated that it is hard for the Pathfinder to get additional funding from other sources because of the lack of diversity and damaged relationships. Maria did point out that this increase would not affect her directly but help the future editors of the Pathfinder.

Maria also would like to echo the same concerns for the Radio station. They have only one full time person and they need--not want more equipment. In summary, Maria would like to protest the zero percent increase in the student activities and advocate for an increase in the Pathfinder and Radio Station.

Chet Herbst asked Maria, in her opinion, what amount of increase she would like to see.

Maria answered that it would cost approximately fifty cents an issue and they do ten issues so approximately a \$2.50 increase.

Eric Estes, sophomore, Social Sciences Major and Student Senator apologized that he did not prepare a statement. He said that being a senator he is a liaison with the Student Health Center and he thinks that they need funding. He stated that as students they are bound to use the Health Center to see the doctor or get a referral. There is a lack of Doctors and medical professionals in the center. Eric stated that he believes the staff is over worked and they need more funding to address these issues.

Matt Smith, Senior, Communications Major. Matt wanted to point out that his comments are his personally and not associated with his position in the Associated Student Body as Vice President.

Matt stated that if you were a senior this year, when you started college at LCSC in 2002 the total fees per semester were \$1,275.00. The current fees for a semester are \$1,948.50. That is an increase of \$673.53 or 33% jump in fees per semester. That is a big number and even is above inflation. He stated that, in lieu of that he still did appreciate that the proposed fees are the lowest the Administration has asked for in a long time.

Matt also stated that he would like to echo what Maria and Eric proposed. The Radio Club is a benefit and when he spoke to Tate Smith he said that the expenses will increase each year. Matt stated that an increase student intramurals and giving students options to participate in activities will increase the student's success rate. Matt stated his appreciation for the opportunity to be heard.

Jennifer Spears, Junior, Social Sciences/Secondary Education Major, stated that she did not have time to prepare a speech, but she is a non-traditional student and is the mother of three children and she wanted a non-traditional student perspective to be heard. She stated that her husband and children made a choice for her to go back to school and they have to sacrifice a lot for this to happen and the fee change is one more thing they have to sacrifice. Jennifer stated that the \$600.00 per semester is a big number and she could be using that to purchase things for her children that she can not provide for them otherwise. Jennifer wanted to protest the raise in fees and suggested that maybe the raise in tuition could change every three to four years instead of every year. Jennifer said that way a student knows what they will be paying every year of their college experience instead of the unknown from year to year.

Chet Herbst asked if there were any more comments that the student body would like to make. When no additional comments were forthcoming, he thanked everyone for coming and stated that everyone's opinion was very important to the Administration and will be considered. Chet Herbst also stated that the Administration is very open to more comments and said that if anyone had any questions the Administration is here to listen to them. He stated that they would welcome any questions and to please come and see the Administration any time.

Tony Fernandez also thanked everyone for coming and wanted to reiterate that the Administration's door is always open and to please come and see them if the student body has any more comments or questions. Tony Fernandez stated that the Student Body input is very important in this process.

Trudy Alva concluded the meeting at 12:20 p.m. and thanked everyone for coming.

EASTERN IDAHO TECHNICAL COLLEGE

STUDENT FEE RECOMMENDATION

TO

THE IDAHO STATE BOARD OF EDUCATION

- **Student Fee Hearing SummaryPage 3**
- **Provided by OSBE:**
 - Recommendations for Changes to Student Fees for FY 2008..... Page 4
 - Potential Student Fee Revenue Changes for FY 2008..... Page 5
 - 4-year History of Board Approved Fees plus FY 2008 Recommended Fees .. Page 6
- **Other Documents Provided by Institutions for Fee HearingsPage 7**

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BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

Eastern Idaho Technical College
Student Fee Recommendation

The Fee Process

Brief Discussion Related To Proposed FY2008 Fee Increase

Changes to Fees

The attached worksheet, which estimates potential fee revenue changes for FY2008, is predicated on the fee rates contained in the Eastern Idaho Technical College Notice of intent to Adopt Student Fee and Rate Increases, which was issued on March 7, 2007.

Eastern Idaho Technical College is proposing to increase by 3.50% the full-time resident and full-time non-resident student enrollment fees for the 2007 – 2008 instructional year. Similarly, the College is proposing to increase the part-time resident and part-time non-resident enrollment fees by 3.8% as part of the College financial plan. The increase in student enrollment fees is anticipated to commence with the 2007 fall semester.

Further, the proposed student enrollment fee increases will generate approximately \$39,100. Fee revenues generated by the proposed fee increase will be used to enhance educational support as well as support general maintenance and operations costs of the College.

EASTERN IDAHO TECHNICAL COLLEGE

Changes to Student Fees for FY 2008 Annual Full-Time Fees and Part-Time Credit Hour Fees

| | Annual Fees | Bd Appv | FY07 Fees | FY08 Initial Notice | Requested Fees | | |
|----|--|------------|-------------------|------------------------|-------------------|----------------|-------------|
| | | | | | FY08 Fees | Change | % Chg. |
| 1 | Full-time Fees: | | | | | | |
| 2 | Vocational Education Fee | ** | \$1,044.00 | \$1,100.00 | \$1,100.00 | \$56.00 | 5.4% |
| 3 | Technology Fee | ** | 40.00 | 40.00 | 40.00 | 0.00 | 0.0% |
| 4 | Student Activity Fees 1) | ** | 494.00 | 494.00 | 494.00 | 0.00 | 0.0% |
| 5 | Total Full-time Fees | | <u>\$1,578.00</u> | <u>\$1,634.00</u> | <u>\$1,634.00</u> | <u>\$56.00</u> | <u>3.5%</u> |
| 6 | | | | | | | |
| 7 | Part-time Credit Hour Fees: | | | | | | |
| 8 | Education Fee | ** | \$79.00 | \$82.00 | \$82.00 | \$3.00 | 3.8% |
| 9 | Total Part-time Cr Hr Fees: | | <u>\$79.00</u> | <u>\$82.00</u> | <u>\$82.00</u> | <u>\$3.00</u> | <u>3.8%</u> |
| 10 | | | | | | | |
| 11 | Additional Nonresident Tuition: | | | | | | |
| 12 | Full-time Nonresident Tuition | ** | \$4,206.00 | \$4,354.00 | \$4,354.00 | \$148.00 | 3.5% |
| 13 | Part-time Nonresident Tuition/Cr | ** | \$79.00 | \$82.00 | \$82.00 | \$3.00 | 3.8% |
| 14 | | | | | | | |
| 15 | | | | | | | |
| 16 | | | | | | | |
| 17 | | | | | | | |
| 18 | | | | | | | |
| 19 | 1)Changes to Student Activity Fees: | | | | | | |
| 20 | Full-time: | | | | | | |
| 21 | Bookstore | | \$16.00 | \$16.00 | \$16.00 | \$0.00 | 0.0% |
| 22 | Institutional Development | | \$30.00 | \$30.00 | \$30.00 | \$0.00 | 0.0% |
| 23 | Library | | \$158.00 | \$158.00 | \$158.00 | \$0.00 | 0.0% |
| 24 | Parking | | \$50.00 | \$50.00 | \$50.00 | \$0.00 | 0.0% |
| 25 | Registration | | \$98.00 | \$98.00 | \$98.00 | \$0.00 | 0.0% |
| 26 | Scholarship | | \$62.00 | \$62.00 | \$62.00 | \$0.00 | 0.0% |
| 27 | Student Body | | \$40.00 | \$40.00 | \$40.00 | \$0.00 | 0.0% |
| 28 | Student Union | | \$40.00 | \$40.00 | \$40.00 | \$0.00 | 0.0% |
| 29 | Total | | <u>\$494.00</u> | <u>\$494.00</u> | <u>\$494.00</u> | <u>\$0.00</u> | <u>0.0%</u> |

EASTERN IDAHO TECHNICAL COLLEGE

Potential Student Fee Revenue Changes for FY 2008 Due to Enrollment and Fee Changes

| Annual Fees | Projected | | Potential Revenue Generated Due to Enrollment and Fee Changes | | | | | |
|---|-----------------|-------|---|---------------|--------------------|---------------|--------------------|---------------|
| | HC/SCH Enrollmt | | Enrollment Changes | | Fee Changes | | Total Rev Chge | |
| | FY07 | FY08 | Gen Educ | Local | Gen Educ | Local | Gen Educ | Local |
| Full-time Fees: | | | | | | | | |
| Vocational Education Fee | 439 | 439 | \$0.00 | | \$24,600.00 | | \$24,600.00 | |
| Technology Fee | 439 | 439 | | \$0.00 | | \$0.00 | | \$0.00 |
| Student Activity Fees 1) | 439 | 439 | | \$0.00 | | \$0.00 | | \$0.00 |
| Total Full-time Fees | | | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$24,600.00</u> | <u>\$0.00</u> | <u>\$24,600.00</u> | <u>\$0.00</u> |
| Part-time Credit Hour Fees: | | | | | | | | |
| Education Fee | 4,335 | 4,335 | | | \$13,000.00 | | \$13,000.00 | |
| Total Part-time Cr Hr Fees: | | | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$13,000.00</u> | <u>\$0.00</u> | <u>\$13,000.00</u> | <u>\$0.00</u> |
| Other Student Fees: | | | | | | | | |
| Full-time Nonresident Tuition | 10 | 10 | | | \$1,500.00 | | \$1,500.00 | |
| Part-time Nonresident Tuition/ | 0 | 0 | | | \$0.00 | | \$0.00 | |
| Total Other Student Fees | | | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$1,500.00</u> | <u>\$0.00</u> | <u>\$1,500.00</u> | <u>\$0.00</u> |
| Total Additional Student Fee Revenue | | | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$39,100.00</u> | <u>\$0.00</u> | <u>\$39,100.00</u> | <u>\$0.00</u> |
| 1 Changes to Student Activity Fees: | | | | | | | | |
| Full-time: | | | | | | | | |
| Bookstore | 439 | 439 | | \$0.00 | | \$0.00 | \$0.00 | \$0.00 |
| Institutional Development | 439 | 439 | | \$0.00 | | \$0.00 | \$0.00 | \$0.00 |
| Library | 439 | 439 | | \$0.00 | | \$0.00 | \$0.00 | \$0.00 |
| Parking | 439 | 439 | | \$0.00 | | \$0.00 | \$0.00 | \$0.00 |
| Registration | 439 | 439 | | \$0.00 | | \$0.00 | \$0.00 | \$0.00 |
| Scholarship | 439 | 439 | | \$0.00 | | \$0.00 | \$0.00 | \$0.00 |
| Student Body | 439 | 439 | | \$0.00 | | \$0.00 | \$0.00 | \$0.00 |
| Student Union | 439 | 439 | | \$0.00 | | \$0.00 | \$0.00 | \$0.00 |
| Total | | | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$0.00</u> |

EASTERN IDAHO TECHNICAL COLLEGE

4-year History of Board Approved Fees plus FY08 Requested Fees Annual Full-Time Fees and Part-Time Credit Hour Fees

| Annual Fees | | FY04 | FY05 | FY06 | FY07 | #REF! FY08 | 5-Year Increase | % Increase |
|-------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|---------------|
| 1 | Full-time Fees: | | | | | | | |
| 2 | Vocational Education Fee | \$870.00 | \$954.00 | \$1,044.00 | \$1,044.00 | \$1,100.00 | \$230.00 | 26.44% |
| 3 | Technology Fee | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 | - | 0.00% |
| 4 | Student Activity Fees 1) | 494.00 | 494.00 | 494.00 | 494.00 | 494.00 | - | 0.00% |
| 5 | Total Full-time Fees | <u>\$1,404.00</u> | <u>\$1,488.00</u> | <u>\$1,578.00</u> | <u>\$1,578.00</u> | <u>\$1,634.00</u> | <u>\$230.00</u> | <u>15.46%</u> |
| 6 | | | | | | | | |
| 7 | Part-time Credit Hour Fees: | | | | | | | |
| 8 | Education Fee | \$70.00 | \$74.00 | \$79.00 | \$79.00 | \$82.00 | \$12.00 | 17.14% |
| 9 | Total Part-time Cr Hr Fees: | <u>\$70.00</u> | <u>\$74.00</u> | <u>\$79.00</u> | <u>\$79.00</u> | <u>\$82.00</u> | <u>\$12.00</u> | <u>16.22%</u> |
| 10 | | | | | | | | |
| 11 | Additional Nonresident Tuition: | | | | | | | |
| 12 | Full-time Nonresident Tuition | \$3,742.00 | \$3,966.00 | \$4,206.00 | \$4,206.00 | \$4,354.00 | \$464.00 | 12.40% |
| 13 | Part-time Nonresident Tuition/Cr | <u>\$70.00</u> | <u>\$74.00</u> | <u>\$79.00</u> | <u>\$79.00</u> | <u>\$82.00</u> | <u>\$9.00</u> | <u>12.86%</u> |

EASTERN IDAHO TECHNICAL COLLEGE

DOCUMENTS PROVIDED BEFORE AND DURING CAMPUS FEE HEARING

• Initial Notice Page 9

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Eastern Idaho Technical College

1600 S. 25th E. • Idaho Falls, Idaho 83404-5788 • (208) 524-3000 • (800) 662-0261 • www.eitc.edu

March 7, 2007

Ms. Heidi Tavenner, Student Senate President
430 E 20th Street
Idaho Falls, ID. 83404

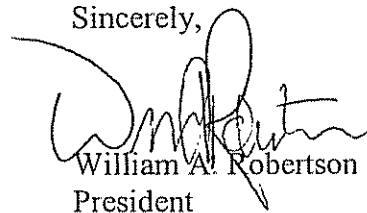
Dear Ms. Tavenner,

Eastern Idaho Technical College is proposing a 3.5% increase to the full-time resident and non-resident student enrollment fees effective Fall Semester 2007. Similarly, the College is proposing to increase the part-time resident and part-time non-resident enrollment fees by 3.8% as part of the College financial plan.

Further, the proposed student enrollment fee increases will generate approximately \$36,821. The College proposes to use the additional revenue for the professional-technical education fee to enhance educational support. The attached fee schedule outlines the planned distribution of the anticipated increases.

A public hearing, mandated by Idaho State Board of Education policy, is scheduled April 4, 2007, at 3:00 p.m., in Room 541 of the Alex Creek Building on the EITC campus. The public hearing is established to discuss the fee increase proposal. Students and other interested individuals are invited to present oral or written testimony regarding the fee increase proposal at this hearing.

Sincerely,



William A. Robertson
President

Enclosure

c Johnson
Albiston
Hamilton
Smart

Attention: Students

Notice of Public Hearing

Date: April 4, 2007

Time: 3:00 p.m.

Place: Room 541

Pursuant to governing policies and procedures of the State of Idaho Board for Professional Technical Education, this serves as notification of proposed fee increases for resident and non-resident students.

It is proposed that Eastern Idaho Technical College increase by 3.5% the full-time resident and full-time non-resident student enrollment fees for the 2007-2008 instructional year. This increase would result in a full-time resident registration fee of \$817 and full-time non-resident fee of \$2994 per semester. The College is also proposing to increase the part-time resident and non-resident fees by 3.8%. This increase would establish a part-time registration fee of \$82 per credit for residents and a \$164 per credit for non-residents.

Students are invited to present oral or written testimony at the hearing. In addition, students may submit written testimony to the Office of the Dean of Students, room 303, prior to 5:00 p.m. on April 4, 2007. A record of the hearing and written testimony will be made available to the State Board for Professional Technical Education.

Please leave posted until 5:00 p.m. on 4-05-07.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

SUBJECT

Acceptance of the 2006 Fee Waiver and Discounts Reports.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Sections V.R., and V.T.

REFERENCE

| | |
|---------------------|--|
| November 1998 | Presidents recommended a change in the Board's fee waiver policy from one to three percent of institution FTE to increase the number of nonresident tuition waivers for disadvantaged or deserving students. |
| October 21-22, 1999 | Board approved policy change after the institutions identified the primary fields of study for which tuition waivers can be awarded. Policy requires institutions submit an annual report identifying the use of waivers by discipline by class level by state of residency. |

BACKGROUND

When the College and University Presidents recommended changes in the fee policy, they also recommended that students receiving waivers be targeted for information technology programs, engineering and other programs with capacity. Board's policy requires institutions submit an annual report identifying the use of waivers by discipline, by class level, and by state of residency for both the 1% Disadvantaged and Deserving Student waivers and the 2% High Technology Student waivers.

The Board's policy also includes a requirement that each institution submit an annual report on all other fee waivers on a date and in a format determined by the executive director of the Board.

DISCUSSION

The Fee and Tuition Waivers and Discounts report on page 3 shows the dollar amount for the waivers covered under Policy Section V.T. as well as other waivers and discounts, including the Western Undergraduate Exchange Program and other fee discounts covered in Policy Section V.R.

Under "Other Board Policy Tuition Waivers" and "Western Undergraduate Exchange", the chart shows state-to-state (Washington, Utah, Oregon) reciprocal agreement waivers that have been in place for many years.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

The report lists the name of the waiver or discount, the policy section, and the annual dollar amount for each institution. At the bottom of the report the gross amount of student fees and percentage of fees waived or discounted for each institution is listed.

With respect to the High Technology Tuition waiver, Board policy authorizes waivers of nonresident tuition to not exceed two percent (2%) of the institution's full-time equivalent enrollment. The chart on page 5 displays the authorized waivers and actual waivers granted based on FY 2005 FTE and compares this number to the actual waivers granted in FY 2006. Reports from the institutions, detailing the waivers by discipline, by level, and by state are provided on pages 7 – 13.

IMPACT

Nonresident waivers have attracted students to Idaho's institutions in areas of study that have been identified as potential state manpower shortages. Many of these students might not have enrolled in Idaho institutions if it were not for these waivers. In addition, institutions have been able to use the waivers to shape their student enrollment profiles for diversity and other purposes. The hope is these students will find suitable employment in Idaho upon graduation.

STAFF COMMENTS AND RECOMMENDATIONS

The nonresident waivers are used mostly to recruit students from out of Idaho who are majoring in engineering, biology, and computer sciences. Employee fee discounts have been used to recruit faculty as a fringe benefit to themselves and their spouses. Institutional representatives may wish to comment regarding the waivers and if/how they are fulfilling the original intent.

Staff believes the original purpose for the High Tech fee waiver – a dramatic need for computer information and related graduates – may not be as significant now as when this specific fee waiver was created. In addition, staff will discuss with institutions whether specific fee waivers are necessary, or if a general fee waiver, possibly with a cap, might be more advantageous to the institutions.

Staff recommends the Board accept the reports from the institutions.

BOARD ACTION

A motion to accept the Nonresident Tuition Waiver – Fall 2006 reports for Boise State University, Idaho State University, University of Idaho, and Lewis-Clark State College, as presented on pages 5 – 13.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

**Idaho College and Universities
Fee and Tuition Waivers and Discounts
Fiscal Year 2006**

| | Policy Section | BSU | ISU | UI | LCSC | Total |
|----|---|------------------|------------------|-------------------|------------------|-------------------|
| 1 | <u>Board Policy Tuition Waivers, Policy Section V.T.</u> | | | | | |
| 2 | Nonresident Graduate/Instructional Assistants | 526,000 | 1,116,500 | 3,193,000 | 0 | 4,835,500 |
| 3 | Nonresident Intercollegiate Athletics | 1,452,000 | 920,200 | 1,599,700 | 474,100 | 4,446,000 |
| 4 | Nonresident Disadvantaged or Deserving: 1% of FTE | 696,400 | 700,700 | 1,171,800 | 169,700 | 2,738,600 |
| 5 | Nonresident High Technology: 2% of FTE | 985,300 | 1,243,600 | 1,552,300 | 133,200 | 3,914,400 |
| 6 | | | | | | |
| 7 | <u>Other Board Policy Tuition Waivers</u> | | | | | |
| 8 | Washington Reciprocal Tuition Waivers | 88,900 | 77,000 | 433,500 | 140,600 | 740,000 |
| 9 | Utah State University | 0 | 835,500 | 0 | 0 | 835,500 |
| 10 | Mines Tuition Waivers - Engineering | 0 | 0 | 200,200 | 0 | 200,200 |
| 11 | Mines Tuition Waivers - Science | 0 | 0 | 110,300 | 0 | 110,300 |
| 12 | Oregon Tuition Waivers | 0 | 0 | 0 | 0 | 0 |
| 13 | Exchange Student Waivers (1) | 111,100 | 50,300 | 397,400 | 0 | 558,800 |
| 14 | WICHE | 0 | 25,700 | 0 | 0 | 25,700 |
| 15 | Total Other Board Policy Waivers | 200,000 | 988,500 | 1,141,400 | 140,600 | 2,470,500 |
| 16 | | | | | | |
| 17 | Total Board Policy Tuition Waivers | 3,859,700 | 4,969,500 | 8,658,200 | 917,600 | 18,405,000 |
| 18 | | | | | | |
| 19 | Western Undergraduate Exchange (2) | 1,061,600 | 552,900 | 6,633,900 | 201,300 | 8,449,700 |
| 20 | | | | | | |
| 21 | Other Waivers and Discounts | | | | | |
| 22 | Staff Fees | 788,600 | 664,200 | 450,000 | 124,900 | 2,027,700 |
| 23 | Staff Spouse Fees | 254,700 | 481,300 | 226,700 | 71,800 | 1,034,500 |
| 24 | Senior Citizen Fees | 151,200 | 189,500 | 58,900 | 23,400 | 423,000 |
| 25 | In-Service Teacher Education Fee | 520,100 | 639,600 | 680,600 | 117,500 | 1,957,800 |
| 26 | EDA-Nez Perce Tribe | 0 | 0 | 0 | 23,700 | 23,700 |
| 27 | Total Other Waivers and Discounts | 1,714,600 | 1,974,600 | 1,416,200 | 361,300 | 5,466,700 |
| 28 | | | | | | |
| 29 | Total FY06 Waivers and Discounts | 6,635,900 | 7,497,000 | 16,708,300 | 1,480,200 | 32,321,400 |
| 30 | | | | | | |
| 31 | FY06 Gross Student Fees | 79,392,900 | 66,389,900 | 77,053,084 | 13,248,600 | 236,084,484 |
| 32 | | | | | | |
| 33 | Percentage of Total Gross Student Fees Waived or Discounted | 8.36% | 11.29% | 21.68% | 11.17% | 13.69% |

Note: Graduate/Instructional Assistant waivers can vary among institutions due to the difference in their respective missions.

(1) Includes only waivers for incoming exchange students.

(2) WUE is accounted for as a rate and not a waiver. The waived amount is the difference in the out-of-state rate minus the WUE rate.

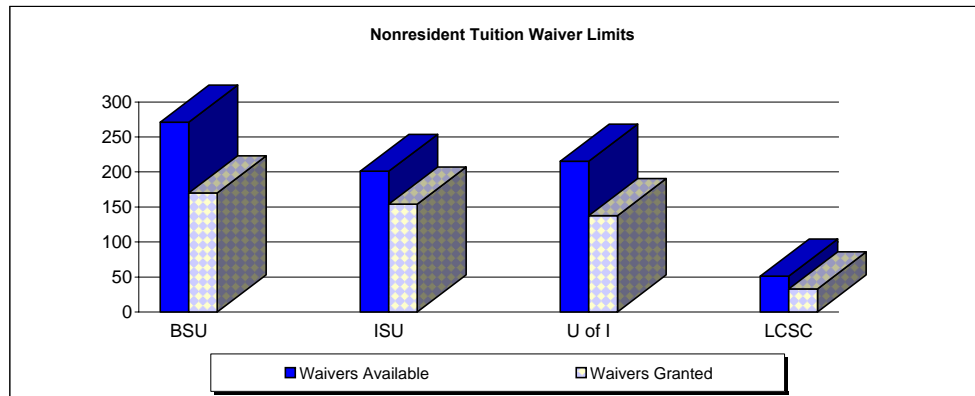
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State Board of Education

Nonresident High Technology Tuition Waiver Limits

Fall 2006

| Enrollment/Waivers/Impact | BSU | ISU | U of I | LCSC | Total |
|---------------------------------------|--------|--------|--------|--------|--------|
| 1 FTE Enrollment | | | | | |
| 2 Fall 2005 (see note) | | | | | |
| 3 Academic | 12,806 | 9,162 | 10,773 | 2,126 | 34,867 |
| 4 Vocational | 756 | 882 | 0 | 435 | 2,073 |
| 5 Total | 13,562 | 10,044 | 10,773 | 2,561 | 36,940 |
| 6 | | | | | |
| 7 High Technology Waivers - 2% of FTE | | | | | |
| 8 Waivers Available | 271 | 201 | 215 | 51 | 739 |
| 9 | | | | | |
| 10 | | | | | |
| 11 Waivers Granted | 170.00 | 154.00 | 137.71 | 33.00 | 494.71 |
| 12 Granted as a Percent of Available | 62.68% | 76.66% | 63.91% | 64.43% | 66.96% |



Note: Waivers granted for FY 2006 were awarded in FY 2005 and based on FY 2005 FTE.

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Boise State University
Status Report on Nonresident Tuition Waivers, Fall 2006 (High-Tech Areas Only)

| 1 | | Nonresident Tuition Waivers By Discipline | | | | | | | Nonresident Tuition Waivers By Level of Student | | | | | | | |
|----|----------------|--|---------------------------------|-----------------------------------|---|---------------------------------------|-------|-------|---|-------|-------|-------|------|------|------|-------|
| 2 | | Building Contr, Engineering, Envir/Waste | Math, Comp Sci, Info Tech | Biology, Chemistry, Geology | Physics, Radiology Sci, Survey Tech | Electr Tech Grph Dsgn Prod Tech | Other | Total | Fresh | Soph | Jr | Sr | Grad | Mast | Doct | Total |
| 3 | Washington | 8 | 4 | 11 | 0 | 1 | 6 | 30 | 12 | 5 | 6 | 7 | 0 | | | 30 |
| 4 | Oregon | 10 | 3 | 15 | 0 | 1 | 5 | 34 | 19 | 4 | 5 | 6 | 0 | | | 34 |
| 5 | Montana | 4 | 0 | 7 | 0 | 0 | 3 | 14 | 3 | 2 | 5 | 3 | 1 | | | 14 |
| 6 | Nevada | 2 | 3 | 2 | 0 | 0 | 1 | 8 | 5 | 1 | 0 | 1 | 1 | | | 8 |
| 7 | Utah | 1 | 1 | 3 | 0 | 1 | 0 | 6 | 0 | 2 | 0 | 3 | 1 | | | 6 |
| 8 | Wyoming | 2 | 1 | 0 | 5 | 0 | 2 | 10 | 1 | 5 | 2 | 2 | 0 | | | 10 |
| 9 | Alaska | 4 | 2 | 5 | 0 | 0 | 1 | 12 | 4 | 2 | 2 | 2 | 2 | | | 12 |
| 10 | Other States | 9 | 6 | 13 | 1 | 0 | 6 | 35 | 11 | 5 | 4 | 6 | 9 | | | 35 |
| 11 | Foreign | 10 | 5 | 2 | 1 | 0 | 3 | 21 | 3 | 0 | 1 | 4 | 13 | | | 21 |
| 12 | | | | | | | | | | | | | | | | |
| 13 | | | | | | | | | | | | | | | | |
| 14 | | | | | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | | | | | |
| 16 | | | | | | | | | | | | | | | | |
| 17 | Total | 50 | 25 | 58 | 7 | 3 | 26 | 170 | 58 | 26 | 25 | 34 | 27 | 0 | 0 | 170 |
| 18 | Other Facts: | | | | | | | | | | | | | | | |
| 19 | Average HS GPA | 3.59 | 3.60 | 3.72 | | | 3.78 | 3.67 | 3.66 | 3.77 | 3.55 | 3.71 | 3.84 | | | 3.71 |
| 20 | Average SAT | 1,142 | 1,170 | 1,129 | | | 1,168 | 1,152 | 1,127 | 1,198 | 1,135 | 1,164 | | | | 1,156 |
| 21 | Average ACT | 29 | 30 | 28 | | | 29 | 29 | 29 | 27 | 28 | 31 | 30 | | | 29 |
| 22 | | | | | | | | | | | | | | | | |

24 **Criteria Used to Offer Waivers:** (GPA & test scores omitted when less than 5 students in sample)

25 1) Hi-Tech Major 2) GPA 3) Test Scores

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Idaho State University
Status Report on Nonresident Tuition Waivers, Fall 2006 (High-Tech Areas Only)

| 1 | | Nonresident Tuition Waivers By Discipline | | | | | | Nonresident Tuition Waivers By Level of Student | | | | | | | | |
|----|----------------|--|---------------------------------|-----------------------------------|--|---------------------------------------|-------|---|----------|----------|----------|----------|------|-------|------|----------|
| 2 | | Building Contr, Engineering, Envir/Waste | Math, Comp Sci, Info Tech | Biology, Chemistry, Geology | Physics, Radilogy Sci, Survey Tech | Electr Tech Grph Dsgn Prod Tech | Other | Total | Fresh | Soph | Jr | Sr | Grad | Mast | Doct | Total |
| 3 | Washington | 2 | 3 | 3 | 0 | 0 | 0 | 8 | 0 | 1 | 3 | 3 | 0 | 1 | 0 | 8 |
| 4 | Oregon | 0 | 1 | 1 | 0 | 0 | 0 | 2 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 2 |
| 5 | Montana | 2 | 0 | 3 | 6 | 0 | 0 | 11 | 4 | 1 | 2 | 4 | 0 | 0 | 0 | 11 |
| 6 | Nevada | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | Utah | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 | Wyoming | 2 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 2 |
| 9 | Alaska | 1 | 0 | 1 | 0 | 0 | 0 | 2 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 2 |
| 10 | Other States | 1 | 4 | 7 | 3 | 1 | 0 | 16 | 2 | 2 | 2 | 4 | 1 | 1 | 4 | 16 |
| 11 | Foreign | 40 | 34 | 30 | 6 | 3 | 0 | 113 | 9 | 19 | 22 | 39 | 2 | 14 | 8 | 113 |
| 12 | | | | | | | | | | | | | | | | |
| 13 | | | | | | | | | | | | | | | | |
| 14 | | | | | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | | | | | |
| 16 | Total | 48 | 42 | 45 | 15 | 4 | 0 | 154 | 15 | 24 | 31 | 52 | 3 | 17 | 12 | 154 |
| 17 | | | | | | | | | | | | | | | | |
| 18 | Other Facts: | | | | | | | | | | | | | | | |
| 19 | Average HS GPA | 3.58 | 3.36 | 3.43 | 3.62 | 2.54 | | 3.41 | 3.43 | 3.63 | 3.17 | 3.65 | | 3.55 | | 3.41 |
| 20 | Average SAT | 1,165.00 | 1,113.00 | 1,005.00 | 1,068.00 | | | 1,087.50 | 1,140.00 | 1,117.00 | 1,130.00 | 1,088.00 | | | | 1,087.50 |
| 21 | Average ACT | 26.00 | 21.00 | 22.00 | 23.00 | | | 22.50 | 22.00 | 24.00 | 21.00 | 23.00 | | 23.00 | | 22.50 |
| 22 | | | | | | | | | | | | | | | | |

Criteria Used to Offer Waivers:
 1) Hi-Tech Major 2) GPA 3) Test Scores

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University of Idaho

Status Report on Nonresident Tuition Waivers - 2006-07 (Data as of October 2006)

| State | Nonresident Tuition Waivers by Discipline | | | | | | Nonresident Tuition Waivers by Level of Student | | | | | |
|----------------|---|--------------|--------------|--------------|-------------|---------------|---|--------------|--------------|--------------|--------------|---------------|
| | Engr | Info Tech | Envir Tech | Prod Tech | Comp Sci | Total | Fresh | Soph | Jr | Sr | Grad | Total |
| Washington | 13.02 | 3.00 | 5.76 | 7.52 | 4.26 | 33.56 | 5.00 | 4.50 | 7.50 | 13.56 | 3.00 | 33.56 |
| Oregon | 4.52 | 4.00 | 2.00 | 0.52 | 0.00 | 11.04 | 4.00 | 2.00 | 2.52 | 2.52 | 0.00 | 11.04 |
| Montana | 1.50 | 1.04 | 1.50 | 5.00 | 0.00 | 9.04 | 1.00 | 1.00 | 4.00 | 2.54 | 0.50 | 9.04 |
| Nevada | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Utah | 0.00 | 0.00 | 1.50 | 0.00 | 0.00 | 1.50 | 0.00 | 0.00 | 1.00 | 0.00 | 0.50 | 1.50 |
| California | 0.52 | 1.56 | 2.08 | 1.52 | 0.00 | 5.69 | 0.00 | 2.58 | 1.30 | 1.80 | 0.00 | 5.68 |
| Arizona | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Alaska | 5.04 | 3.00 | 0.52 | 2.00 | 1.00 | 11.56 | 2.00 | 0.52 | 6.00 | 2.04 | 1.00 | 11.56 |
| Other | 19.69 | 11.55 | 21.58 | 9.75 | 2.75 | 65.31 | 2.88 | 14.02 | 12.63 | 23.70 | 12.10 | 65.32 |
| Totals: | 44.29 | 24.16 | 34.94 | 26.31 | 8.01 | 137.71 | 14.88 | 24.62 | 34.95 | 46.17 | 17.10 | 137.71 |

12

13

Other Facts:

| | | | | | | | | | | | | |
|--------------------|---------|---------|---------|---------|------|----------------|--|--|--|--|--|--|
| Average HS GPA | 3.70 | 3.49 | 3.87 | 3.52 | | 3.65 | | | | | | |
| Average SAT | 1030.00 | 1114.00 | 1283.33 | 1140.00 | | 1141.83 | | | | | | |
| Average ACT | 22.50 | 23.20 | 29.00 | 24.67 | | 24.84 | | | | | | |
| Average Trans. GPA | 3.62 | 3.44 | 3.60 | 3.30 | 4.00 | 3.59 | | | | | | |

19

20 Note: counts are by FTE waivers and totals have been rounded.

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Lewis-Clark State College

Status Report on Nonresident Tuition Waivers, Fall 2006 (High-Tech Areas Only)

| | | | | | | | | | | | | | | | |
|----|--------------|---|---------------------------|-----------------------------|-------------------------------------|---------------------------------|----------|---|----------|----------|------|------|------|------|----------|
| 1 | | Nonresident Tuition Waivers By Discipline | | | | | | Nonresident Tuition Waivers By Level of Student | | | | | | | |
| | | Building Contr, Engineering, Envir/Waste | Math, Comp Sci, Info Tech | Biology, Chemistry, Geology | Physics, Radiology Sci, Survey Tech | Electr Tech Grph Dsgn Prod Tech | | | | | | | | | |
| 2 | State | | | | | Other | Total | Fresh | Soph | Jr | Sr | Grad | Mast | Doct | Total |
| 3 | Washington | | 1 | 3 | 3 | 3 | 10 | 3 | 5 | 1 | 1 | | | | 10 |
| 4 | Oregon | | 1 | | | 1 | 2 | 1 | 1 | | | | | | 2 |
| 5 | Montana | | | 1 | | | 1 | | 1 | | | | | | 1 |
| 6 | Nevada | | | | | | 0 | | | | | | | | |
| 7 | Utah | | | | | | 0 | | | | | | | | |
| 8 | Wyoming | | | | | | 0 | | | | | | | | |
| 9 | Alaska | | | | | | 0 | | | | | | | | 0 |
| 10 | Other States | | | | | 1 | 1 | | 1 | | | | | | 1 |
| 11 | Foreign | | 4 | 5 | 1 | 9 | 19 | 15 | | 1 | 3 | | | | 19 |
| 12 | | | | | | | | | | | | | | | |
| 13 | Total | 0 | 6 | 9 | 4 | 0 | 14 | 19 | 8 | 2 | 4 | 0 | 0 | 0 | 33 |
| 14 | | | | | | | | | | | | | | | |
| 15 | Other Facts: | | | | | | | | | | | | | | |
| 16 | Average GPA | | 3.40 | 3.40 | 3.50 | 3.40 | 3.43 | 3.40 | 3.60 | 3.40 | 3.50 | | | | 3.48 |
| 17 | Average SAT | | 1,150.00 | 1,290.00 | | 945.00 | 1,128.33 | 19.00 | 17.00 | 0.00 | 0.00 | | | | 12.00 |
| 18 | Average ACT | | | 23.00 | 15.00 | 17.00 | 18.33 | 1,230.00 | 1,056.00 | 1,070.00 | 0.00 | | | | 1,678.00 |
| 19 | | | | | | | | | | | | | | | |

Criteria Used to Offer Waivers at LCSC:

1. Waivers are awarded to students planning to major in Mathematics, Computer Science, Chemistry, Geology, Information Systems Analysis, Electronic Technology, Engineering Technology, Radiography, HVAC, Biology and Automotive Technology.
2. Priority consideration given to high achieving students with at least a 3.2 gpa.
3. Transfer students as well as new freshmen.
4. International students.
5. Beginning with 2002/2003 academic year, waivers were awarded to applicants from Asotin County, Washington and new CAMP participants..
6. Beginning with 2003/2004: waivers are not awarded to post-baccalaureate students

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REFERENCE - APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education

GOVERNING POLICIES AND PROCEDURES

SECTION: V. FINANCIAL AFFAIRS

Subsection: R. Establishment of Fees

June 2005

1. Definitions and Types of Fees

The following definitions are applicable to fees charged to students at all of the state colleges and universities, except where limited to a particular institution or institutions.

a. General Education Fees

General education fees are to be deposited into the unrestricted or restricted current fund accounts as required by Section V, Subsection Q.

(1) Tuition – University of Idaho

Tuition is defined as the fee charged for the cost of instruction at the University of Idaho. The cost of instruction shall not include those costs associated with the construction, maintenance, and operation of buildings and facilities; student services; or institutional support, which are complementary to, but not a part of, the instructional program. Tuition may be charged only to nonresident . students enrolled in the University of Idaho, or to resident students enrolled in the University of Idaho who are in a professional program, college, school, or department approved by the State Board of Education and the Board of Regents of the University of Idaho; who are taking extra studies; or who are part-time students at the institutions.

(2) Matriculation Fee – University of Idaho

Matriculation fee is defined as the fee charged at the University of Idaho for all educational costs other than the cost of instruction, including, but not limited to, costs associated with the construction, maintenance, and operation of buildings and facilities, student services, and institutional support.

(3) Tuition – Boise State University, Idaho State University, Lewis-Clark State College

Tuition is defined as the fee charged for any and all educational costs at Boise State University, Idaho State University, and Lewis-Clark State College. Tuition fees include, but are not limited to, costs associated with academic services; instruction; the construction, maintenance, and operation of buildings and facilities; student services; or institutional support.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

(4) Professional-Technical Education Fee

Professional-Technical Education fee is defined as the fee charged for educational costs for students enrolled in Professional-Technical Education pre-employment, preparatory programs.

(5) Part-time Education Fee

Part-time education fee is defined as the fee per credit hour charged for educational costs for part-time students enrolled in any degree program.

(6) Graduate Fee

Graduate fee is defined as the additional fee charged for educational costs for full-time and part-time students enrolled in any post- baccalaureate degree-granting program.

(7) Summer School Fee

Summer school fee is defined as the fee charged for educational costs for students enrolled in academic programs in summer semester.

(8) Western Undergraduate Exchange (WUE) Fee

Western Undergraduate Exchange fee is defined as the additional fee for full-time students participating in this program and shall be equal to fifty percent (50%) of the total of the matriculation fee, facility fee, and activity fee.

(9) Employee/Spouse Fee

The fee for eligible participants shall be a registration fee of twenty dollars (\$20.00) plus five dollars (\$5.00) per credit hour. Eligibility shall be determined by each institution. Employees at institutions, agencies and the school under the jurisdiction of the Board may be eligible for this fee. Special course fees may also be charged.

(10) Senior Citizen Fee

The fee for Idaho residents who are 60 years of age or older shall be a registration fee of twenty dollars (\$20.00) plus five dollars (\$5.00) per credit hour. This fee is for courses on a space available basis only. Special course fees may also be charged.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

(11) In-Service Teacher Education Fee

The fee shall be one-third of the average part-time undergraduate credit hour fee or one-third of the average graduate credit hour fee. This special fee shall be applicable only to approved teacher education courses. The following guidelines will determine if a course or individual qualifies for this special fee.

- (a) The student must be an Idaho public school teacher or other professional employee of an Idaho school district.
- (b) The costs of instruction are paid by an entity other than an institution.
- (c) The course must be approved by the appropriate academic unit(s) at the institution.
- (d) The credit awarded is for professional development and cannot be applied towards a degree program.

(12) Course Overload Fee

This fee may be charged to full-time students with excessive course loads as determined by each institution.

- (13) Workforce Training Credit fee is defined as a fee charged students enrolled in a qualified Workforce Training course where the student elects to receive credit. The fee is charged for processing and transcribing the credit. The cost of delivering Workforce Training courses, which typically are for noncredit, is an additional fee since Workforce Training courses are self-supporting. The fees for delivering the courses are retained by the technical colleges. The Workforce Training fee shall be \$10.00 per credit.

b. Local Fees

Local fees are both full-time and part-time student fees which are to be deposited into the local institutional accounts. Local fees shall be expended for the purposes for which they were collected.

(1) Facilities Fee

Facilities fee is defined as the fee charged for capital improvement and building projects and for debt service required by these projects. Revenues collected from this fee may not be expended on the operating costs of general education facilities.

(2) Activity Fee

Activity fee is defined as the fee charged for such activities as intercollegiate athletics, student health center, student union operations, the associated student body, financial aid, intramural and recreation, and other activities which directly benefit and involve students. The activity fee shall not be charged for educational costs or major capital improvement or building projects. Each institution shall develop a detailed definition and allocation proposal for each activity for internal management purposes.

(3) Technology Fee

Technology fee is defined as the fee charged for campus technology enhancements and operations.

(4) Professional Fee

Professional fee is defined as the additional fee charged for educational costs for students enrolled in specialized degree granting programs. Professional programs currently approved by the Board to charge a professional fee are pharmacy, law, medicine, veterinary medicine, dentistry, physician assistant, physical therapy, occupational therapy, graduate nursing, architecture, and landscape architecture.

(5) Contracts and Grants

Special fee arrangements are authorized by the Board for instructional programs provided by an institution pursuant to a grant or contract approved by the Board.

(6) Continuing Education

Continuing education fee is defined as the additional fee to part-time students which is charged on a per credit hour basis to support the costs of continuing education.

2. Board Policy on Student Fees

Consistent with the Statewide Plan for Higher Education in Idaho, the institutions shall maintain fees that provide for quality education and maintain access to educational programs for Idaho citizens. In setting fees, the Board will consider recommended fees as compared to fees at peer institutions, percent fee increases compared to inflationary factors, fees as a percent of per capita income and/or household income, and the share students pay of their education costs. Other criteria may be considered as is deemed appropriate at the time of a fee change. An institution cannot request more than a ten percent (10%) increase in the total full-time student fee unless otherwise authorized by the Board.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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3. Fees Approved by the Chief Executive Officer of the Institution

a. Special Course Fees or Assessments

A special course fee is a fee required for a specific course or special activity and, therefore, not required of all students enrolled at the institution. Fees such as penalty assessments, library fines, continuing education fees, parking fines, laboratory fees, breakage fees, fees for video outreach courses, late registration fees, and fees for special courses offered for such purposes as remedial education credit that do not count toward meeting degree requirements are considered special course fees. All special course fees or penalty assessments, or changes to such fees or assessments, are established and become effective in the amount and at the time specified by the chief executive officer of the institution. The chief executive officer is responsible for reporting these fees to the Board upon request.

b. Student Health Insurance Premiums or Room and Board Rates

Fees for student health insurance premiums paid either as part of the uniform student fee or separately by individual students, or charges for room and board at the dormitories or family housing units of the institutions. Changes in insurance premiums or room and board rates or family housing charges shall be approved by the chief executive officer of the institution no later than three (3) months prior to the semester the change is to become effective. The chief executive officer shall report such changes to the Board at its June meeting.

c. Activity and Facility Fees

The chief executive officer of the institution shall approve the amount of each of these fees prior to the April Board meeting. The change is to become effective prior to the beginning of the academic year following the change. The chief executive officer or his or her designee shall meet and confer with the associated student body before approving these fees. The institution shall hold a public meeting on the fee changes, and a report of the meeting shall be made available to the Board.

4. Fees Approved by the Board

a. Fees Requiring Board Approval

(1) Tuition at the University of Idaho

(2) Matriculation Fees at the University of Idaho

(3) Tuition Fees at Boise State University, Idaho State University, and Lewis-Clark State College

(4) Professional-Technical Education Fee

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

(5) Part-time Education Fee

(6) Graduate Fee

(7) Summer School Fee

(8) Professional Fee

(9) Course Overload Fee

b. Initial Notice

A proposal to alter a student fee covered by Subsection V.R.4.a shall be formalized by initial notice of the chief executive officer of the institution at least six (6) weeks prior to the Board meeting at which a final decision is to be made. Notice will consist of transmittal, in writing, to the student body president and to the recognized student newspaper during the months of publication of the proposal contained in the initial notice. The proposal will describe the amount of change, statement of purpose, and the amount of revenues to be collected.

The initial notice must include an invitation to the students to present oral or written testimony at the public hearing held by the institution to discuss the fee proposal. A record of the public hearing as well as a copy of the initial notice shall be made available to the Board.

c. Board Approval

Board approval for fees will be considered when appropriate or necessary. This approval will be timed to provide the institutions with sufficient time to prepare the subsequent fiscal year operating budget.

d. Effective Date

Any change in the rate of fees or tuition becomes effective on the date approved by the Board unless otherwise specified.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

REFERENCE - APPLICABLE STATUTE, RULE, OR POLICY - continued

Idaho State Board of Education

GOVERNING POLICIES AND PROCEDURES

SECTION: V. FINANCIAL AFFAIRS

Subsection: T. Fee Waivers

April 2002

1. Authority for Fee Waivers

An institution shall not waive any of the applicable fees specified in Section V, Subsection R., unless specifically authorized in this subsection. Special fees are not defined as a fee waiver.

2. Waiver of Nonresident Tuition

Nonresident tuition may be waived for the following categories:

a. Graduate/Instructional Assistants

Waivers are authorized for graduate assistants appointed pursuant to Section III, Subsection P.11.c.

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.

c. Disadvantaged or Deserving Students

(1) The chief executive officer of each institution is authorized to waive nonresident tuition for disadvantaged or deserving students not to exceed one percent (1%) of the institution's full-time equivalent enrollment.

(2) In addition, in order to meet the workforce demands in the fields of engineering, information technology, and related high technology disciplines, the chief executive officer of each institution is authorized to waive nonresident tuition for students enrolled in these areas (if space is available) not to exceed two percent (2%) of the institution's full-time equivalent enrollment. Students eligible to receive the waiver must select engineering, information technology, or related high technology disciplines as their primary field of study. Information technology encompasses scientific and mathematical study of design and building computers and their applications; design and development of operational electronic data storage and processing systems; study and development of electronic systems for transmitting information via networks; analysis and the development of economic and public policy issues; and applying methods and procedures used in the design and writing of computer programs including the problem solving of information network systems.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

Any changes to the existing Board approved list of primary fields of study must be submitted to the Board for their approval.

The institutions will provide an annual report to the Board on the use of these waivers in a format determined by the executive director of the Board.

d. Reciprocity with the State of Washington

Based on a limit approved by the Board, waivers may be allocated on an annual basis by the executive director to the college and universities in postsecondary education programs for Washington residents. An equal number of opportunities shall be afforded to Idaho residents in Washington postsecondary institutions.

e. Reciprocity with Utah State University

Based on a limit approved by the Board, Idaho State University is authorized to waive nonresident tuition for residents of the state of Utah when an equal amount of waivers are made available to Idaho residents at Utah State University.

f. College of Mines

Based on a limit approved by the Board, the College of Mines at the University of Idaho is authorized to encourage enrollment in mining, metallurgy, and geology.

g. Reciprocity with the State of Oregon

Based on a limit approved by the Board, waivers are authorized for undergraduate students who are residents of the state of Oregon and who are majoring in mining engineering, metallurgical engineering, or geological engineering at the University of Idaho. The number of waivers to be awarded annually shall be limited by the number of waivers provided to Idaho residents in Oregon institutions of higher education.

h. Domestic Student Exchange Program

Waivers are authorized for nonresident students participating in this program.

i. Western Interstate Commission for Higher Education

Waivers are authorized for nonresident students participating in the Western Interstate Commission for Higher Education Professional Student Exchange Program and the Graduate Student Exchange Program.

3. Reporting Requirements

Each institution shall submit an annual report on fee waivers on a date and in a format determined by the executive director of the Board.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
BOISE STATE UNIVERSITY

SUBJECT

Boise State University requests approval to purchase land for a land swap with the Boise School District.

REFERENCE

Idaho State Board of Education Governing Policies & Procedures, Section V.E.1
Sections 33-107(2); 33-3714; 33-3804; 33-3805; 33-4005, Idaho Code

BACKGROUND

As part of its major school facilities bond, the Boise School District wishes to build a new junior high school on 21 acres of land in the Barber Valley (Harris Ranch area). The District has approached Boise State to request that the University purchase the site for the proposed school, then exchange that land for the District's existing East Junior High School. The existing East Junior High School is located on Broadway Avenue and Warm Springs Avenue, in close proximity to the University. The site is approximately 15 acres. By law the District is allowed to exchange property with other governmental agencies.

The East Junior High site originally served as the competition fields for the District and was later converted to a junior high. The District feels that using the site for an athletic field is appropriate. The University and District have received positive informal feedback from members of Boise City Planning and Zoning.

Boise State University intended to bring this proposal to the Board in June of 2007, prior to the time the land purchase was to occur. However, Brighton Corporation recently indicated its desire to expedite the sale of the Barber Valley parcel and complete the transaction in May 2007. As such, some of the details regarding the exchange and joint use agreement are still being discussed. An outline of the land exchange and facility use agreement is attached and further details will be provided at the June 2007 board meeting.

DISCUSSION

This exchange would allow the University to develop the East Junior High site as an athletic complex with a competition track and field center and space for other sports as needed for gender equity and departmental growth. The District and the University would enter into a joint use agreement allowing the District long term use of the facilities the University will develop on the site. A joint use arrangement would be similar to the current arrangement in which the District leases Bronco Stadium for high school football games. The complex developed at the site would accommodate high school football games in the interior of the track.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
BOISE STATE UNIVERSITY - continued

Boise State would acquire the Barber Valley parcel then swap that land with the District for ownership of East Junior High. The University would then rent East Junior High back to the District for a nominal fee until the new junior high is completed. Once the current facility is vacated, the University could develop the site. The estimated completion date for the construction of the new junior high is winter of 2008 or spring of 2009, giving the University a minimum of 20 months to prepare for site development.

The East Junior High site has an appraised value of \$6,100,000 as-is and a value of \$6,850,000 if the existing structures are demolished. Consequently, the building is considered a detriment to market value. The detriment was measured by the appraiser at its estimated demolition cost of \$750,000. However, the building has value in that it can be used by the University as temporary occupancy space (swing space) until the site is developed into the track complex. Thus, the building will be utilized, for minimal cost, until the demolition is needed.

The 21 acre Barber Valley parcel is currently being appraised. Its estimated value is \$5,000,000. The value assigned for purposes of the swap to the District will be the appraised value. Thus, the University will exchange the \$5,000,000 Barber Valley parcel for the \$6,100,000 East Junior High site. The difference in value will be made up in the value of the lease-back to the District and a proportionate value of the District's use rights to the new facilities once developed. Terms of the agreement will be brought before the Board for approval.

IMPACT

This transaction is an important opportunity for the University to acquire 15 acres very close to campus. There is no other realistic opportunity to acquire this amount of land near the University.

Development of the site as an athletic complex meets the needs of the University and the District. Construction of a competition track and field complex is a priority for athletics as the expansion of Bronco Stadium is contingent upon the relocation of the current track and field facilities in and around the stadium. Since the University cannot eliminate the track until a new facility is available, a new track is a pre-requisite to stadium seating expansion.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
BOISE STATE UNIVERSITY - continued

Further, the District has made its involvement in this transaction contingent upon the development of the site as an athletics complex. The District and University have found the continued use of Bronco Stadium for high school football and track competitions increasingly difficult due to scheduling complications and the growth of both the high school and University programs. Consequently, in a recent facilities study, the District concluded that a new athletics complex is necessary for District use.

The terms of the purchase of the Barber Valley parcel are as follows. The transaction will be part sale, part gift. The purchase price is \$5,000,000. The University will be required to pay \$3,500,000 in the form of 5% down (\$175,000) and the remaining \$3,320,000 in the form of a promissory note. The note will be interest only payments for three years at the rate of the London Interbank Offered

Rate (LIBOR) plus 2.35% (currently LIBOR is 5.32%, so the rate would be 7.67%), adjusted monthly. The note will be due in three years. The owner, Brighton Investments, will donate that portion of the transaction price in excess of \$3,500,000. There will be no collateral for the note. The note will be a debt issuance under the bond act subordinate to the University bond system.

ATTACHMENTS

| | |
|---|-------------|
| Attachment 1 – Summary Appraisal Report, East Junior High | Page 5 |
| Attachment 2 – Aerial Photos, East Junior High | Pages 19-20 |
| Attachment 3 – Meets and Bounds Diagram, Barber Valley Parcel | Page 21 |
| Attachment 4 – Aerial Photo, Barber Valley Parcel | Page 23 |
| Attachment 5 – Contract for Sale of Property - Draft | Pages 25-44 |
| Attachment 6 – Charitable Donation Agreement | Pages 45-58 |
| Attachment 7 – Outline of Land Use and Facility Exchange | Pages 59-60 |

STAFF COMMENTS AND RECOMMENDATIONS

At staff's request the University provided the attached materials for the Board's consideration. Staff has reviewed the material and believes the purchase and subsequent land swap with the Boise Independent School District is in the best interests of the State of Idaho and Boise State University.

University officials will be present to provide additional information that was developed after the agenda was printed.

Staff recommends approval.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
BOISE STATE UNIVERSITY - continued

BOARD ACTION

A motion to approve a request by Boise State University to purchase land for a land swap with the Boise School District, as follows:

1. The Board finds the acquisition of the property set forth in this agenda item is necessary for the proper operation of Boise State University and is economically feasible;
2. The Board approves the Contract of Sale for purchase of the property in question in an amount not to exceed \$3.5 million, and the issuance of the Note in the principal amount of \$3,250,000 with interest-only payments for three years at the rate of LIBOR plus 2.35% adjusted monthly;
3. The Board approves an expected gift of additional property to Boise State University which value will be an amount that equals the difference between the final appraised value of the Barber Valley property and the value of the contract sale price;
4. The Board authorizes the University to take such actions necessary to complete the purchase, and authorizes the BSU Vice President for Finance and Administration to sign any documents on behalf of the State Board of Education relating to this approval. Funds for this purchase come from Athletic Department revenues.

The University is directed to return to the Board with all final details of all related agreements with the Boise School District.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

[A roll call vote is required.]

**COMPLETE APPRAISAL
SUMMARY REPORT
SCHOOL**

East Junior High School Property

415 East Warm Springs Avenue
Boise, Ada County, Idaho

PREPARED FOR

Scott Engum
Purchasing Supervisor
Independent School District of Boise City
8169 West Victory Road
Boise, Idaho 83709

EFFECTIVE DATE OF THE APPRAISAL

May 10, 2006

INTEGRA REALTY RESOURCES - BOISE

File Number: 163-2006-0002
KJK File Number: 06 4924





**East Junior High School Property
415 East Warm Springs Avenue
Boise, Idaho**

May 12, 2006

Mr. Scott Engum
 Purchasing Supervisor
 The Independent School District of Boise City
 8169 W. Victory Road
 Boise, Idaho 83709

Dear Mr. Engum:

In accordance with your request, I have conducted market investigations, gathered pertinent data, and performed analyses necessary for an update appraisal of the following property, under the following valuation scenarios and assumptions:

| Identification of Property, File References, and Contacts | | |
|---|---|--------------|
| IDENTIFICATION: | | |
| Name of Property or Occupant: | East Junior High School | |
| Location: | 415 E Warm Springs Avenue Boise, Ada County, Idaho | |
| Property Type: | Junior High School | |
| Status: | Existing | |
| REFERENCE NOS: | | |
| Client's Log #: | NA | |
| KJK File ID: | 06 4926 | |
| CONTACTS: | | |
| Client's Contact: | Steve Mabe | 208-854-6740 |
| Client's Contact: | Scott Engum | |

IRR.

| Valuation Types, Effective Dates and Premises | | Effective Dates |
|---|--------------------------------------|-----------------|
| Value type(s): | Market value | |
| Scenario(s)/date(s): | As is | May 10, 2006 |
| Interest(s) appraised: | Fee simple estate | |
| Appraisal type: Report type: | Complete appraisal Summary report | |

| Physical Summary | | |
|----------------------|---|----------|
| Site size (SF/AC): | 653,400± SF | 15.0± AC |
| Site zoning: | Boise City A (Open Space), R-3D (Multi-family) | |
| Improvements: | | |
| Gross building area: | 79,174± SF | |
| Rentable area: | 79,174± SF | |
| Construction: | Steel frame, brick masonry | |
| Cost manual quality: | Not applicable | |
| Parking: | Adequate on site | |

Summary of Appraisal Issues

The following paragraphs highlight critical valuation issues and assumptions. The reader is advised to become familiar with these issues prior to finalizing any lending decisions.

Report Format

Per the requirements and guidelines set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), there are three levels of detail in the reporting of an appraisal: Self-contained, summary, and restricted.

The essential difference among the three reporting options is in the use and application of the terms "describe", "summarize" and "state". Describe is used to connote a comprehensive level of detail in the presentation of information. Summarize is used to connote a more concise presentation of information and minimal support. State is used to connote the minimal presentation of information without support or explanation.

This is a summary report format, which means that some information, data, or details of the analysis may be retained in my office files, rather than explained in detail in this report.

Scope Limitations

The most common USPAP departure is the exclusion of one or more of the three typical approaches to value—cost, sales comparison, or income capitalization—in situations where the market would typically employ all three approaches in arriving at a value conclusion.

As a special-use facility of substantial age, the cost approach is of limited reliability, as is the income approach. The sales comparison approach is the most relevant approach to value for the land as though vacant, which constitutes the primary analysis of relevance to the property as is.

Update Scope & Relevant Disclosures

I appraised the subject property for the current client in 2004-2005. My file reference number was KJK File ID 05.4296. Other specifics of the prior assignment are summarized as follows:

| | |
|---------------------------|-----------------------------------|
| Original Appraiser | Bradford Knipe |
| Subject Property | Same, 15± acres. |
| Client | Boise Independent School District |
| Effective Date | December 28, 2004 |
| Date of Appraisal | January 26, 2005 |

This current assignment constitutes a USPAP-compliant update / supplement to this previous appraisal, which is **adopted and incorporated by reference**. This update / supplement is to be used only in conjunction with the original appraisal report, and all factual data, property descriptions, appraisal premises and methodologies set forth in the prior assignment pertain to this update / supplement, unless otherwise specifically noted.

Overview of the Appraisal Problem

The subject property consists of a junior high school that was established in approximately 1953, with significant additions to the main building in 1960, 1969, 1973, 1974, and 1976, according to the client. The total size of the main building was reported by the client to be 67,691± SF. Also built in 1953 was the "Field House", at 3,679± SF. A 7,804 SF metal structure, the Industrial Arts Bldg., was added in 1973.

Based on these reports, the oldest part of the building is 53 years old, and the newest, about 30 years. For most private-sector uses—such as general commercial or office buildings—structures of this age would be considered to be at or rapidly nearing the end of their economic lives, and public buildings are generally no exception. Without a location that warrants continual capital upgrade for continued use as a public building, even schools have a useful life, and it is my understanding that my client is contemplating its options in that regard. Specifically, since my original appraisal, I have been informed that discussions have progressed in which an exchange is being contemplated, whereby the owners of the subject would secure a site at Harris Ranch for a new junior high school, and Boise State University would secure the subject for an athletic events center of some type. This intended use is a special-use with a limited market of potential buyers, so the appropriate valuation strategy remains unchanged—to attempt to value the subject parcel to its most probable private-sector development potential.

In the subject's case, more emphasis is not placed on any potential additive value of the improvements due in part to the absence of evidence of demand for such alternate uses for an aged junior high school building, but also simply because of the age of the buildings, and their nominal architectural appeal.

Once converted to an alternate use, or even if significantly renovated in a similar use after a sale, the new owner could trigger all sorts of seismic code, building code, fire code, ADA and other compliance requirements that have the strong potential to render any scenario of reuse infeasible. Also, it should be noted that in the subject's particular case, the siting of the East Junior High building improvements is on Warm Springs Avenue, with minimal traffic counts and a high concentration of residential uses. It is also right across the street from a cemetery, which would be a negative to some alternate uses, like say a nursing home, or even an office building.

For these reasons, and others that were elaborated upon in my original appraisal, the emphasis of this report is on the land valuation, as though already vacant, and as is (net of allowances for demolition of the existing improvements).

If my client has the opportunity to sell or exchange the subject property to a party who can make ostensible use of the subject's improvements and who would intend to retain them, I would be glad to amend this report to opine as to their shell contribution. I refrain from doing so here only because the probability of such an outcome is relatively low, and thus I did not want to confuse those who rely on this report by offering a third potential outcome without any evidence of demand for doing so.

Personal Property & Intangibles

None applicable / none addressed.

Land Area Assumptions

The client has provided a Site Plan which approximates the total parcel size at 15 acres, but discussion with Mr. Steve Mabe of the Boise School District indicates that this was done by physical measurement essentially from curb to fenced areas—that is, a measurement of the physical area ostensibly used by the school, without identification of or regard for its legal boundaries.

Through a combination of review of various aerial photographs, and review of assessor parcel and R.I. Idaho Mapping Greater Boise GIS maps, at 15.4± and 15.2± AC, which complements the report by the client. As such, this valuation defers to the client's 15± AC parcel size.

Building Area Assumptions

The subject property has building areas, some having two distinct levels, including daylight basement areas (basement from Warm Springs Avenue's elevation, ground level to the rear play yard and the majority of the property). I defer to the figures provided by the client, at 79,174± SF. This area reflects structures on permanent foundations, and excludes modular classroom units that are movable and that are thus considered personal rather than real property. There are approximately 7 such movable structures that are not reflected in this report. It also excludes dilapidated structures, and various outbuildings.

Confidentiality

In March 2004, I was hired by the same client to appraise two of their existing elementary schools. In the course of that assignment, I interviewed 4 knowledgeable brokers as to their opinions of highest and best use, and marketing potential for the subject properties. That process was felt to add to the credibility of the analysis, but by the same token, it can tend to start speculation which can be detrimental to the client's best interest. In conjunction with this assignment, I was asked to hold the very fact that I was appraising these properties in confidence, so no brokers were interviewed, other than Michael Ballantyne, and Mike Keller of Thornton Oliver Keller (Mr. Ballantyne represents the Boise School District).

Other Special Assumptions

Please see the appropriately titled section of the appraisal report for special assumptions and limiting conditions that impact the analysis and value estimates for the subject property.

Value Conclusions

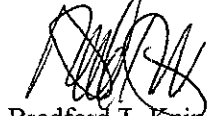
The following values are subject to the standard (generic), specific and extraordinary assumptions and limiting conditions as set forth in this report.

| Summary of Value Conclusions East Junior High School | | |
|---|----------------|------------------------|
| FEE SIMPLE ESTATE | EFFECTIVE DATE | CONCLUSION |
| <i>Market Value If Vacant (hypothetical)</i> | May 10, 2006 | \$6,860,000 |
| <i>Less: Allowance for Demolition & Profit/Risk</i> | | (\$795,000) |
| <i>Market Value As Is</i> | | \$6,065,000 |
| ESTIMATED MARKETING TIME | EFFECTIVE DATE | CONCLUSION |
| Historical Exposure Period (based on comparables) | May 10, 2006 | Sale in 24-36 Months |
| Anticipated Marketing Period (based on market conditions) | May 10, 2006 | Sale in 12-24 Months |

This appraisal has been prepared in conformity with the current requirements of the Appraisal Foundation as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics of the Appraisal Institute, and with the requirements of the federal bank regulating agencies. If I may be of further assistance to you on this or other matters, please contact me at your convenience. Thank you for providing this opportunity to be of service.

Respectfully submitted,

INTEGRA REALTY RESOURCES - BOISE



Bradford T. Knipe, MAI, ARA, CCIM
Commercial Real Estate Analyst, Consultant & Agent
Idaho Certified General Appraiser No. 117

457,000
\$ 10.50
59.44

Overview of Underlying Assumptions

Overview

In the course of the normal appraisal process, situations arise wherein we must make standard (generic) and specific and/or extraordinary assumptions with regard to information not readily available to us. All Standard, Specific and/or Extraordinary Assumptions & Limiting Conditions which may appear in the report are believed to be compatible with generally accepted appraisal principles, Uniform Standards of Professional Appraisal Practice (USPAP), and Appraisal Institute requirements. All are to be considered a part of the report, and the reader is advised that acceptance of the report constitutes acceptance of all Assumptions and Limiting Conditions.

Standard Underlying Assumptions & Limiting Conditions

Standard Assumptions and Limiting Conditions include such issues as construction components of existing construction; adaptability of soils to development; existence of typical easements, etc. Additionally, since Idaho is a non-disclosure state, details of comparable property sales or leases are presumed to be accurately portrayed by the parties to the respective agreements; in lieu of cooperation by the parties (or in some cases, where parties have no recollection of such details), assumptions and/or reasonable approximations are sometimes necessitated. Such generic assumptions are provided for in the Standard (Generic) Underlying Assumptions and Limiting Conditions contained in the Addenda. The reader is encouraged to read this section of the report.

Special / Extraordinary Underlying Assumptions & Limiting Conditions

More Specific Assumptions & Limiting Conditions are sometimes required depending upon the individual nature of the appraisal problem, and are clearly disclosed in the following the Generic Limiting Conditions, and/or in the discussions within the report to which they pertain. These assumptions are of matters which we have no knowledge, expertise, or timely ability to clarify.

Standard Rule 2-1c of the Uniform Standards of Professional Appraisal Practice require, as applicable to the appraisal problem, clear and accurate disclosure of, and an indication of any impact on value of, a third classification of assumption: "extraordinary assumptions and limiting conditions" that directly affect the outcome of appraisal. In the event any specific and/or extraordinary assumptions and limiting conditions are deemed relevant to the subject and its valuation, they will be set forth immediately following, and/or in the discussions within the report to which they pertain.

Enumeration of Special Assumptions or Extraordinary Limiting Conditions

- I specifically assume that my estimates of site and building area are reasonably accurate and similar to what a buyer would rely on in contemplating a purchase of the subject property.
- I specifically assume my conclusions of rezone potential to be credible, with no significant cost involved.

Recommendations

- There is some discrepancy as to the subject's net usable acreage. Prior to sale, it would be to the client's advantage to commission an ALTA survey of the property.
- Should the client elect to sell, it is my opinion that the maximal value in the minimal amount of marketing time would be realized by removing the existing improvements, and removing the associated uncertainty of environmental materials disposal for a potential buyer.

Contingencies

- If any special assumption or limiting condition is found to be erroneous, I reserve the right to revise my value conclusions accordingly.

Limitations of Scope

- None.

Certificate of Appraiser

I certify that, to the best of my knowledge and belief:

1. All representations of factual information contained in this appraisal report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
5. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice.
6. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
7. I have made a personal inspection of the property that is the subject of this report.
8. No one provided significant professional assistance or contribution to the signatory to this report.
9. I have the necessary level of knowledge and experience to credibly estimate the value of the subject property, or have taken reasonable steps to achieve such competency and to provide a professional appraisal of the subject property, in accordance with the Uniform Standards of Professional Appraisal Practice.
10. I am an MAI Designated Member of the Appraisal Institute (No. 10992), and an ARA Designated Member of the American Society of Farm Managers & Rural Appraisers, and have met the continuing education requirements of those organizations. I am a CCIM Designated Member of the Commercial Investment Real Estate Institute (No. 7213), and a retired CRE Designated Member of The Counselors of Real Estate.
11. I am a State Certified General Appraiser in Idaho (No. CGA-000117), and have met the continuing education requirements for real estate appraisers practicing in this state.

INTEGRA REALTY RESOURCES - BOISE



Bradford T. Kripe, MAI, ARA, CCIM
Commercial Real Estate Analyst, Consultant & Agent
Idaho Certified General Appraiser No. 117

Part I: Introduction & Executive Summary

Summary of Important Facts & Conclusions

| | |
|--|--|
| Identification | East Junior High School |
| Property Type | Public Junior High School |
| Location | 415 E. Warm Springs Avenue Boise, Ada County, Idaho |
| Owner of Record | Independent School District of Boise City c/o Boise School District 8169 W. Victory Road Boise, Idaho 83709 |
| Legal Description | None provided; please see Assessor's legal description in Property Taxes & Assessments section of this report. |
| Property Rights Appraised | Fee simple estate |
| Appraisal / Report Classification | Complete / Summary |
| Limitations of Scope | None |
| Values Estimated | Market value "as is" |
| Date of the Report | May 12, 2006 |
| Effective Date of Valuation | May 10, 2006 |
| Neighborhood | |
| Identification | Downtown Boise East Periphery |
| Neighborhood Type | Heavily built-up, older residential district, with arterial-fronting office and retail developments |
| Assessment & Taxation Data | See Taxes & Assessments Section |
| Zoning | Boise A (Open Space) and R-3 (Multifamily) districts |
| Parcel Size | 653,400± SF (15.0± AC) |
| Building Improvements | |
| Gross | 79,174± SF |
| Rentable | 79,174± SF |
| Land-to-Building Ratio | 8.25:1 |
| Stories | Portions 2-story, others 1-story |
| Construction | Steel frame |
| Exterior | Concrete masonry units |
| Roof | Flat |

| | |
|-------------------------------|---|
| Site Improvements | Asphalt paving, concrete curbing, concrete sidewalks, and landscaping including sprinklered planter beds, irrigated lawn, shrubs, mature trees, playground area, fencing. |
| Highest & Best Use | |
| As If Vacant | Mixed-use development (office and multi-family components most likely) |
| As Is | Demolition of existing school to make land available to its highest & best use as vacant |

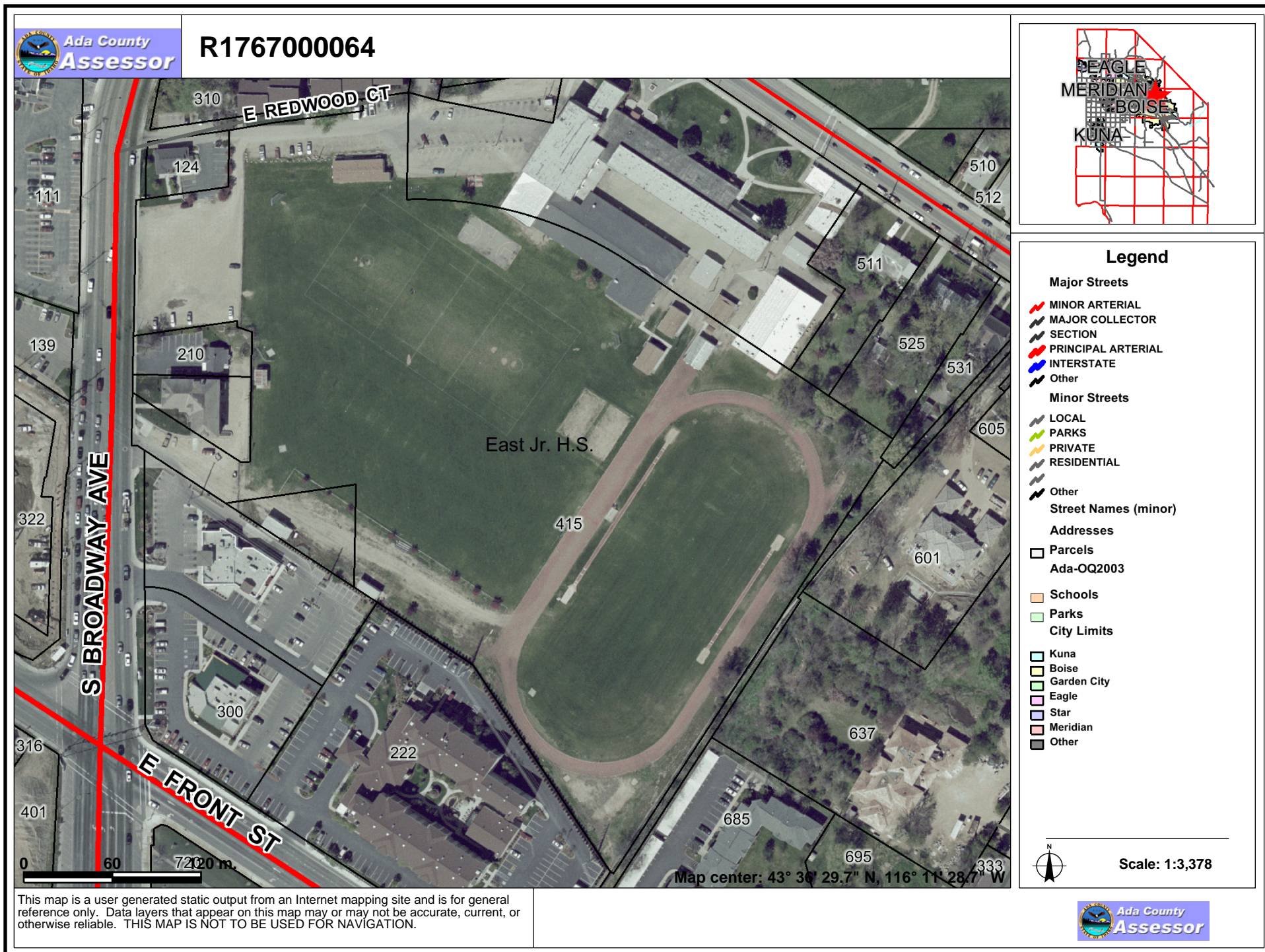
Summary of Value Estimates

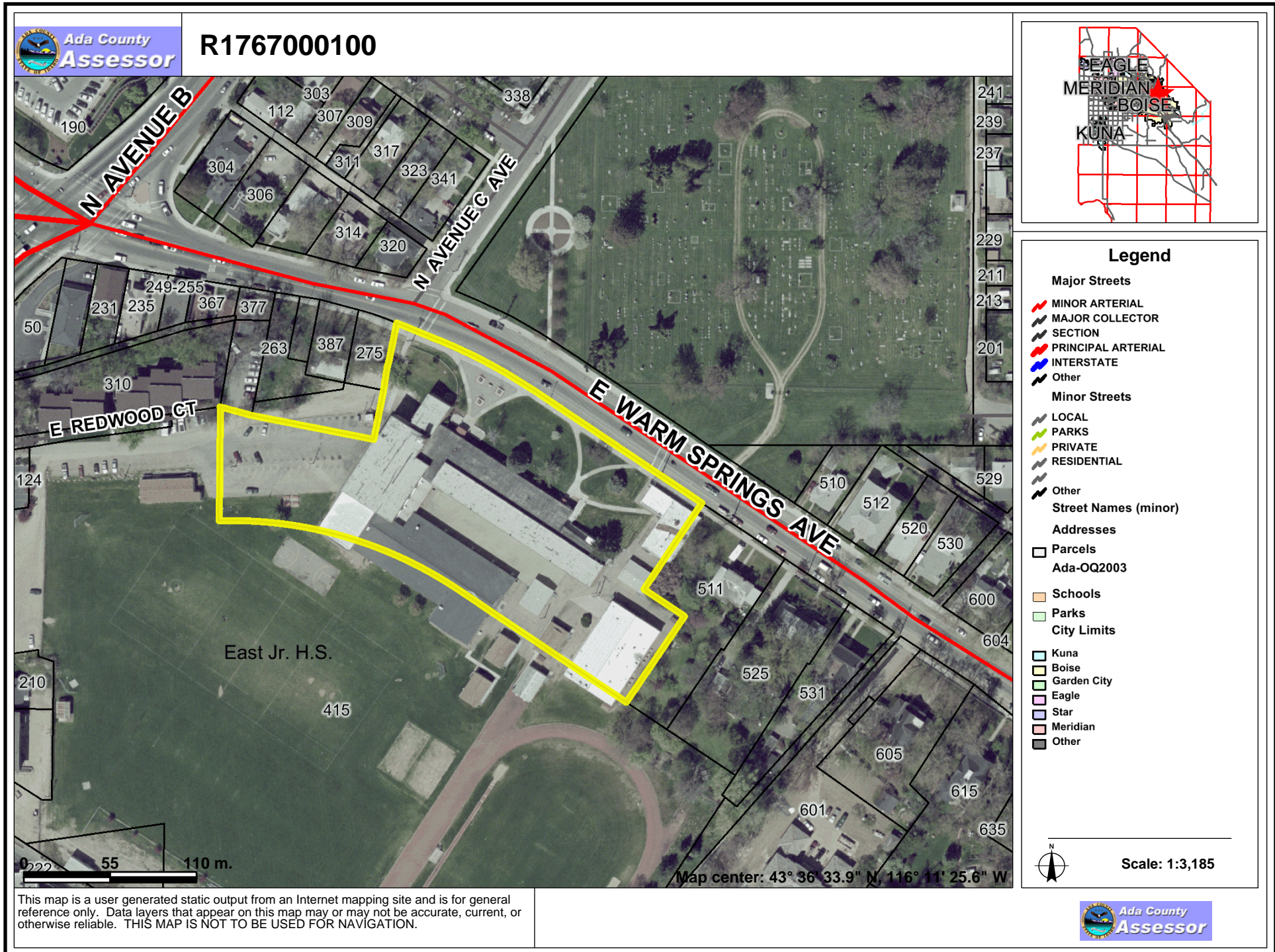
Land, Fee Simple

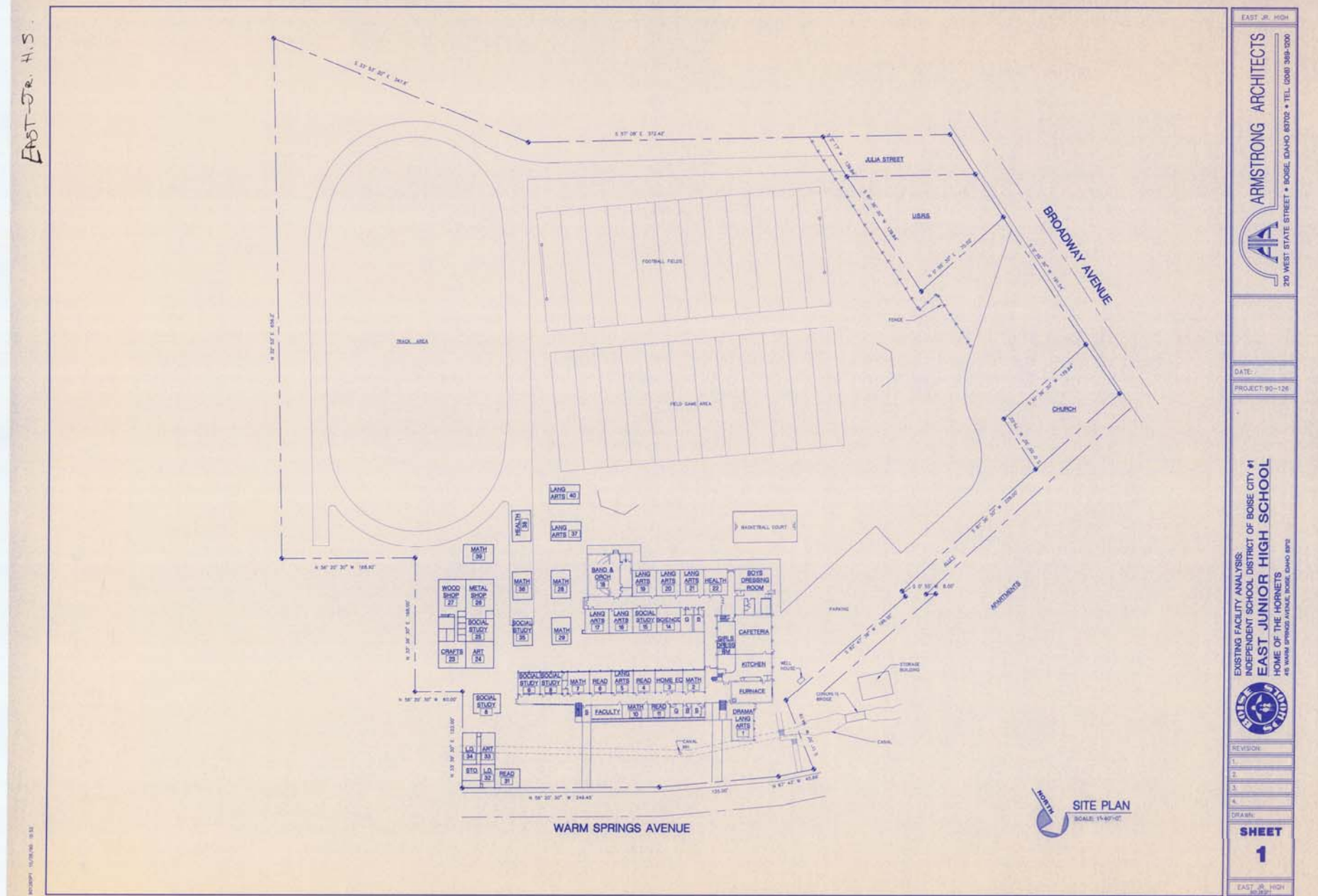
| | |
|----------------------------------|---------------------------------|
| Value of Defined Site, If Vacant | \$6,860,000 |
| Per Square Foot | \$10.50± |
| Value of Defined Site, As Is | \$6,065,000 (net of demolition) |
| Per Square Foot | \$9.30± |

| | |
|-------------------------|--|
| Marketing Period | Sale within 12-24 months, if professionally marketed at concluded as is market value. |
| Sale History | No sale history available, or relevant. |
| Comments | As is value assumes discounts for buyer's demolition of the existing improvements. If seller were to demolish prior to sale, the value as vacant would then apply. |

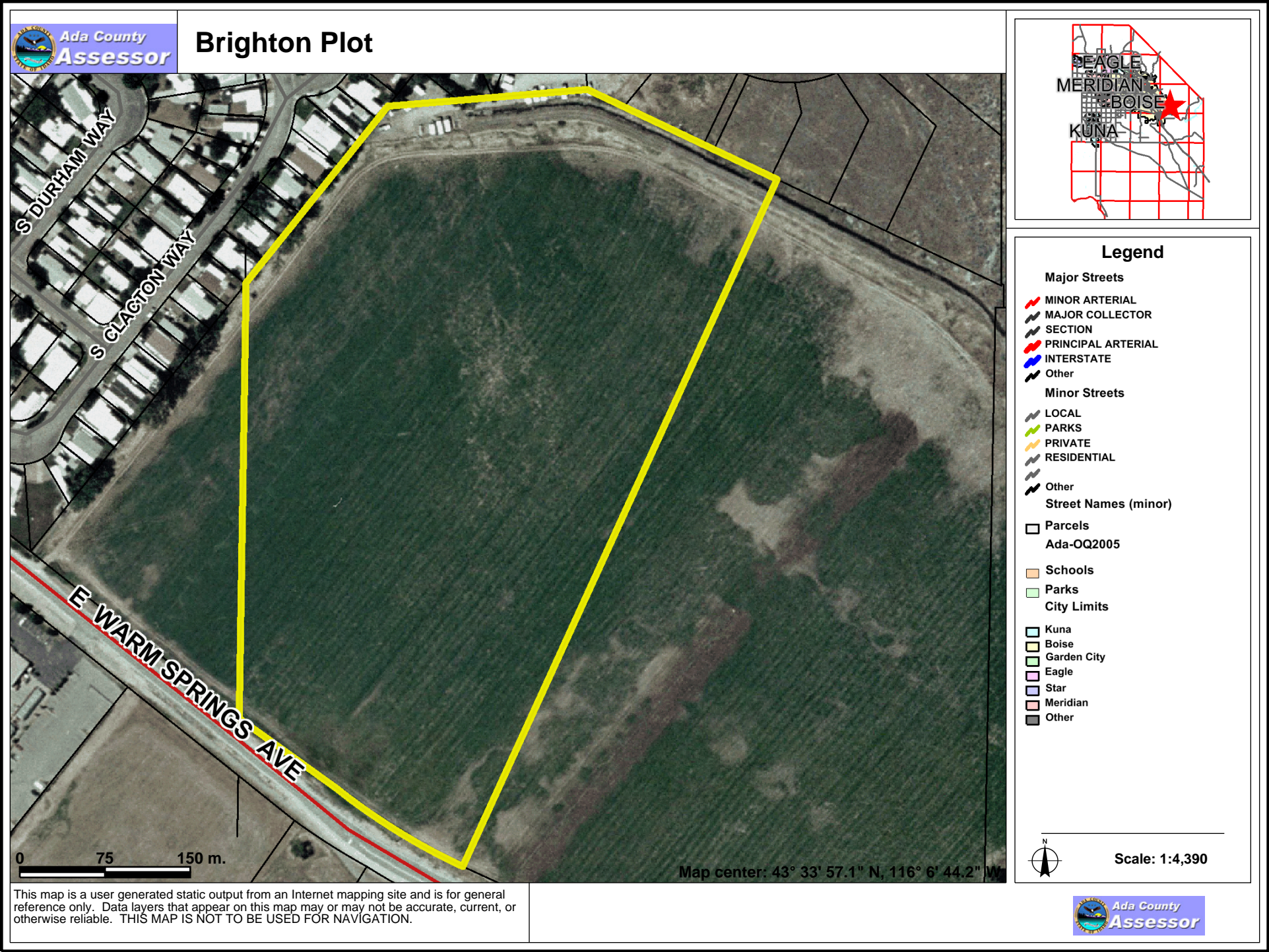
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CONTRACT OF SALE

THIS CONTRACT OF SALE is made as of the date last written below the signatures of the parties (the "Effective Date") by and between State of Idaho, by and through the State Board of Education as Board of Trustees of Boise State University ("Buyer") and Brighton Investments, LLC or assigns ("Seller").

RECITALS:

Whereas, the Buyer and Seller have agreed that the Buyer will purchase from the Seller an undivided interest in approximately twenty (20) acres of real estate located in Ada County, Idaho; and,

Whereas, the Buyer and Seller acknowledge that the sole purpose for the buyer purchasing the real estate is to transfer such real estate to the Boise Independent School District ("School District") for the location of a new junior high school; and,

Whereas, the real estate must meet the needs of the School District to accomplish the purpose of this transaction; and,

Whereas, the parties wish to memorialize their agreement with this agreement,

AGREEMENT

NOW THEREFORE, In and for the consideration of the payment of purchase price as hereinafter set forth, Buyer and Seller hereby agree as follows:

1. Purchase. Seller hereby agrees to sell and Buyer hereby agrees to purchase an undivided portion of the real property including all improvements, if any, located in the City of Boise, County of Ada, State of Idaho, as more particularly described on Exhibit A, attached hereto and incorporated herein, together with, and subject to, all easements and other rights appurtenant to said real property ("the School

Parcel”), in accordance with the terms and conditions hereinafter set forth. The percentage portion of the School Parcel to be conveyed (the “Subject Property”) is to be calculated based on the purchase price of Three Million Five Hundred Thousand Dollars (\$3,500,000) relative to the value of the School Parcel as determined by an appraisal to be obtained prior to closing (the “Appraised Value”). For example, if the Appraised Value is Five Million Dollars (\$5,000,000), the Subject Property will be a seventy percent (70%) undivided interest in the School Parcel ($3,500,000 / 5,000,000$).

2. Purchase Price. The purchase price for the Subject Property is the sum of Three Million Five Hundred Thousand Dollars (\$3,500,000) payable as follows:

a. One Hundred Seventy Five Thousand Dollars (\$175,000) cash down payment from Buyer to Seller at closing;

b. The remainder sum of Three Million Three Hundred Twenty Five Thousand Dollars (\$3,325,000) shall be payable by a non-negotiable private placement bond from Buyer as maker to Seller as payee with monthly interest only payments for three years (with no pre-payment penalties), bearing interest at the variable rate of the London Interbank Offered Rate (LIBOR) plus 2.35%, adjustably monthly, at which time the entire remaining sum shall be due and payable.

3. License. Seller hereby grants Buyer, its agents, employees and contractors, a limited license to enter the Subject Property beginning on the Effective Date and continuing until the Condition Expiration Date (as defined hereinafter) or the termination of this Contract, whichever is earlier, under the following terms and conditions (“License”):

a. This License is subject to the terms of any and all documents encumbering

the Subject Property.

b. Buyer's right to enter the Subject Property shall be for all purposes reasonably related to the full and adequate determination at Buyer's expense of the suitability of the physical condition of the Subject Property for Buyer's intended purpose, including, without limitation, the right to conduct surveys, soils tests, engineering studies and environmental studies. Buyer shall not engage in any invasive or intrusive testing without the prior written consent of Seller, which consent may be conditioned upon Buyer giving adequate assurances of Buyer's ability to meet its obligations in this Section 3.

c. Seller shall provide Buyer with copies of all surveys and reports in Seller's possession regarding the Subject Property and relevant to the condition of the Property. Seller shall provide a boundary survey of the Subject Property. Seller shall have all boundaries of the Subject Property identified, pinned and staked prior to Closing. Buyer shall reimburse Seller for its cost of having the Subject Property pinned and staked.

d. Buyer agrees to indemnify, defend and save Seller harmless from any and all claims, damages, liability, causes of action, judgments, expenses (including reasonable attorney's fees and reasonable attorneys' fees on appeal) arising out of or in any way connected with Buyer's exercise of this License. Buyer agrees to repair any and all damage to Subject Property arising out of Buyer's exercise of this License and to restore Subject Property to as good a condition as on the date immediately preceding

the date of this Contract. All indemnifications and obligations created hereunder shall survive the Closing or any termination of this contract and are subject to the Limits of the Idaho Tort Claims Act.

4. Warranties. The provisions of this Section 4 shall survive closing.

a. Property As-Is. Except as expressly set forth herein, Buyer is relying solely upon Buyer's inspections as to the condition of Subject Property. Seller and Seller's agents are not making, have not made and expressly disclaim any representations or warranties, express or implied, with respect to any aspect, feature or condition of the Subject Property. Buyer shall independently verify all information and reports regarding any aspect or feature of the Subject Property provided by Seller. Seller does not guaranty the accuracy of any information or reports provided by Seller, its agents or consultants. Buyer is purchasing the Subject Property in "As Is" condition with all faults including both latent and patent defects.

b. Hazardous Waste. Notwithstanding anything contained herein to the contrary, Seller hereby represents and warrants that Seller has not deposited any hazardous waste on the Subject Property, nor does Seller have any knowledge of any hazardous waste on the Subject Property. As used herein "hazardous waste" shall mean any hazardous waste or pollutants, contaminants or hazardous waste as defined by the Federal Water Pollutions Control Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1990 ("CERCLA") and any amendments thereto, the Resource Conservation and Recovery Act ("RCRA") and any amendments thereto or any similar state, local or federal law, rule or regulation, including, without

limitation, asbestos or asbestos containing materials, PCBs, petroleum and petroleum products and urea-formaldehyde. This warranty shall survive closing.

c. Seller's Warranties. Seller hereby represents and warrants to Buyer that Seller is duly formed and validly existing under the laws of the state of Idaho. The individuals entering into this Contract on behalf of Seller have the authority to bind Seller. Execution of this Contract and the consummation of the transactions contemplated herein have been duly authorized by all necessary action by the company and do not violate Seller's constituent documents or any other agreement to which Seller is a party.

5. Buyer's Conditions. Notwithstanding the execution of this Contract, Buyer may terminate this Contract as set forth below unless each of the following conditions have been met or Buyer has waived the conditions on or before expiration of the Condition Expiration Date, except for title conditions that shall be satisfied at Closing:

a. Condition of Title. Title to the Subject Property shall be conveyed by Special Warranty Deed in the form attached hereto as Exhibit "B" (the "Deed") and shall be free and clear of all liens, encumbrances, easements, assessments, restrictions, and tenancies, whether recorded or unrecorded, and exceptions to title caused or suffered by Seller or anyone claiming by or through Seller except (i) the lien of taxes not yet due and payable; (ii) the title insurer's standard printed exceptions; (iii) easements of record or appearing upon the Property, including the easement for the Penitentiary Canal along the northerly portion of the Property; (iv) the residential development restriction described in subsection (2) below; and (v) those exceptions

which are approved or deemed approved by Buyer as set forth in this Section 5.a (collectively, the "Permitted Exceptions").

(1) Buyer shall obtain from the Escrow Holder a commitment for title insurance ("Title Report"). Buyer shall have until April 13, 2007 to deliver notice to Seller in writing of any objections Buyer may have, with reasons specified, of anything contained in the Title Report ("Buyer's Title Notice"). Any such item which Buyer shall not object to within the time period set forth above shall be conclusively deemed as approved by Buyer as Permitted Exceptions except for monetary encumbrances and rights of parties in possession. If Buyer objects to any item contained in the Title Report, Seller shall have the option, but not the obligation, to satisfy such objection prior to closing. In the event Seller is unable or unwilling to satisfy such objections, for any reason, Seller shall give Buyer notice of such inability or unwillingness ("Seller's Title Notice"). Failure of Seller to give Seller's Title Notice within **seven (7)** business days after receipt of Buyer's Title Notice shall be deemed Seller's election not to satisfy such objections. Buyer may either waive such objections or terminate this Contract by delivering written notice to Seller within **three (3)** business days after receipt of Seller's Title Notice or the date Seller is deemed to have elected not to satisfy such objections. Failure of Buyer to deliver such notice to Seller within such **three (3)** business day period shall be conclusively deemed Buyer's waiver of such objections and all such items shall be Permitted Exceptions.

(2) On or before Closing, Seller shall record a restriction against the Property prohibiting its development for single or multi family residential purposes

for a period of thirty five (35) years from Closing. The form and content of such restriction is to be reviewed and approved by Buyer in advance of recording.

b. Title Insurance. The Escrow Holder shall be prepared to issue, upon closing, an ALTA Standard coverage owner's policy of title insurance, in the amount of the purchase price, insuring fee simple title to Subject Property to be vested in Buyer, subject only to Permitted Exceptions (the "Title Policy").

c. Buyer's Feasibility. Buyer shall have determined its acquisition of the Subject Property is feasible in Buyer's sole and absolute discretion. Specifically, Buyer has the right to determine whether the Subject Property is suitable for a junior high school sight as determined by the School District. This includes that the property is eligible and not under a legal impediment to being properly zoned for such use by the City of Boise.

d. Waiver. All conditions set forth in this Section (except the conditions set forth in Section 5.b hereof) shall be conclusively deemed satisfied or waived by Buyer unless Buyer has given Seller a written termination notice prior to Closing ("Condition Expiration Date") stating with particularity the condition(s) which Buyer reasonably believes will not be satisfied prior to the Closing Date ("Buyers Termination Notice"). In the event this Contract is terminated as set forth in this Section, neither Buyer nor Seller shall have any further obligations to the other arising under the terms of this Contract other than the obligations of under Sections 3.d. and 12 hereof.

e. Historical/Archeological Issues. Buyer shall, at its cost, conduct reasonable investigation prior to expiration of the Condition Expiration Period to ensure

that there are no historical or archaeological sites or items on the subject property that would inhibit, delay or interfere with the development of the Subject Property. Buyer shall provide Seller with a written assurance prior to closing in conformance with this paragraph.

f. Soils/Watertable. Buyer may, at its cost, obtain such studies prior to expiration of the Condition Expiration Date to determine that the state of the soil condition and the watertable will not inhibit, delay or interfere with the development of the Subject Property. Buyer reserves the right to refuse, prior to the Condition Expiration Date, to purchase the Subject Property, in its sole and absolute discretion, if examination determines that the soil conditions or watertable will create extraordinary construction expense in the development of the Subject Property.

g. Physical Encumbrances. Seller shall disclose to the Buyer the location of all roads, common pathways, utilities, overhead or buried power lines, natural gas lines, telecommunications lines that are known to the Seller.

h. State Board of Education. This Contract is subject to the approval of the State Board of Education, acting as the governing Board of Trustees of Boise State University.

6. Infrastructure.

a. Sewer Main Construction. Seller shall design and construct a new sewer main from the existing main to the west of the School Parcel along Warm Springs Avenue to the western boundary of the School Parcel at Seller's expense. Seller also shall design and construct an extension of the sewer main across the frontage of the School Parcel along Warm Spring Ave from the western boundary of the School Parcel

to eastern boundary (the "Sewer Main Extension"). Seller will coordinate with the School District in the design, location and construction of the Sewer Main Extension. The School District shall reimburse Seller on a unit cost basis for Seller's cost in designing and constructing the Sewer Main Extension within ____ days after Seller provides the School District with a notice itemizing the costs of construction and requesting reimbursement. The parties currently estimate a unit cost of \$100 to \$120 per linier foot for the Sewer Main Extension. Seller shall complete construction of the Sewer Main Extension by no later than November 25, 2007.

b. Water Main Construction. Seller shall design and construct a new water main from the existing main to the west of the School Parcel along Warm Springs Avenue to the western boundary of the School Parcel at Seller's expense. Seller also shall design and construct an extension of the water main across the frontage of the School Parcel along Warm Spring Ave from the western boundary of the School Parcel to eastern boundary (the "Water Main Extension"). Seller will coordinate with the School District in the design, location and construction of the Water Main Extension. The School District shall reimburse Seller on a unit cost basis for Seller's cost in designing and constructing the Water Main Extension within ____ days after Seller provides the School District with a notice itemizing the costs of construction and requesting reimbursement. The parties currently estimate a unit cost of \$80 to \$100 per linier foot for the Water Main Extension. Seller shall complete construction of the Water Main Extension by no later than November 25, 2007.

c. Water Rights. Seller and School District agree that it is of mutual interest to obtain and develop irrigation water rights for the School District through both

surface and ground water to the Subject Property. Seller is currently negotiating with Harris Family Ltd. Partnership regarding irrigation rights for Seller's property in the Barber Valley, including the School Parcel. To the extent Seller obtains water rights or entitlement to delivery of water for its property, Seller will convey a portion to the Buyer to use for irrigation on the School Parcel in an amount as determined by Seller in its sole discretion.

d. The terms of this section "6. Infrastructure" shall survive Closing.

7. Closing.

a. Within five (5) business days after the date of this Contract, Buyer shall open escrow with TitleOne Corporation, whose address is 1101 West River Street, Boise, Idaho 83702 ("Escrow Holder"). Closing shall occur on or before May 1, 2007 or such earlier date as may be mutually agreeable to Buyer and Seller ("Closing" or "Closing Date").

b. On or before the Closing Date, Seller shall deposit with Escrow Holder the following:

(1) A duly executed and acknowledged Deed conveying Subject Property to Buyer;

(2) An affidavit of non-foreign status pursuant to Section 1445 of the Internal Revenue Code;

(3) If required by Escrow Holder, evidence of the authority of the person(s) executing documents necessary to consummate the transaction contemplated under this Contract on behalf of Seller; and

(4) Such other and further closing documents, statements, or instructions as may be reasonably requested in order to consummate the transactions contemplated herein.

c. On or before the Closing Date, Buyer shall deposit with Escrow Holder the balance of the cash portion of the purchase price and such closing documents, statements, or instructions as may be reasonably requested in order to consummate the transactions contemplated herein. and such information and documentation as Grantor may reasonably request, evidencing the authority of Grantee to enter into this Agreement.

d. Seller shall instruct Escrow Holder to record the Deed when Escrow Holder is in a position to disburse the entire purchase price to Seller. Buyer shall instruct Escrow Holder to disburse the entire purchase price to Seller upon recordation of the Deed and when Escrow Holder is in a position to issue the Title Policy required by Section 5.b.

e. Costs. Seller shall pay the costs of recording the deed conveying Subject Property to Buyer. Any escrow fees shall be paid equally by both parties. Notwithstanding the tax exempt status of the Buyer, taxes, assessments, utilities and other items capable of proration shall be prorated as of the Closing Date as a final proration. For the purposes of prorations, Buyer shall be deemed to have owned the Subject Property for the entire Closing Date. Seller shall pay the cost of the Title Policy referred to in Section 5.b and Buyer shall pay any surcharge or additional premium for any extended title insurance coverage, and the cost of any additional survey or other items required by the title company to issue such extended title insurance coverage. All

other costs including all other recording fees, any state documentary stamps, transfer taxes, sales taxes and excise taxes shall be paid by Buyer. Buyer shall pay for the cost of the appraisal.

8. Conditions to Close. The following conditions must be met prior to the Closing Date as a precondition to Seller's duty to convey the property or Buyer's duty to purchase:

a. The School Parcel must appraise at a value that exceeds Five Million Dollars (\$5,000,000).

9. Attorneys' Fees. If a suit, action, or other proceeding (including, without limitation, any arbitration, mediation, or alternative dispute resolution proceeding) arising out of or related to this Contract is instituted by any party to this Contract, the prevailing party shall be entitled to recover its reasonable attorney fees, expert witness fees, and costs (1) incurred in any settlement negotiations, (2) incurred in preparing for, prosecuting, or defending any suit, action, or other proceeding including, but not limited to, any arbitration, mediation or alternative dispute resolution proceeding, and (3) incurred in preparing for, prosecuting or defending any appeal or any suit, action, or other proceeding. For purposes of this section, "Attorney Fees" shall mean and include attorney fees and any paralegal fees. This section shall survive closing and shall survive and remain enforceable notwithstanding any termination or rescission of this Contract or any determination by a court of competent jurisdiction that all or any portion of the remainder of this Contract is void, illegal, or against public policy.

10. Default. Time is of the essence of this Contract. Upon the expiration of 10 days' written notice from either party stating the other party has failed to perform its

obligations hereunder, such party shall be deemed to be in default, unless such failure is cured within the ten (10) days. Upon a default occurring, the non-defaulting party may at its election:

a. If the defaulting party is Seller, Buyer may either seek specific performance of this Contract or terminate this Contract; provided, however, in either event, the remedy elected by Buyer shall be Buyer's sole and exclusive remedy;

b. If the defaulting party is Buyer, Seller may terminate this Contract and retain all Earnest Money deposited hereunder as liquidated damages as its sole and exclusive remedy.

11. Notices. All notices given pursuant to this Contract shall be in writing and shall be given by personal service, U.S. Mail, certified, return receipt requested, or other reliable delivery service such as Federal Express or UPS, postage or delivery charges prepaid, addressed to the appropriate party at the address set forth below:

| | |
|------------|---|
| To Buyer: | Stacy Pearson Vice President Finance and Administration Office of the President 1910 University Drive Boise Idaho 83725 |
| AND: | Kevin Satterlee Associate Vice President and General Counsel Office of the President 1910 University Drive Boise Idaho 83725 |
| To Seller: | Mr. David Turnbull President Brighton Corporation 12601 W. Explorer Drive, Suite 200 Boise, Idaho 83713 |

With copy to: Christopher J. Beeson
Givens Pursley LLP
601 W. Bannock
Boise, Idaho 83701

All notices given pursuant to this Contract shall be deemed given upon receipt. For the purpose of this Contract, the term "receipt" shall mean the earlier of any of the following: (a) the date of delivery of the notice or other document as shown on the return receipt; (b) the date of receipt of the notice or other document by the person or entity to whom it was addressed; or (c) in the case of refusal to accept delivery or inability to deliver the notice or other document on a business day upon the earlier of (i) the date of the attempted delivery or refusal to accept delivery, (ii) the date of the postmark on the return receipt, or (iii) the date of receipt of notice of refusal or notice of nondelivery by the sending party.

12. Commission. Buyer and Seller each represent and warrant that it has neither employed nor associated with any broker or agent in connection with this transaction and have not agreed to pay any commissions or finders fees to any other broker. Buyer and Seller each hereby agrees to indemnify and defend the other against any and all commissions, finder's fees or other fee or any claim therefore by any broker in connection with this transaction claiming through the indemnifying party.

13. General.

a. Successors. This Contract shall be binding upon the heirs, successors, assigns and personal representatives of the parties hereto.

b. Headings. Section headings are for convenience only and shall not be deemed to not define, limit or construe the contents of any terms, consents or conditions in this Contract.

c. Assignment. Buyer may not assign its interest in this Contract to any third party without the prior written consent of Seller, which may be granted or withheld in Seller's sole and absolute discretion. No assignment of this Contract shall release either party from any duties, obligations or liabilities hereunder.

d. Entire Agreement. This Contract, together with the exhibits attached hereto, contains the entire agreement between the parties hereto and supersedes all prior understandings and agreements, oral or written, with respect to the subject matter hereof. The provisions of this Contract shall be construed as a whole and not strictly for or against any party, and may not be modified or amended in any manner except by an instrument in writing signed by both Buyer and Seller.

14. Cooperation with 1031 Exchange. Seller may elect to effect an exchange which shall qualify for tax deferral under Internal Revenue Code Section 1031 and, in such event, both Buyer and Seller agree to reasonably cooperate with facilitating such exchange, provided that no additional costs shall be unreasonably incurred by either party toward the other in effecting such exchange. Neither party is required to acquire any real property other than the real property that is the subject of the Agreement.

a. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Idaho.

b. Joint and Several Obligations. In the event any party hereto is composed of more than one (1) person, the obligations of such party shall be joint and several.

EXECUTED as of the date written below.

BUYER:

State of Idaho, by and through the State
Board of Education acting as Board of
Trustees of Boise State University

By: Stacy Pearson
Its: Vice President of Finance and
Administration

DATED: _____

SELLER:

Brighton Investments LLC, an Idaho limited
liability company

By: _____
Its: _____

DATED: _____

Accepted and Approved by:

The Boise Independent School District

By: _____
Its: _____

DATED: _____

EXHIBIT A

[Subject Property]

EXHIBIT "B"

When recorded, return to

SPECIAL WARRANTY DEED

THIS DEED Is made and delivered by _____ (collectively "Grantor")
to _____ ("Grantee")

WITNESSETH: That the Grantor, for good and valuable consideration, and the mutual agreements, covenants and conditions by and between Grantor and Grantee, does hereby grant, bargain, sell and convey to Grantee, its heirs and assigns, Grantor's right, title and interest, as described below, in and to that certain parcel of land situate in Ada County, Idaho, and particularly described as follows, to-wit:

See Attached

Together with all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and does warrant all of the same except those encumbrances made, suffered or done by Grantee, and except the matters set forth on Exhibit B to this Special Warranty Deed [which shall be exceptions to title identified in Section 5.a. to this Contract for Sale]

EXECUTED this _____ day of _____, 2007

On this ____ day of March, 2007, before me, a Notary Public in and for said State, personally appeared David W. Turnbull, known or identified to me to be the Managing Member of Brighton Investments, LLC, an Idaho limited liability company, the member who subscribed said limited liability company name to the foregoing instrument, and acknowledged to me he executed the same in said limited liability company name.

Notary Public for Idaho
Residing at _____
My Commission expires _____

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REAL ESTATE NON-CASH CHARITABLE CONTRIBUTION AGREEMENT

THIS REAL ESTATE NON-CASH CHARITABLE CONTRIBUTION AGREEMENT (this "Agreement") is made as of the date last written below the signatures of the parties ("Effective Date") by and between Brighton Investments, LLC ("Grantor") and the State of Idaho, by and through the State Board of Education as Board of Trustees of Boise State University ("Grantee").

RECITALS

Whereas, Grantor owns that certain real property in Canyon County, Idaho legally described as on the attached Exhibit A (the "School Parcel"):

Whereas, Grantor desires to give, assign and convey to Grantee, and Grantee desires to receive from Grantor, an undivided portion of Grantor's right, title and interest in and to the School Parcel according to the provisions hereinafter set forth. The percentage portion of the School Parcel to be conveyed will be that portion that exceeds a value of Three Million Five Hundred Dollars (\$3,500,000) based on an appraisal of the value of the School Parcel (the "Property") to be obtained by the Parties prior to Closing. For example, if the School Parcel appraises for Five Million Dollars (\$5,000,000), the Property will be a thirty percent (30%) undivided interest in the School Parcel ($5,000,000 - 3,500,00 / 5,000,000$).

NOW, THEREFORE, in consideration of the above recitals, which are incorporated below, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Agreement Of Contribution. Grantor agrees to give, assign and convey, and Grantee agrees to receive and accept title to the Property including all improvements, if any, on the terms and conditions set forth in this Agreement (the "Transaction").

2. Purchase Price. There is no purchase price, payment terms, or dollars associated with this Transaction. Grantor is conveying the Property without consideration to Grantee in order to further Grantee's exempt purposes and with detached and disinterested generosity.

3. Grantee's Feasibility Study.

a. Review of Documents. Grantor shall provide Grantee with copies of all surveys and reports in Grantor's possession regarding the School Parcel and relevant to the condition of the School Parcel. Seller shall provide a boundary survey of the School Parcel. Seller shall have all boundaries of the School Parcel identified, pinned and staked prior to Closing. Buyer shall reimburse Seller for its cost of having the boundaries of the School Parcel pinned and staked.

b. Feasibility Period. Grantee's obligation to accept the Property is subject to Grantee's completion of its due diligence review prior to Closing ("Feasibility Period"). At any time during the Feasibility Period, if Grantee determines the Property does not suit Grantee's intended purposes, then Grantee may terminate this Agreement without any further liability existing between the Parties. Grantee shall indemnify, defend and hold Grantor harmless from and against any and all claims, damages, liability, causes of action, judgments, expenses (including reasonable attorneys' fees and reasonable attorneys' fees on appeal) arising out of or in any way connected with

Grantee's inspection of the Property. Grantee shall repair any and all damage to the Property arising out of Grantee's inspection of the Property and shall restore the Property to as good a condition as existed on the date immediately prior to the occurrence of any such damage. The obligations set forth in this Section shall survive the Closing or the termination of this Agreement. In the event this Agreement is terminated as set forth in this Section, neither Grantee nor Grantor shall have any further obligations to the other arising under the terms of this Agreement other than the obligations of under this Section 3 and Section 11.

4. Warranties. The provisions of this Section 4 shall survive closing.

a. Property As-Is. Except as expressly set forth herein, Grantee is relying solely upon Grantee's inspections as to the condition of Property. Grantor and Grantor's agents are not making, have not made and expressly disclaim any representations or warranties, express or implied, with respect to any aspect, feature or condition of the Property. Grantee shall independently verify all information and reports regarding any aspect or feature of the Property provided by Grantor. Grantor does not guaranty the accuracy of any information or reports provided by Grantor, it agents or consultants. Grantee is purchasing the Property in "As Is" condition with all faults including both latent and patent defects.

b. Hazardous Waste. Notwithstanding anything contained herein to the contrary, Grantor hereby represents and warrants that Grantor has not deposited any hazardous waste on the Property, nor does Grantor have any knowledge of any hazardous waste on the Property. As used herein "hazardous waste" shall mean any hazardous waste or pollutants, contaminants or hazardous waste as defined by the

Federal Water Pollutions Control Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1990 ("CERCLA") and any amendments thereto, the Resource Conservation and Recovery Act ("RCRA") and any amendments thereto or any similar state, local or federal law, rule or regulation, including, without limitation, asbestos or asbestos containing materials, PCBs, petroleum and petroleum products and urea-formaldehyde. This warranty shall survive Closing for a period of one year.

c. Grantor's Warranties. Grantor hereby represents and warrants to Grantee that Grantor is duly formed and validly existing under the laws of the state of Idaho. The individuals entering into this Agreement on behalf of Grantor have the authority to bind Grantor. Execution of this Agreement and the consummation of the transactions contemplated herein have been duly authorized by all necessary action by the company and do not violate Grantor's constituent documents or any other agreement to which Grantor is a party.

5. Title. Title to the Property shall be conveyed by a Gift Deed in the form attached hereto as Exhibit "B" (the "Deed") and shall be free and clear of all liens, encumbrances, easements, assessments, restrictions, and tenancies, whether recorded or unrecorded, and exceptions to title caused or suffered by Grantor or anyone claiming by or through Grantor except (i) the lien of taxes not yet due and payable; (ii) the title insurer's standard printed exceptions; (iii) easements of record or appearing upon the Property, including the easement for the Penitentiary Canal along the northerly portion of the Property; (iv) the residential development restriction described in subsection 5.b below; and (v) those exceptions which are approved or deemed approved by Grantee as set forth in this Section 5 (collectively, the "Permitted Exceptions").

a. Grantee shall obtain from the Escrow Holder a commitment for title insurance ("Title Report"). Grantee shall have until April 13, 2007 to deliver notice to Grantor in writing of any objections Grantee may have, with reasons specified, of anything contained in the Title Report ("Grantee's Title Notice"). Any such item which Grantee shall not object to within the time period set forth above shall be conclusively deemed as approved by Grantee as Permitted Exceptions except for monetary encumbrances and rights of parties in possession. If Grantee objects to any item contained in the Title Report, Grantor shall have the option, but not the obligation, to satisfy such objection prior to closing. In the event Grantor is unable or unwilling to satisfy such objections, for any reason, Grantor shall give Grantee notice of such inability or unwillingness ("Grantor's Title Notice"). Failure of Grantor to give Grantor's Title Notice within **seven (7)** business days after receipt of Grantee's Title Notice shall be deemed Grantor's election not to satisfy such objections. Grantee may either waive such objections or terminate this Agreement by delivering written notice to Grantor within **three (3)** business days after receipt of Grantor's Title Notice or the date Grantor is deemed to have elected not to satisfy such objections. Failure of Grantee to deliver such notice to Grantor within such **three (3)** business day period shall be conclusively deemed Grantee's waiver of such objections and all such items shall be Permitted Exceptions.

b. On or before Closing, Grantor shall record a restriction against the Property prohibiting its development for single or multi-family residential purposes for a period of thirty five (35) years from Closing. The form and content of such restriction is to be reviewed and approved by Grantee in advance of recording.

6. Conditions. The following conditions must be met prior to the Closing Date as a precondition to Seller's duty to convey the Property or to Buyer's duty to accept the Property:

a. State Board of Education. This Agreement is subject to the approval of the State Board of Education, acting as the governing Board of Trustees of Boise State University.

b. The School Parcel must appraise at a value that exceeds Five Million Dollars.

7. Closing. Within five (5) business days after the date of this Agreement, Grantee shall open escrow with TitleOne Corporation, whose address is 1101 West River Street, Boise, Idaho 83702 ("Escrow Holder"). Closing shall occur on or before May 1, 2007 or such earlier date as may be mutually agreeable to Grantee and Grantor (the "Closing" or "Closing Date").

a. On or before the Closing Date, Grantor shall deposit with Escrow Holder the following:

(i) A duly executed and acknowledged Deed conveying Property to Grantee;

(ii) An affidavit of non-foreign status pursuant to Section 1445 of the Internal Revenue Code;

(iii) If required by Escrow Holder, evidence of the authority of the person(s) executing documents necessary to consummate the transaction contemplated under this Agreement on behalf of Grantor; and

(iv) Such other and further closing documents, statements, or instructions as may be reasonably requested in order to consummate the transactions contemplated herein.

b. On or before the Closing Date, Grantee shall deposit with Escrow Holder (i) a properly completed IRS Form 8283, Non/cash Charitable Contribution ("Form 8283") to acknowledge receipt of the Property, and (ii) such information and documentation as Grantor may reasonably request, evidencing the authority of Grantee to enter into this Agreement.

8. Costs. Grantee shall pay the costs of recording the deed conveying Property to Grantee. Any escrow fees shall be paid equally by both parties. Notwithstanding the tax exempt status of the Grantee, taxes, assessments, utilities and other items capable of proration shall be prorated as of the Closing Date as a final proration. For the purposes of prorations, Grantee shall be deemed to have owned the Property for the entire Closing Date. All other costs including all other recording fees, any state documentary stamps, transfer taxes, sales taxes and excise taxes shall be paid by Grantee. Grantee shall pay the cost of the appraisal.

9. Default. Time is of the essence of this Agreement. Upon the expiration of 10 days' written notice from either party stating the other party has failed to perform its obligations hereunder, such party shall be deemed to be in default, unless such failure is cured within the ten (10) days. Upon a default occurring, the non-defaulting party may at its election:

a. If the defaulting party is Grantor, Grantee may terminate this Agreement, which shall be Grantee's sole and exclusive remedy;

b. If the defaulting party is Grantee, Grantor may terminate this Agreement as its sole and exclusive remedy.

10. Notices. All notices given pursuant to this Agreement shall be in writing and shall be given by personal service, U.S. Mail, certified, return receipt requested, or other reliable delivery service such as Federal Express or UPS, postage or delivery charges prepaid, addressed to the appropriate party at the address set forth below:

To Grantee: Stacy Pearson
Vice President Finance and Administration
Office of the President
1910 University Drive
Boise Idaho 83725

With copy to: Kevin Satterlee
Associate Vice President and General Counsel
Office of the President
1910 University Drive
Boise Idaho 83725

To Grantor: Mr. David Turnbull
President
Brighton Corporation
12601 W. Explorer Drive, Suite 200
Boise, Idaho 83713

With copy to: Christopher J. Beeson
Givens Pursley LLP
601 W. Bannock
Boise, Idaho 83701

All notices given pursuant to this Agreement shall be deemed given upon receipt. For the purpose of this Agreement, the term "receipt" shall mean the earlier of any of the following: (a) the date of delivery of the notice or other document as shown on the return receipt; (b) the date of receipt of the notice or other document by the person or entity to whom it was addressed; or (c) in the case of refusal to accept delivery or inability to deliver the notice or other document on a business day upon the

earlier of (i) the date of the attempted delivery or refusal to accept delivery, (ii) the date of the postmark on the return receipt, or (iii) the date of receipt of notice of refusal or notice of nondelivery by the sending party.

11. Commission. Grantee and Grantor each represent and warrant that it has neither employed nor associated with any broker or agent in connection with this transaction and have not agreed to pay any commissions or finders fees to any other broker. Grantee and Grantor each hereby agrees to indemnify and defend the other against any and all commissions, finder's fees or other fee or any claim therefore by any broker in connection with this transaction claiming through the indemnifying party.

12. General.

a. Successors. This Agreement shall be binding upon the heirs, successors, assigns and personal representatives of the parties hereto.

b. Headings. Section headings are for convenience only and shall not be deemed to not define, limit or construe the contents of any terms, consents or conditions in this Agreement.

c. Assignment. Grantee may not assign its interest in this Agreement to any third party without the prior written consent of Grantor, which may be granted or withheld in Grantor's sole and absolute discretion. No assignment of this Agreement shall release either party from any duties, obligations or liabilities hereunder.

d. Entire Agreement. This Agreement, together with the exhibits attached hereto, contains the entire agreement between the parties hereto and supersedes all prior understandings and agreements, oral or written, with respect to the subject matter hereof. The provisions of this Agreement shall be construed as a whole

and not strictly for or against any party, and may not be modified or amended in any manner except by an instrument in writing signed by both Grantee and Grantor.

e. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Idaho.

f. Joint and Several Obligations. In the event any party hereto is composed of more than one (1) person, the obligations of such party shall be joint and several.

EXECUTED as of the date written below.

GRANTEE:

State of Idaho, by and through the State
Board of Education acting as Board of
Trustees of Boise State University

By: Stacy Pearson
Its: Vice President of Finance and
Administration

DATED: _____

GRANTOR:

Brighton Investments LLC, an Idaho limited
liability company

By: _____
Its: _____

DATED: _____

EXHIBIT A

[Property]

EXHIBIT B

DEED OF GIFT

THIS DEED OF GIFT made this _____ day of March, 2007, between BRIGHTON INVESTMENTS, LLC, an Idaho limited liability company ("Grantor") and the State of Idaho, by and through the State Board of Education as Board of Trustees of Boise State University ("State"), whose current address is _____, Boise, Idaho 83____ ("Grantee").

WITNESSETH:

AS A GIFT to Grantee, Grantor does hereby grant and convey to Grantee all of the real property located in the County of Ada, State of Idaho, described on "Exhibit A" attached hereto and made a part hereof (the "Property").

TOGETHER with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

This conveyance by Grantor to Grantee is made subject to the following exceptions: those encumbrances made, suffered or done by Grantee, and those matters set forth on Exhibit B to this Special Warranty Deed [which shall be exceptions to title identified in Section 5 to this Agreement]:

BRIGHTON INVESTMENTS, LLC, an Idaho
limited liability company

By: _____
David W. Turnbull, Member

State of Idaho)
 : ss.
County of Ada)

On this _____ day of March, 2007, before me, a Notary Public in and for said State, personally appeared David W. Turnbull, known or identified to me to be the Managing Member of Brighton Investments, LLC, an Idaho limited liability company, the member who subscribed said limited liability company name to the foregoing instrument, and acknowledged to me he executed the same in said limited liability company name.

Notary Public for Idaho
Residing at _____
My Commission expires _____

EXHIBIT A
(Description of Property)

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**Outline of Land Exchange and Facility Use Agreement
Between Boise State University and the Boise School District
regarding East Junior High**

Boise State University and the Boise School District have, subject to State Board of Education approval, agreed in principle to develop the current site of East Junior High as an athletic complex usable for intercollegiate and high school track and field and high school football. The plan is in two parts.

First, Boise State University will acquire the Brighton parcel that is the subject of this agenda item. That property will then be exchanged with the School District for the East Junior High site. During the construction of the new junior high, the University will lease the existing East Junior High (then under University ownership) to the District for nominal consideration.

Second, once the District vacates the existing East Junior High site, the University will develop the site into the athletic complex. The School District will have use rights to that new facility instead of the current situation where the District annually rents time in Bronco Stadium for Treasure Valley area high school football games, track meets and band competitions.

Valuation Issues

East Junior High is appraised at approximately \$6,100,000 as-is. The appraiser noted that the land would be worth \$6,800,000 if the buildings were cleared. Thus, the buildings are considered a detriment to the value of the site. The University will take the site as-is since the building can be used for temporary purposes of the University post possession and pre-demolition.

The land that is the subject of the agenda item is expected to appraise at a value of \$5,000,000 (the appraisal will be available at the meeting). Thus the University is giving a parcel worth approximately \$1,100,000 less than East Junior High. As such, the value of the lease-back to the District, and the value/cost of the use rights of the District, will be factored in to the use agreement to equate value for both entities.

Both the District and the University agree that, as two public entities, both parties should give equal value as part of this transaction.

Facility Development and Use

As will be presented in more detail at the meeting, the facilities to be developed on the site will be designed to meet the needs of the University and the District. The University will construct the facilities. However, where the needs of the District are in excess of the needs of the University, the District will need to make a value adjustment for those

needs. This agreement will be brought to the Board in June for approval. Some of the details of the physical development include:

- The track stadium will be designed to hold approximately 6,000 for University needs and 8,000 for District needs.
- Parking requirements will need to be met.
- Artificial turf will be used on the football infield.
- Lighting will be installed for night football games.
- Rest rooms and team meeting room facilities (potentially full locker rooms) for the competitors.
- Concession stands, public announcement system, media and coaches facilities, rest rooms for spectators, equipment storage areas, fences, and other similar necessary facilities common to track and football.

The terms of the use agreement are still being worked out but include the following:

- The University will own the physical asset.
- The District will have delineated use rights to the facilities.
- The agreement is intended for a long term relationship. It will likely have a fixed initial term (20 to 25 years) with a series of renewals (5 to 10 year basis).
- Some length of use time may be utilized to equate value in the underlying land exchange.
- Use costs and maintenance costs will be addressed and allocated between the District and the University.
- Decisions regarding facilities that impact the District will involve the District in the decision making process.
- Since the area was the original location of the Boise athletic fields, the Warm Springs entrance will be re-done with the historic entrance.
- The University and District will agree to a scheduling process for allocating time in the facilities.
- The University will manage and maintain the facilities.
- Maintenance schedules will be worked out between the District and the University to account for the scheduled uses.
- A mutual indemnification agreement for liability for use of the facilities will be included.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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REFERENCE: APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education
GOVERNING POLICIES AND PROCEDURES
SECTION: V. FINANCIAL AFFAIRS
I. Construction Projects

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.

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- 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.

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4. Hold of Personal Property

a. Inventory

An inventory of all items of chattel property valued at two thousand dollars (\$2,000) or limits established by Department of Administration owned or leased by any agency, school or institution must be maintained in cooperation with the Department of Administration as required by Section 67-5746, Idaho Code.

b. Insurance

Each agency, school and institution must ensure that all insurable real and personal property under its control is insured against physical loss or damage and that its employees are included under any outstanding policy of public liability insurance maintained by the state of Idaho. All insurance must be acquired through the State Department of Administration or any successor entity.

c. Vehicle Use

Vehicles owned or leased by an institution, school or agency must be used solely for institutional, school or agency purposes. Employees may not, with certain exceptions, keep institutional vehicles at their personal residences. Exceptions to this policy include the chief executive officers and other employees who have received specific written approval from the chief executive officer of the institution, school or agency.

5. Disposal of Real Property

a. Temporary Permits

Permits to make a temporary and limited use of real property under the control of an institution, school or agency may be issued by the institution, school or agency without prior Board approval.

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).

(2) Easements to make a permanent use of real property under the control of an institution, school or agency require prior Board approval - unless easements are to public entities for utilities.

(3) The transfer by an institution, school or agency of any other interest in real property requires prior Board approval.

6. Disposal of Personal Property

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Sale, surplus disposal, trade-in, or exchange of property with a value greater than two hundred fifty thousand dollars (\$250,000) requires prior Board approval.

a. First Refusal

When the property has a value greater than five thousand dollars (\$5,000), the institution, school or agency must first make a good faith effort to give other institutions, school and agencies under Board governance the opportunity of first refusal to the property before it turns the property over to the Department of Administration or otherwise disposes of the property.

b. Sale of Services

The sale of any services or rights (broadcast or other) of any institution, school or agency requires prior approval of the Board when it is reasonably expected that the proceeds of such action may exceed two hundred fifty thousand dollars (\$250,000). Any sale of such services or rights must be conducted via an open bidding process or other means that maximizes the returns in revenues, assets, or benefits to the institution, school or agency.

c. Inter-agency Transfer

Transfer of property from one Board institution, school or agency to another institution, school or agency under Board governance may be made without participation by the State Board of Examiners or the Department of Administration, but such transfers of property with a value greater than two hundred fifty thousand dollars (\$250,000) require prior Board approval.

7. Litigation

The chief executive officer may negotiate settlement regarding litigation matters, or any claims made that may result in litigation, for up to \$25,000. All such settlements must be reported to the Board in executive session at the next regularly scheduled meeting.

8. Intellectual Property

The chief executive officer may license intellectual property rights of their respective institutions, school and agencies up to (to be developed as the intellectual property policy is finalized).

BUSINESS AFFAIRS AND HUMAN RESOURCES
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REFERENCE – APPLICABLE STATUTE, RULE OR POLICY - continued

Idaho Statutes

TITLE 33
EDUCATION
CHAPTER 1

GENERAL POWERS AND DUTIES OF THE STATE BOARD

33-107. The state board shall have power to:

- (1) Perform all duties prescribed for it by the school laws of the state;
- (2) Acquire, hold and dispose of title, rights and interests in real and personal property;

TITLE 33
EDUCATION
CHAPTER 37

MISCELLANEOUS PROVISIONS RELATING TO STATE INSTITUTIONS OF LEARNING

33-3714. ACCEPTANCE OF GIFTS, LEGACIES AND DEVISES. The board of regents of the University of Idaho and the state board of education are hereby authorized in the name of any state educational institution and on behalf of the state, to accept gifts, legacies and devises of property to the state for the use and benefit of any of the state educational institutions.

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;

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- (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 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.

33-3805. Authorization, issuance, maturity, interest and sale of bonds. When the board shall find the proposed project or projects to be necessary for the proper operation of the institution and economically feasible and such finding is recorded in its minutes, the bonds therefor shall be authorized by resolution of the board. The bonds may be issued in one or more series, may bear such date or dates, may be in such denomination or denominations, may mature at such time or times, not exceeding forty (40) years from the respective dates thereof, may mature in such amount or amounts, may bear interest, at such rate or rates to be determined by the board, may be in such form, either coupon or registered, may carry such registration and such conversion privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be subject to such terms of redemption, with or without premium, as such resolution or other resolutions may provide. The bonds may be sold at a public or private sale at not less than par and accrued interest, in a manner to be provided by the board. The

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bonds shall be fully negotiable within the meaning and for all purposes of the Uniform Commercial Code.

33-3805A. Procedure prior to authorization. Notwithstanding any other provisions of this chapter, the board shall not enter into lease-purchase agreements for, acquire, build or take possession of any building or facility which requires state general account appropriated funds for construction, operation or maintenance unless prior approval by the legislature has been given by concurrent resolution authorizing the board to proceed with the project or projects.

TITLE 33
EDUCATION
CHAPTER 48
IDAHO EDUCATIONAL TECHNOLOGY INITIATIVE

33-4805. RESPONSIBILITIES OF THE COUNCIL -- COUNCIL STAFF. (1) Staff support for the council shall be drawn from the educational segments as recommended by the council and approved by the state board of education. The legislative intent is to provide broad representation of the various educational segments with the council staff.

- (2) The council shall have the following responsibilities:
- (a) Develop and maintain a statewide education technology plan to provide seamless education in Idaho. Such plan shall be subject to annual review and approval by the state board of education.
- (b) Make recommendations to the state board of education on educational technology and telecommunications plans, policies, programs and activities for all educational segments.
- (c) Subject to the approval of the state board of education, administer and develop standards and criteria for the public school technology grants program provided for in section 33-4806, Idaho Code.
- (d) Ensure that the policies set by the information technology resource management council are followed in accordance with sections 67-5745B and 67-5745C, Idaho Code, in implementing educational technology programs pursuant to this chapter.
- (e) Collaborate with all educational segments, as well as with professional education associations and businesses, in recommending priorities for funding and in identifying needs for technology use in education.
- (f) Recommend to the state board of education, standards and procedures for the administration of this act, including, but not limited to, standards for technology-based resources, projects, programs, practices or products to be adopted or adapted, and standards and criteria by which to evaluate the technology-based programs. In addition, the council shall recommend exemplary programs, practices, or products based on the criteria established in this subsection.
- (g) Recommend priorities for uses of educational technology.
- (h) Work with representatives of the governing bodies of the educational segments to develop recommendations or strategies for the coordination, administration, and evaluation of educational technology programs and resources.
- (i) Work with representatives of the governing bodies of the educational segments to identify strategies to coordinate statewide voice, video, and data telecommunications systems that may be accessed by the educational segments.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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- (j) To review, evaluate and build upon the educational technology projects in public schools funded through other state initiatives.
- (k) To form such subcommittees or task forces as it deems necessary to review matters pertaining to a particular educational segment or to any other issues before the council.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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INSTITUTION / AGENCY AGENDA
BOISE STATE UNIVERSITY

SUBJECT

Boise State University requests that the Board delegate authority to the Executive Director to approve a contract creating an educational partnership between Micron and Boise State University.

REFERENCE

Idaho State Board of Education Governing Policies & Procedures, Section V.R.1.b.(6)

BACKGROUND

In order to be responsive to the needs of industry, State Board Policy V.R.1.b.(6) allows the University to enter into special fee agreements with private industry as approved by the Board. Boise State University, in response to a Request for Proposals issue by Micron, proposed an educational partnership in which some courses delivered on-site at Micron would receive a special fee rate, subject to Board approval.

This partnership will give Micron employees the opportunity to enroll in select lower division, upper division, and graduate level courses in Micron classrooms. All Micron on-site courses will be formatted to be shift-friendly, minimizing time constraints that may currently be a barrier to education for Micron employees. Because Boise State will not incur the overhead and supply costs associated with offering on-campus courses, the University would like to offer lower division courses at a reduced per credit rate.

Boise State received notice of the contract award on March 14, 2007. Since that time, Boise State and Micron staff have been working together to determine what classes will be offered and when. Micron representatives have indicated that they will not finalize the agreement until the Board approves the special fee arrangement. If Boise State does not get Board approval for the fee arrangement by the end of May, Micron will likely reject the bid. Therefore, Boise State requests that the Board approve the terms of the proposed agreement and authorize the Executive Director to approve the final contract at a later date, subject to Board legal counsel review. Terms of this agreement are outlined in the attached RFP and response.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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INSTITUTION / AGENCY AGENDA
BOISE STATE UNIVERSITY – continued

DISCUSSION

Boise State University is committed to partnering with Micron to offer a comprehensive educational program that emphasizes quality, convenience, and affordability. Delivering a full complement of courses to Micron allows Boise State University to commit a greater level of resources to the partnership, including full time, on-site, math and electronic instructors, as well as an on-site program coordinator. This strong, consistent presence at Micron will enhance the University's ability to interact directly with Micron personnel and anticipate the educational needs at Micron to ensure a quality program.

Because Micron will bear much of the overhead and supply costs associated with offering on-site courses, Boise State can offer lower-division courses at a reduced rate of \$120 per credit hour while still covering the cost of the program. All upper-division courses and graduate courses, and all courses taught on-campus, will be at the standard rates per credit hour, \$211 for undergraduate and \$254 for graduate courses. A projected FY08 budget utilizing this cost structure is attached.

IMPACT

Boise State's bid to provide courses and services to Micron is consistent with its strategic plan, which places emphasis on linking the institution's academic mission with community partners to address issues of mutual benefit. The plan specifically states the University's strong desire to be known for partnerships that contribute to regional growth and development. Boise State believes that such a partnership is in the best interests of Micron, the University, taxpayers, the local economy, and Idaho public education.

This partnership also leaves the door open for involvement with the College of Western Idaho, should the proposed community college begin delivering courses in the next three years. Local workforce training is a hallmark of a community college, and the new institution will undoubtedly want to be involved in meeting Micron's needs. Boise State University will be able to discuss with Micron staff which courses (such as electronics and developmental math) could be delivered by the College of Western Idaho.

ATTACHMENTS

| | |
|--|-----------|
| Attachment 1 – Micron RFP and Boise State's Response | Page 5-18 |
| Attachment 2 – Lower Division Price Worksheet | Page 19 |
| Attachment 3 – FY08 Budget for Educational Program at Micron | Page 21 |

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
BOISE STATE UNIVERSITY – continued

STAFF AND COMMENTS AND RECOMMENDATIONS

Staff engaged in significant discussion with BSU officials regarding this agenda item as it relates to relevant Board policy. It was determined that BSU's request to the Board must first be for approval of the proposed contract with Micron Technology.

Because that contract has not been finalized, staff recommends the Board delegate to the Executive Director the authority to review and approve the contract.

BOARD ACTION

A motion to approve the terms of Boise State University's proposed partnership with Micron and authorize the Executive Director to approve the final contract, subject to Board legal review.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

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RFX Info

**1.0 Section 1 - Contact Details****Ariba Contact Information - Project Manager**

- 1.1 **Name:** Stacy Rich
Phone: 412-297-8163
E-mail: AS34880@ariba.com

Ariba Contact Information - Product Support

- 1.2 **Phone:** 800-316-5670 or 412-297-8539
E-mail: as_support@ariba.com

Project Timeline:

- RFP Walkthrough Call:** By January 25, 2007
1.3 **Question Deadline:** **February 9, 2007**
All Responses Posted to Q&A Board: February 14, 2007
RFP Pricing Due: **February 21, 2007 at 12:00 PM MST**

2.0 Section 2 - Project Details

- 2.1 **Program Up for Bid:** Approximately \$500,000 of Micron's annual spend for Education Services will be sourced through Ariba. These education services will be for the Boise, ID location.

Payment Terms:

- 2.2 - Payable upon full reconciliation of invoice
- Depending on size of bill, this may take 2-3 weeks to process
- Any discrepancies will result in Micron contacting the school and could change the total amount paid

Refunds:

- 2.3 Micron bears no responsibility to act upon behalf of a student appealing for refund. The student has sole responsibility to negotiate any refund amount.

Currency:

Currency for this project is USD.

Service Contract Length:

3 years.

Course Delivery:

- 2.6 Micron expects courses to be delivered with the degree of care, skill, and judgment which is commensurate with that which is normally exercised by predominate colleges and universities of national reputation and accreditation, but in no event less than reasonable care.

Program Metrics:

- 2.7 Micron expects the selected college or university to provide program metrics (i.e. percentage of students earning an A in each course, a B in each course, etc., percentage of courses being offered by "X" means, etc.)

Service Level Requirements:

- 2.8 - Provide a single level of contact for all inquiries, questions, issues, etc.
- Provide quarterly update meetings to be held at Micron's Boise site to discuss program

metrics, issues, resolutions, etc.

- Institution(s) will have the flexibility to offer courses designed to fit the schedules of Micron's workforce, which includes courses offered at the beginning and ending of the week and in the earlier morning or later afternoon (i.e. class days Monday & Tuesday or Thursday & Friday and class times at 8:00 a.m. or 4:00 p.m., etc.)

Site Visits:

- 2.9** Prospective providers may be granted a site visit with Micron as part of the award process, as determined by the Micron team.

Effective Date of Pricing:

- 2.10** Pricing will be effective beginning Fall Semester 2007.

Course Trends:

- Micron anticipates 1,200 students for the upcoming academic year. Based on historical trends as well as potential industry growth opportunities, Micron estimates an increase in participation in future years. However, due to the uncertainty in the Micron's business demand, this estimate of needs does not constitute a commitment by Micron. Each provider acknowledges that this is not a take-or-pay arrangement and that no agreement to provide any minimum enrollment is expressed or implied.
- 2.11**

Billing Process Expectations:

- Micron's Approved University Tuition form accepted as Payment Voucher for student's listed class(es)
 - School to credit amount to student account and add to invoice
 - Micron to understand school policy regarding late registration/late payment/late fees, based on known issues with Micron population.
- 2.12**
- Single invoice sent after school refund deadline has passed will list:
- Invoice #
 - Distinct students
 - Distinct classes per student
 - Amount billed per student

2.13 RFP Related Information:

Describe the partnering model you would implement with Micron to provide credit-bearing courses.

- Boise State University proposes a new level of partnership that offers Micron and its employees the full complement of lower division, upper division and graduate level courses listed in the RFP – all on-site, all in shift-friendly formats. The result for Micron will be a comprehensive, seamless educational program that emphasizes quality, convenience and affordability. Delivering all levels of courses to Micron allows Boise State University to commit a greater level of resources to the partnership, including fulltime onsite math and electronic instructors as well as an on-site program coordinator. This strong, consistent presence at Micron will enhance the University's ability to interact directly with Micron personnel, to ensure quality programming, and to better anticipate the educational needs at Micron.
- 2.14**

Aspects of this new partnership include the following:

- Boise State will deliver onsite all courses listed in the RFP that Micron is able to accommodate with classrooms and equipped lab space. All of these onsite courses will be formatted to be “shift-friendly.” For courses that Micron cannot accommodate onsite (such as chemistry, physics and other specialized labs), Boise State offers the full list of courses and labs at its Boise campus (just seven miles away.) Additionally, Micron employees can choose to take many courses at a variety of other sites that might be convenient for them, including Gowen Field (five miles from Micron), Mountain Home, in Canyon County at our West Campus and Canyon County Center, and via distance education. Micron employees have to date utilized this educational network extensively, amassing over 25,000 registrations across all of these BSU sites since 2000.

- Boise State is offering Micron a contract rate of \$120 per credit hour for lower division courses delivered onsite, pending State Board of Education approval. This rate is planned to begin Fall 2007 and will result in considerable cost savings for Micron over the three-year term of this contract. While the existing rate of \$211 per credit is certainly reasonable, Boise State University is working with the State Board to deliver some lower division credits at a rate similar to a community college. The University’s uniquely formatted Electronics courses, as well as other onsite courses delivered by the Seland College of Applied Technology, are included in the contract rate of \$120 per credit hour.

- For graduate level courses, the University is offering to deliver onsite its distinguished AACSB-accredited MBA program for the contract rate of \$465 per credit hour, pending State Board of Education approval.

- A Boise State coordinator will be onsite to 1) coordinate the University’s activities at Micron, 2) assist employees with questions, issues, and act as a liaison for all University issues, and 3) organize a team of Boise State and Micron personnel who will be charged with monitoring the educational program and shepherding its continual improvement. The coordinator will provide regular updates and status reports.

- Boise State will hire two to four fulltime instructors (depending on student demand) to deliver Micron courses as well as to provide the Boise State/Micron partnership with a strong faculty presence on-site. These faculty will be an integral part of the Boise State team that will plan offerings, advise and assist students, interact with Micron officials, and see to the overall quality of Boise State’s program at Micron. In the case of some Electronics courses, a fulltime faculty member will allow for the creation of an “open lab” environment that supports flexible, self-paced instruction and student entry points as frequent as every two weeks.

In summary, Boise State University is committed to a partnership with Micron

that we believe cannot be matched by any other provider in terms of scope, quality and affordability. Employees will benefit from having their credits on one transcript and not having to worry about transfer and articulation issues. Boise State University's accreditation by the Northwest Commission on Colleges and Universities, as well as additional accreditation in important areas like engineering (ABET), business (AACSB-International), and chemistry (ACS), assure all involved that University courses are designed to meet high standards and achieve industry-accepted outcomes.

Boise State University's bid to provide courses and services to Micron is not driven by a desire for revenue, but by the University's public mission. Boise State University, the largest educational provider in Idaho, seeks a strong, mutually beneficial relationship with Micron, the state's largest private employer. Boise State University firmly believes such a partnership is in the best interest of Micron, the University, taxpayers, the local economy, and Idaho public education.

2.15 Do you have a process to ensure key stakeholders are satisfied with the partnering model?

Yes

If yes, please provide a description of the process.

Boise State's coordinator at Micron will be dedicated to providing excellent service and communication to Micron and its employees. This includes 1) engaging in regular meetings with Micron officials to ensure an educational program that is responsive to Micron's needs, 2) being available to serve Micron employees and act as a liaison for all University functions, and 3) organizing a team – made up of both Micron and Boise State personnel - that will codify expectations, monitor the educational program, and see to its continual improvement. The coordinator will be responsible for providing Micron officials with reports that detail course offerings, enrollments, and student performance.

2.16 The University will share with Micron aggregated data concerning all courses offered to this contract including course grades, student surveys, and academic persistence to demonstrate the effectiveness of educational programming. These reports will inform quarterly meetings between Micron and Boise State officials and indicate which areas of the program may need improvement.

Boise State University prides itself in being a dynamic metropolitan university that is responsive to workforce and economic issues. Its College of Business, College of Engineering and College of Applied Technology all have external advisory boards comprised of local industry officials, including representatives from Micron. Programs are continually assessed to ensure they meet the needs of employers.

- 2.17** Please attach an example of what a common communication tool would be like for reporting between project team, sponsors, and key stakeholders.

See attached.

- 2.18** Would you be willing to collaborate with other colleges/universities to provide courses?

Yes

If yes, please provide any requirements/stipulations for collaboration.

- 2.19** It is Boise State University's strong belief that it can offer Micron the strongest educational program possible by providing it with the full complement of courses Micron has listed in the RFP. This allows the University to increase what it can invest in the partnership, such as fulltime instructors and an on-site coordinator. That said, the University is willing to explore partnerships with other institutions to offer Micron employees needed educational opportunities. Basic requirements for collaboration include ensuring that such agreements are conducive to Boise State University's mission, its accreditation, and its stated outcomes for graduates.

- 2.20** In the future, would you be able to, or interested in, expanding courses to our employees outside of the Treasure Valley location? (i.e. California, Texas, Minnesota, Virginia)

Yes

Describe your model for student success for lower division math courses (Math Skills, Beginning Algebra, and Intermediate Algebra).

- 2.21** Boise State University is committed to providing effective lower division math instruction – at Micron and in general. University officials have been actively involved in the State's plans to improve the attainment of math skills in grades K-12 as well as to intensify lower division math instruction in college. The University, from its own studies, recognizes performance in math courses as being a keystone to overall academic success and has recommitted itself to excellence in math instruction. Boise State also recognizes the importance of math to Micron's training program.

Micron employees taking Boise State courses perform better than students do generally in college math courses. This is partly because Micron employees tend to be keenly focused on career goals and approach courses more seriously. It is also because Boise State University has a strong tradition of meeting the needs of adult learners. Since Fall 2000, Micron employees have achieved the following grades in Boise State math courses at Micron:

- A 202 (38%)
- B 164 (31%)

C 91 (17%)
 D 8 (1%)
 F 59 (11%)
 W 13 (2%)

Despite this solid track record, Boise State is in the process of improving its delivery of developmental and lower division math instruction. The University has adopted MyMathLab (MML), which is a self-paced, web-based program that is complemented with face-to-face instruction and adaptable to each student's level of knowledge. From data collected nationally, pass rates in beginning and intermediate Algebra increased approximately 16% when using this model and the failure rate decreased by an average of 40% (Speckler, M. 2005). Since MML is a national model, not only do students have access to instructors face to face, they also can utilize the Math Tutor Center, which offers free math tutoring from qualified mathematics instructors via toll-free phone lines, e-mail, and real-time Internet sessions.

Boise State is using MML to deliver Math 025 and Math 108. It has found that adult learners are especially successful with – and appreciative of – this self-paced approach. The University is finding that traditional age students do not necessarily perform as well with this model and therefore it is developing mechanisms for increased interaction and, when necessary, interventions.

Boise State believes that it has structured for Micron a strong model for fostering success in lower division math courses. The University anticipates improvements in student success from utilizing some fulltime math instructors to consistently deliver and oversee math courses at Micron as well as incorporating the self-paced instruction and support offered through MML.

Another option Boise State University is willing to discuss with Micron is to have developmental math courses taught by its Selland College of Applied Technology. The Selland College has a strong reputation for applied learning, and it successfully utilizes a series of developmental courses for bringing students to the competency level necessary for College Algebra.

What processes do you employ to assess training effectiveness?

University course outcomes are developed by departmental faculty with input from advisory boards, employers, and academic and professional organizations. The assurance that student learning is occurring and resulting in the attainment of

2.22 these outcomes is the keystone to the University maintaining its many forms of accreditation.

The level to which students meet learning outcomes is measured through assignments, projects, tests, and assessments.

Instructors are carefully selected by the departments to teach particular subject areas. At the end of each semester student surveys and student performance statistics are scrutinized by departments to evaluate instructor performance.

Extensive program reviews and accreditation processes require that each area have effective plans for establishing learning outcomes and determining training effectiveness. As part of those processes, Boise State University and its departments rely on feedback from advisory boards and employers to gauge the effectiveness of its training. In the case of programs designed specifically for Micron employees, Boise State University will be seeking input and feedback from Micron officials.

2.23 Please attach documented history/statistics of student success.

As a metropolitan institution, Boise State is experienced at meeting the educational needs of nontraditional students, including working adults. Likewise, Micron employees tend to be focused on their career goals and serious about their academic pursuits. This has resulted in Micron employees demonstrating a strong record of academic success in Boise State University courses. Since Fall 2000, Micron employees have earned the following grades in Boise State courses offered at Micron:

A: 772 (43%)
 B: 479 (27%)
 C: 259 (15%)
 D: 39 (2%)
 F: 112 (6%)
 PASS: 45 (3%)
 W: 58 (3%)
 AUD 10 (1%)
 I: 2 (<1%)

It is harder to isolate the performance of Micron employees in courses located off the Micron site; it can only be done if Micron (and not the employee) paid for the course. However, such third-party payments account for the vast majority of Micron employee registrations, and, therefore, Boise State can use this method to isolate the vast majority of Micron employee registrations, regardless of location. An analysis of that data – including those grades earned offered at the Boise campus, at other sites, and via distance education –shows clearly that Micron employees perform well in all types of Boise State University courses:

A: 9,502 (43%)
 B: 5,723 (26%)
 C: 3,016 (14%)
 D: 686 (3%)
 F: 1,414 (6%)
 PASS: 1,016 (5%)

W: 827 (4%)
 AUD: 47 (<1%)
 I: 21 (<1%)

Clearly, Boise State University has been successful in providing an environment in which Micron employees thrive. Whether a course is held on or off the Micron site, 88% of Micron employees are deemed to have completed distinguished (A), superior (B) or satisfactory (C or Pass) work while achieving course outcomes.

What type of support do you provide outside the classroom?

Micron employees will find Boise State offers several options for support outside the classroom:

- Fulltime, onsite instructors in math and electronics will hold office hours, respond to e-mail inquiries, and in other ways be available to students to answer questions and provide advice;

- Access to extensive library collections totaling over 600,000 books and periodicals as well as 146 online databases.

2.24 -The majority of Boise State courses utilize Blackboard, an online course management system that provides students with access to course materials 24 x 7.

- Math 025 and Math 108 will utilize My Math Lab (MML), which offers free math tutoring from qualified mathematics instructors via toll-free phone lines, e-mail, and real-time Internet sessions.

- The onsite Boise State coordinator will act as an ombudsperson for Micron employees, helping them access and navigate a wealth of University resources.

- Boise Campus resources such as the Writing Center and Math Learning Center provide free assistance to students in important subject areas.

- Supplemental tutoring can be made available onsite to Micron employees on a cost recovery basis.

2.25 Please review the attached Micron course listing.

[AS34880-University Course Descriptions FINAL.pdf](#)

2.26 Please attach a description of the availability and qualifications of your instructors for the Micron course listing.

Boise State utilizes the expertise of approximately 600 full-time faculty and 500

adjunct faculty to deliver instruction. The qualifications of the faculty vary according to discipline and course, but all meet the high standards set by the University's accrediting bodies. This includes guidelines established by the Northwest Commission on Colleges and Universities, the Accrediting Board for Engineering and Technology, the Association to Advance Collegiate Schools of Business – International, and Idaho Division of Professional-Technical Education.

Boise State University will draw upon and expand its sizeable Boise-based pool of faculty to deliver instruction to Micron employees. The University already employs faculty to teach all the courses on the Micron Course List. Hiring additional full-time faculty in the areas of mathematics and electronics will allow the University to provide intensive onsite instruction in those areas. The University will utilize existing faculty as well as hire additional adjunct faculty to round out the course offerings.

At least 90% of MBA faculty members hold a Ph.D. and others have a Master's Degree with extensive business experience. Faculty in Chemistry, Physics, and other sciences typically hold a Ph.D. in their subject areas. Instructors in Engineering have a degree in engineering and either more than 5 years engineering experience or a graduate engineering degree. Electronics instructors meet the IPTE requirements listed at <http://www.pte.state.id.us/certif/pdf/psmanual.pdf> . Lower-division academic courses generally instructed by faculty members with a Ph. D. or Master's Degree in the subject area. Remedial and lower level math may taught by instructors with bachelor's degree in mathematics plus teaching experience.

The credentials of faculty in specific Boise State University departments can be viewed at the website: <http://www.boisestate.edu/departments/> .

What courses could be delivered onsite if space were available?

2.27 Boise State University is willing to provide onsite all courses that Micron is able to accommodate with classrooms and equipped lab space. Boise State is also willing to deliver courses to nearby leased buildings or modular units that Micron can make available for use.

Boise State is making it especially attractive for Micron to have onsite lower division math, applied technology and general education classes by offering the reduced rate of \$120 per credit. Due to Micron constraints, most labs will occur on the Boise campus.

2.28 Describe any special equipment that would be required in the delivery of the courses.

Most Boise State University courses to be delivered onsite require only traditional classroom setups, preferably with options for instructional technology such as data projectors and internet access. The availability of video-conferencing equipment creates additional opportunities for onsite instruction beyond face-to-face methods.

Laboratories require specialized space and equipment. Boise State University provides such space and equipment on its Boise campus. However, the University is willing to explore having laboratories onsite if Micron can help provide the necessary space and equipment. The University believes it might be possible to include some basic labs onsite whereas other labs will require equipment that will make it cost-prohibitive.

Electronics courses require test equipment such as power supplies, scopes, meters, generators, and computers with specialized software. CMOS courses require microfab lab equipment. Technical Physics requires gears, pulleys, weight scales, sensors, thermal equipment, light equipment, measurement instruments, etc. Some labs require higher-end computers and software. Chemistry requires availability of chemicals, ventilation hoods, and a variety of safety equipment. Labs on the Boise campus have this equipment.

What locations away from the Micron (Boise) site are available for classes? What courses will be offered at these locations?

2.29 All Boise State University courses – including 98% of those on Micron’s course list – are offered on the Boise campus, most at a variety of times – just seven miles from the Micron facility. Additionally, Boise State makes available over 500 class offerings at its sites at Gowen Field (five miles from Micron), Mountain Home, in Canyon County and via distance education. General education courses are especially abundant at the off-campus sites. Micron employees have made extensive use of the expansive Boise State course network, amassing over 25,000 registrations across all sites since 2000.

For RFP classes that Micron cannot host onsite, Boise State will offer them on its Boise campus in shift-friendly formats in the mornings, late afternoons, and evenings when access to parking and campus facilities is optimal. Boise State is also willing to discuss with Micron the possibility of offering specific courses at nearby facilities that Micron can make available for classrooms.

Describe available lab space for lab classes.

2.30 Boise State University features state-of-the-art labs at the Boise campus. This includes specialized laboratories for chemistry, physics, electronics, and microfab. For labs on the RFP Course List that Micron cannot accommodate onsite, Boise State will provide fully equipped labs on the Boise campus in shift-

friendly formats during the early mornings, late afternoons and evenings – when access to Boise State parking and facilities is optimal.

For those who find it convenient, many lab offerings can also be found at Boise State's sites in Canyon County and Mountain Home.

Describe which courses are offered via online or multimedia delivery.

Boise State provides online or multi-media options for about one-third of the courses on Micron's Course List. This includes courses that are delivered entirely via the internet, hybrid courses (courses that utilize technology to reduce but not eliminate classroom time), or through BSU's Knowledge Network. Students who prefer face-to-face instruction can typically choose from traditional formats.

- 2.31** RFP courses in which Boise State offers sections that are delivered online or with multimedia components include: English 101 and 102, Math 25 and Math 108, Math 143, Chemistry 111 and 122, and Physics 211 and 212, and all electronics courses. Presently, availability in some of these online sections does not meet student demand.

The University is growing its array of online courses every year. Boise State is one of the founding members of the newfound Interstate Course Exchange, a consortium of universities in 12 states that pledge to exchange and open access to distance education classes. As this consortium develops and online courses in the Exchange increase, Boise State University will be able to extend a higher number of online options to Micron employees who like the flexibility of distance education.

What is the minimum/maximum enrollment to hold classes?

Boise State University sees the need to provide Micron will flexibility concerning the minimum number of students in any particular class. The University simply needs a mechanism to make sure that there are enough students in Micron courses to cover overall program costs. Therefore, Boise State proposes the following for courses that are part of the RFP:

- 2.32**
- Lower division academic Micron courses must AVERAGE 12 enrollments per semester.
 - Lower division Electronics courses must AVERAGE 12 enrollments per semester.
 - Upper division Micron courses must AVERAGE 12 enrollments per semester.
 - Graduate level MBA courses must AVERAGE 12 enrollments per semester.

This arrangement provides Micron with considerable flexibility. For example, several lower division academic classes can proceed with as few as five or six students as long as other classes in that grouping have enough students to bring the average to 12. The Boise State coordinator will be responsible for calculating average enrollments across each category and keeping Micron officials informed.

Micron agrees to pay Boise State University the per-student per-credit-hour rate listed in the Pricing Worksheet, with the understanding that its bill will reflect at a minimum an average of 12 students per class in every category (lower division academic, lower division Electronics, upper division, and graduate MBA). Micron officials can work with the Boise State program coordinator to cancel a class they feel has too low of enrollment.

If Micron provides Boise State with classroom accommodations near the company but outside of its security perimeter, Boise State could open excess class seats to the public, reducing the possibility that classes would suffer from low enrollment. Boise State is receptive to such an arrangement.

Boise State is also receptive to negotiating with Micron per course prices that do not require any minimum enrollments. While the RFP asks for per-credit per-student prices, it should be noted that Boise State's Selland College has utilized its Workforce Training program to successfully provide Micron with college-credit opportunities that are structured on very affordable per-class rates. Boise State is willing to negotiate per-class rates for all programs.

As far as maximum enrollments, most courses included in the RFP have caps set between 25 and 45.

What distinguishes your training/education from other options?

Boise State University seeks to partner with Micron to provide its employees with a comprehensive, seamless educational program, ranging from developmental math, to applied electronics, to specialized upper division engineering classes, to an entire MBA. Boise State University can make this unique offer because it has over 2,200 faculty and staff and over 200 educational programs headquartered just seven miles from the Micron facility.

- 2.33** Boise State programs carry a level of accreditation that assures Micron that courses meet high standards and deliver on relevant, industry-accepted outcomes. For instance, the College of Business and Economics is accredited by the Association to Advance Collegiate Schools of Business, a distinction that less than 10% of business schools can claim. The College of Engineering is nationally ranked 12th on US News and World Report's list of best engineering colleges without Ph.D. programs.

Boise State's proposal to provide a number of fulltime, onsite instructors to

deliver courses is indicative of the University's commitment to provide effective educational programs to Micron. Additionally, an onsite coordinator will allow the University to respond quickly to Micron's needs and make adjustments as needed. And Boise State University, as Idaho's largest university, can provide Micron employees with an expansive array of options – offering courses onsite, at the Boise campus, at multiple other campus sites, and often with a choice of face-to-face delivery methods or through distance education.

Lastly, Boise State University is the only educational provider for which providing programs to Micron and the Treasure Valley is an integral part of its public role and mission. Forming partnerships that contribute to regional growth and development is an important part of the University's strategic plan. Boise State seeks a relationship with Micron that symbolizes this form of successful community partnership.

What flexibility does your institution have to create credit bearing courses around Micron's changing requirements?

2.34 Boise State University prides itself in being a dynamic metropolitan university that is responsive to the educational needs of the region. Its College of Business, College of Engineering and College of Applied Technology all have external advisory boards comprised of local industry officials, including representatives from Micron. Programs are continually assessed to ensure they meet the needs of employers. Each program's curriculum is updated to adapt to new technologies and new approaches in the field. Emerging topics, or courses that are tailored specifically to meet the needs of Micron, can be instituted quickly by utilizing Boise State's process for Special Topics courses.

3.0 **Section 3 – Pricing Details**

Award Decisions / Notifications:

3.1 Micron will make all award notifications. Each proposal submitted by a college/university shall constitute an offer to provide in accordance with this RFP. Micron alone will select the awarded college/university in this RFP process. All proposals submitted through this process shall remain valid, firm and subject to unconditional acceptance until award notifications are issued.

Pricing Worksheet:

3.2 Please refer to the attached Pricing Worksheet for course information. Pricing Worksheets are due by the date listed in the Timeline Section of this RFP. Participants who do not submit a Pricing Worksheet will not be considered for an award.

[34880 Pricing Worksheet FINAL.xls](#)

Upload Pricing Worksheet:

3.3 Please upload your completed Pricing Worksheet using the following naming convention:
AS34880-Micron-Pricing Worksheet-*Company Name*

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|----|--|---|--|----------------------------|---------------------------|
| 1 | Item Number | | Number of Credit Hours | Price for Fulltime Student | |
| 2 | 1 | FULLTIME STUDENT: | NA | NA | |
| 3 | | | Price per Credit Hour for Individual Courses | | |
| 4 | | | \$ 120.00 | | |
| 5 | Item Number | INDIVIDUAL COURSES: | Course Number | Number of Credit Hours | Extended Price per Course |
| 6 | Math | | | | |
| 7 | 2 | MATH CONCEPTS (PRE-ALGEBRA) | MATH 015 | 3 | \$ 360.00 |
| 8 | 3 | ELEMENTARY ALGEBRA | MATH 025 | 3 | \$ 360.00 |
| 9 | 4 | INTERMEDIATE ALGEBRA | MATH 108 | 4 | \$ 480.00 |
| 10 | 5 | COLLEGE ALGEBRA | MATH 143 | 3 | \$ 360.00 |
| 11 | 6 | ANALYTIC TRIGONOMETRY | MATH 144 | 2 | \$ 240.00 |
| 12 | 7 | PRECALCULUS | MATH 147 | 5 | \$ 600.00 |
| 13 | 8 | CALCULUS I (+ LAB) | MATH 170, 171 | 5 | \$ 600.00 |
| 14 | 9 | CALCULUS II | MATH 175 | 4 | \$ 480.00 |
| 15 | 10 | CALCULUS III | MATH 275 | 4 | \$ 480.00 |
| 16 | 11 | DIFFERENTIAL EQUATIONS WITH MATRIX THEORY | | | \$ - |
| 17 | 12 | ENGINEERING STATISTICS | | | \$ - |
| 18 | 13 | PROBABILITY AND STATISTICS I | | | \$ - |
| 19 | Electronics | | | | |
| 20 | 14 | DC ELECTRONICS THEORY and LAB | ELCTEC 151 & 151L | 5 | \$ 600.00 |
| 21 | 15 | AC ELECTRONIC THEORY and LAB | ELCTEC 152 & 152L | 4 | \$ 480.00 |
| 22 | 16 | SOLID STATE DEVICES and LAB | ELCTEC 172 & 173 | 6 | \$ 720.00 |
| 23 | 17 | ELECTRONICS CALCULUS | ELCTEC 231 | 3 | \$ 360.00 |
| 24 | 18 | BASIC CAD FOR ELECTRONICS | ELCTEC 105 | 2 | \$ 240.00 |
| 25 | 19 | CMOS 1 (Complimentary Metal Oxide Silicone) | SEMITEC 181 | 4 | \$ 480.00 |
| 26 | 20 | CMOS 2 | SEMITEC 181 | | \$ - |
| 27 | 21 | CMOS 3 | SEMITEC 282 | 4 | \$ 480.00 |
| 28 | 22 | MICROELECTRONICS | SEMITEC 282 | | \$ - |
| 29 | English | | | | |
| 30 | 23 | ENGLISH COMPOSITION I | ENGL 101 | 3 | \$ 360.00 |
| 31 | 24 | ENGLISH COMPOSITION II | ENGL 102 | 3 | \$ 360.00 |
| 32 | Communication | | | | |
| 33 | 25 | FUNDAMENTALS OF SPEECH COMMUNICATION | COMM 101 | 3 | \$ 360.00 |
| 34 | Economics | | | | |
| 35 | 26 | PRINCIPLES OF MACROECONOMICS | ECON 201 | 3 | \$ 360.00 |
| 36 | 27 | PRINCIPLES OF MICROECONOMICS | ECON 202 | 3 | \$ 360.00 |
| 37 | Chemistry | | | | |
| 38 | 28 | GENERAL CHEMISTRY I | CHEM 111 | 4 | \$ 480.00 |
| 39 | 29 | GENERAL CHEMISTRY II | CHEM 112 | 5 | \$ 600.00 |
| 40 | Physics | | | | |
| 41 | 30 | PHYSICS I WITH CALCULUS | PHYS 211& 211L | 5 | \$ 600.00 |
| 42 | 31 | PHYSICS II WITH CALCULUS | PHYS 212 &212L | 5 | \$ 600.00 |
| 43 | 32 | TECHNICAL PHYSICS | MFGTEC 231 | 4 | \$ 480.00 |
| 44 | AutoCAD | | | | |
| 45 | 33 | AUTOCAD 1 | DRFTEC 109 | 2 | \$ 240.00 |
| 46 | Engineering | | | | |
| 47 | 34 | INTRODUCTION TO ENGINEERING | ENGR 120 | 3 | \$ 360.00 |
| 48 | General Business | | | | |
| 49 | 35 | INTRODUCTION TO BUSINESS | GENBUS 101 | 3 | \$ 360.00 |
| 50 | 36 | LEGAL ENVIRONMENT OF BUSINESS | GENBUS 202 | 3 | \$ 360.00 |
| 51 | 37 | STATISTICAL TECHNIQUES FOR DECISION MAKING I | GENBUS 207 | 3 | \$ 360.00 |
| 52 | 38 | STATISTICAL TECHNIQUES FOR DECISION MAKING II | GENBUS 208 | 3 | \$ 360.00 |
| 53 | Psychology | | | | |
| 54 | 39 | ORGANIZATIONAL PSYCHOLOGY | | | \$ - |
| 55 | Computer | | | | |
| 56 | 40 | UNIX/LINUX | CNET 220 | 4 | \$ 480.00 |
| 57 | MBA (courses leading to MBA, but not limited to the following) | | | | |
| 58 | 41 | EMPLOYMENT AND HUMAN RESOURCE LAW | | | \$ - |
| 59 | 42 | FINANCIAL MANAGEMENT | | | \$ - |
| 60 | 43 | HUMAN RESOURCE MANAGEMENT | | | \$ - |
| 61 | 44 | ORGANIZATIONAL COMMUNICATION | | | \$ - |
| 62 | 45 | ACCOUNTING FOR MANAGERS | | | \$ - |
| 63 | 46 | MANAGEMENT LAW | | | \$ - |
| 64 | 47 | MANAGEMENT INFORMATION SYSTEMS | | | \$ - |
| 65 | 48 | MANAGERIAL ECONOMICS | | | \$ - |
| 66 | 49 | MANAGING IN A GLOBAL ECONOMY | | | \$ - |
| 67 | 50 | OPERATIONS MANAGEMENT | | | \$ - |
| 68 | 51 | GLOBAL MARKETING MANAGEMENT | | | \$ - |
| 69 | 52 | DECISION-MAKING | | | \$ - |
| 70 | 53 | QUANTITATIVE METHODS | | | \$ - |
| 71 | 54 | LEADERSHIP DEVELOPMENT | | | \$ - |
| 72 | 55 | ETHICS IN MANAGEMENT | | | \$ - |
| 73 | 56 | STRATEGIC MANAGEMENT | | | \$ - |

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FY08 Budget for Educational Program at Micron

Annual Revenues

| | <i>Approximate # course credit hours requested</i> | <i>Estimated student credit hours that will be generated</i> | <i>Cost charged per credit</i> | <i>Estimated revenue</i> |
|-------------------------------------|--|--|------------------------------------|--------------------------|
| Electronics courses onsite | 80 | 1,200 | \$120 | \$144,000 |
| Math courses onsite | 92 | 1,380 | \$120 | \$165,600 |
| Other lower division courses onsite | 30 | 450 | \$120 | \$54,000 |
| Upper division courses onsite | 12 | 180 | \$211 | \$37,980 |
| <i>Total</i> | <i>214</i> | <i>3,210</i> | | <i>\$401,580</i> |

Annual Expenditures

| | |
|--|------------------|
| Fulltime Electronics Instructor (salary & ben) | \$88,500 |
| 2 Lab Aides, Electronics (salary & ben) | \$70,000 |
| 2 Fulltime Math Special Lecturers (salary & ben) | \$90,000 |
| Adjunctive Faculty (salary & ben) | \$86,500 |
| 3/4-Time Program Coordinator (salary & ben) | \$39,000 |
| Operating Expense (Compass testing; equipment, supplies) | \$4,000 |
| Administrative Overhead (4% of revenues) | \$16,063 |
| <i>Total</i> | <i>\$394,063</i> |

**This worksheet does not reflect the Boise State courses Micron employees take at sites other than the Micron campus. Even prior to this partnership, Micron and its employees have accounted for about \$500,000 worth of Boise State courses each year. Boise State does not expect this new arrangement for onsite courses to come at the cost of activity at other BSU sites; instead, the University expects to see an increase in the number of students completing degrees through Boise State University.*

REFERENCE – APPLICABLE STATUTE, RULE OR POLICY

Idaho State Board of Education
GOVERNING POLICIES AND PROCEDURES
SECTION: V. FINANCIAL AFFAIRS
Subsection: R. Establishment of Fees

June 2005

1. Definitions and Types of Fees

The following definitions are applicable to fees charged to students at all of the state colleges and universities, except where limited to a particular institution or institutions.

b. Local Fees

Local fees are both full-time and part-time student fees which are to be deposited into the local institutional accounts. Local fees shall be expended for the purposes for which they were collected.

(6) Continuing Education

Continuing education fee is defined as the additional fee to part-time students which is charged on a per credit hour basis to support the costs of continuing education.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
IDAHO STATE UNIVERSITY

SUBJECT

Idaho State University requests approval to purchase approximately one-third of a building in Meridian for \$5,200,000; to authorize the Division of Public Works to issue a Request for Proposal (RFP) for the design/cost to renovate this facility, and to accept a \$5,000,000 donation from a Foundation to apply toward the purchase price and expansion of an existing program in the Treasure Valley.

REFERENCES

- | | |
|---------------|--|
| October 2006 | ISU followed Board policy and procedures dealing with land acquisition. A discussion occurred in Executive Session. |
| February 2007 | At the direction of the Board, ISU provided an analysis of potential properties which included land available for development; constructing a building at Boise State University or at a hospital site; existing buildings, including the Meridian facility (previously referred to as the "Jabil" building). The Meridian facility being offered by the Meridian School District was described as the most viable property. |

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.E.1, Section V.I.1 and 2, and Section V.K.
Sections 33-3804 and 33-3805, Idaho Code

BACKGROUND

ISU has been providing educational services in the Treasure Valley for more than 25 years. In August 2006, President Vailas established a task force of ISU officials and Treasure Valley community leaders to evaluate ISU's facilities in the Treasure Valley. Its objective was to identify a location for a building to purchase or construct which would allow the consolidation of our existing leased spaces as well as accommodate planned enrollment growth. The criteria were identified as:

- Located in the center of the valley
- Proximity to a freeway with public transportation
- Expandable venue
- Ample and free patron parking
- Marketable to foundations/donors
- Provide a campus experience for students
- Availability with 12 to 18 months
- Economically feasible

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
IDAHO STATE UNIVERSITY - continued

The current classroom space leased in the Treasure Valley is approximately 50,000 square feet (sf) with an annual lease expense of approximately \$750,000. Total ISU leased space in the Treasure Valley is over 55,000 sf with a total annual lease expense of about \$920,000. The total includes a dental sciences center and facilities for two grants.

ISU requested the Division of Public Works (DPW) to assess the University's continued leasing versus owning in the Treasure Valley. Ms. Linda Miller, DPW Leasing Manager, attested to the advisability of owning as opposed to leasing in her memo to Darrell Buffaloe, ISU Associate Vice President for Facilities Services, dated January 12, 2007. DPW has been included in general discussions with ISU for their expertise in identifying available properties, building operating costs, building assessments, etc., over the past six months. DPW performed an initial building survey of the Meridian facility which was described in a memo from Tim Mason, Administrator DPW, to Darrell Buffaloe, dated March 12, 2007. Their analysis showed that a 100,000 sf building similar to the portion of the Meridian facility which ISU proposes to purchase and remodel "could cost a minimum of \$17,500,000 with no provisions for expansion."

The District is offering to sell approximately one-third of the Meridian facility, including both owned and shared parking spaces for \$5,200,000. The District purchased the entire property for \$19,400,000 according to a published announcement in August 2006.

A outside source has offered a donation in the amount of \$5,000,000 toward the purchase of this facility and to expand an existing program in the Treasure Valley.

DISCUSSION

The purchase of the facility being offered by the District satisfies the criteria for ISU's needs and the purchase price, as attested by DPW, makes the building economically practical. Approval of this purchase would enable ISU, upon completion of the interior, to vacate the leased spaces in the Treasure Valley and obtain significant space for further growth. The University considers itself very fortunate to have identified such an ideal facility and is appreciative of all those who have assisted in bringing this opportunity forward.

INSTITUTION / AGENCY AGENDA
IDAHO STATE UNIVERSITY - continued

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
IDAHO STATE UNIVERSITY - continued

IMPACT

There are three funding sources for the purchase, renovation, and occupancy costs associated with this facility: (1) Foundation donation, \$5,000,000; (2) bonding; and (3) current lease payments. The purchase of the facility and the cost of renovation will be financed by a general revenue bond, which ISU will likely present to the Board for their approval at the August, 2007 Board meeting. The Foundation dollars as well as the current leases ISU is paying will help support the bond.

The amount to be bonded will be determined after the Division of Public Works issues a Request for Proposal (RFP) for renovation design and costs. ISU will then return to the SBOE for approval to proceed and for approval of bond financing. It is anticipated that the bond debt service will be covered by the dollars currently being spent on the leases. ISU will request occupancy costs from the State during next year's legislative appropriation process.

STAFF COMMENTS AND RECOMMENDATIONS

In a letter from Meridian Joint School District No. 2 to ISU, (Attachment 2), the school district anticipates its faculty to be "approved as adjunct faculty by ISU to increase dual enrollment options for secondary students as well as providing community college services, e.g. remedial/developmental and lower division courses." Staff believes this comment relates to an existing health sciences charter school operated by the Meridian School District. The University indicated to staff that it has no intention of offering any lower division general education courses at this facility, unless requested by the State Board of Education.

Staff notes that ISU has provided a substantial amount of data related to the facility portion of this request, but data relating to enrollment-related information is minimal – a single page. There is no projection of new enrollment, for example, or which of the current students might or might not be housed in the proposed building. Although ISU has provided a schedule of when its other facility leases in the Treasure Valley expire, there is no listing of when programs might be moved from those locations to the proposed building.

The proposed gift is conditioned upon ISU purchasing the specific facility from Joint School District Number 2. Additional funds for this purchase will come from the proceeds of a bond issuance, most likely to be requested by ISU at the August 2007 Board meeting. In addition, Idaho State University intends to return to the Board at some time in the future to request a naming opportunity related to this gift and building.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
IDAHO STATE UNIVERSITY - continued

Once the outside gift is received, a portion of that \$5.0 million will be used to pay for selection of a firm, chosen by the State Division of Public Works (DPW), to create the design and cost estimate components of the renovation project. No construction will be authorized by the DPW at that time.

After the bond issue has been approved by the Board, proceeds from that sale, coupled with the remaining amount from the gift, will be used for renovation of the purchased facility.

Staff has reviewed the request and offers the following comments:

Centralization of instructional and administrative facilities is conducive to efficient and effective delivery and support of services – in this case instruction. Financing of the proposed purchase appears to be prudent, in light of the cost of leasing facilities in the Treasure Valley. Staff believes that ISU has researched alternative locations and facilities in the Treasure Valley, but is not qualified to determine if other identified locations would be more or less advantageous to the University.

Staff offers no additional recommendation.

BOARD ACTION

A motion to approve the request by Idaho State University to begin the initial process of purchasing an approximate one-third share of a building currently owned by Joint School District Number 2, in the amount of \$5,200,000. The Board delegates authority to the ISU Vice President for Financial Services to sign the purchase agreement on behalf of the Board. Funds for this purchase will come from an expected gift to the University, and proceeds of a bond issuance, to be requested by ISU at the August 2007 Board meeting.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
IDAHO STATE UNIVERSITY - continued

A motion to approve the request by Idaho State University to authorize the State Division of Public Works to issue a Request for Proposal for the design and creation of a cost estimate to renovate the building as purchased from Joint School District Number 2. No construction activity is being approved with this motion.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

A motion to approve the request by Idaho State University to accept a gift in the amount of \$5,000,000, from _____, to be used for creation of the design and resulting construction cost estimate for purchase of a building owned by the Joint School District Number 2, to be used for academic purposes and administrative offices.

Moved by _____ Seconded by _____ Carried Yes _____ No _____



ATTACHMENT 1

Joint School District No. 2

911 Meridian Road • Meridian, Idaho 83642 • (208) 855-4500 • Fax (208) 888-6700

SUPERINTENDENT
Dr. Linda Clark

September 29, 2006

Dr. Arthur Vailas
President
Idaho State University
Pocatello, Idaho 83209

RE: Meridian School Board/Idaho State University

Dear President Vailas,

This letter is the consequence of a recent meeting of the Meridian School Board and their desire to initiate a joint working agreement with Idaho State University for the purpose of developing a shared physical space in Meridian. The Board has requested that this office take action to initiate a dialog with the University on a partnership that would involve the joint purchase of the Jabil building, Meridian, Idaho.

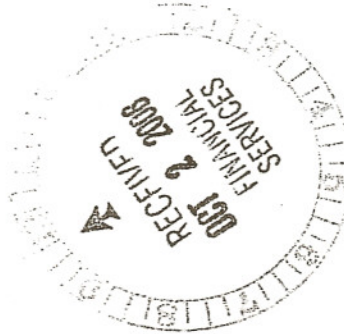
The Board and this office are pleased at the potential of a joint agreement in the behalf of our district, our students, faculty, staff, and the Treasure Valley, with impact state wide. Our Board welcomes these discussions and is keenly aware of the rich educational opportunities that this brings to the District and to the entire State.

To this end we would desire to begin such cooperative effort as soon as the Idaho State Board of Education can direct the University to enter into the discussions and negotiations with the Meridian School Board.

If you have questions, or desire additional information, do not hesitate to contact me.

Sincerely,

Dr. Linda Clark
Superintendent
Meridian School District



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I.S.U.

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SUPERINTENDENT
Dr. Linda Clark

ATTACHMENT 2

Joint School District No. 2

911 Meridian Road • Meridian, Idaho 83642 • (208) 855-4500 • Fax (208) 888-6700

February 20, 2007

Dr. Arthur Vailas, President
Idaho State University
Pocatello, Idaho

Dear President Vailas;

It is with a great deal of enthusiasm and excitement that I write this letter in support of the proposed partnership between Idaho State University and Joint School District No. 2 in the facility previously known as the Jabil Circuits Building in Meridian. This large facility provides a unique opportunity for the expansion of opportunities for students in the district as we bring our students onto the site through a variety of programs.

There is strong support on the part of the district administration and Board of Trustees for this unique partnership between Joint School District No. 2 (Jt. SD 2) and Idaho State University (ISU) as we believe it will provide students with the opportunity for an integrated career pathway and a seamless transition between secondary and postsecondary education, as well as community college functions/services.

This innovative collaboration will serve as an educational model not only for Idaho, but also for the region and the nation. In this partnership, Idaho's largest school district (and one of the fastest growing school districts per capita in the nation) will bring high school students focused on academic, professional/technical, and medical arts charter school programs of study to join with a Carnegie Doctoral Research University assigned the health science mission by the Idaho State Board of Education as it offers certificate, associate, bachelors, masters, doctorate, post-doctoral, and career mobility opportunities for Treasure Valley.

The collaboration will provide access to ISU health care clinics (e.g. Speech Language Clinic, Counseling, and Dental Residency Clinic) that will facilitate a

multi-disciplinary teaching environment and student internships as well as access for disadvantaged and under insured citizens in the Valley.

Jt. SD 2 and ISU will share space at the facility as mutually agreed upon in the legal documents and day-to-day governance of the site will be accomplished through a Joint Operations Committee that will promote strategic planning. Joint operations oversight will include, but not be limited to, the usage of common areas, the opportunity for exchanged use of classrooms and laboratories/clinics.

Jt. SD 2 high school faculty with the appropriate credentials may be approved as adjunct faculty by ISU to increase dual enrollment options for secondary students as well as providing community college services e.g. remedial/developmental and lower division courses. ISU's investment in e-University provides expanded on-line courses and programs to enhance accessibility, affordability and flexibility for Jt SD 2 and ISU students.

Jt. SD 2 is amenable to a shared parking regime beyond the "deeded" parking for ISU's portion of the building which will result in expanding parking to meet ISU's needs. These and other details will be worked out once the university receives approval for the purchase.

This is a unique opportunity for our district, Treasure Valley, ISU and the State of Idaho. It will be a "cutting edge" partnership that will be beneficial to the parties involved, but beyond that will provide a model of education that breaks many of the traditional barriers between high school, college, the work force, etc.

We strongly support the proposed partnership and encourage the State Board to grant approval to Idaho State University for purchase of the identified portion of the former Jabil Circuits Building. We pledge the full cooperation and support of Joint School District No. 2 to this exciting project.

Sincerely,



Dr. Linda Clark
Superintendent



C. I. "BUTCH" OTTER
Governor
KEITH JOHNSON
Director
TIM MASON
Administrator

State of Idaho

Department of Administration
Division of Public Works

502 N. 4th Street
P.O. Box 83720
Boise, ID 83720-0072

Design and Construction (208) 332-1900
Facilities Management (208) 332-1933
Fax (208) 334-4031
www.adm.idaho.gov

January 12, 2007

Mr. Darrell Buffaloe
Idaho State University
Facilities Services
921 South 8th Avenue, Stop 8137
Pocatello, ID 83209-8137

Dear Darrell:

I have reviewed the two lease purchase evaluations enclosed with your December 13, 2006 memo. The variance between the two Cost Ratios in the evaluations is due to uncertainty as to the actual cost of construction. Both evaluations have a Cost Ratio below 1.00. Cost Ratios below 1.00 generally indicate it is less expensive to build a new facility than to lease. Owning a facility would allow ISU to control its occupancy cost in the future.

Numerous factors should be taken into account when options concerning facility ownership are being considered. Please let me know how I can provide you with any assistance you may require.

Sincerely,


Linda S. Miller
Leasing Manager

"Serving Idaho citizens through effective services to their governmental agencies"

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C. L. "BUTCH" OTTER
Governor
KEITH JOHNSON
Director
TIM MASON
Administrator

State of Idaho

Department of Administration
Division of Public Works

ATTACHMENT 4

502 N. 4th Street
P.O. Box 83720
Boise, ID 83720-0072

Design and Construction (208) 332-1900
Facilities Management (208) 332-1933
Fax (208) 334-4031
www.adm.idaho.gov

Memorandum

March 12, 2007

To: Darrell Buffaloe
Associate VP Facilities Services
Idaho State University
Pocatello, Idaho

From: Tim Mason, Administrator
Division of Public Works

RE: Initial Building Survey
Jabil Building
1303 Central Drive
Meridian, Idaho

Dear Darrell:

Per your request, one of our DPW Architect/Project Managers, along with a DPW Field Representative performed an initial building survey of the Jabil Industrial/Office Building on Friday, March 9. The purpose was to ascertain the viability of Idaho State University acquiring a portion of the vacant Jabil building for remodeling into classroom and lab space.

Building / Site Features

Total building area – 322,040 Square Feet
Building area offered for purchase – 100,000 Square Feet, plus or minus
Purchase price - \$5,000,000
Tilt-up concrete wall, steel frame and block construction
30 Foot clear ceiling height
20,000 Amp power system that is sub-dividable

"Serving Idaho citizens through effective services to their governmental agencies"

1,600 shared on-site parking spaces
Situating along I-84 freeway at Meridian Exit
1,144 Ton HVAC system capability
Multiple loading docks and service space

The building is a state of the art two story structure with a 30 foot open, clear height space. The building structural system is tilt-up exterior concrete walls 8" thick and concrete block walls separating interior spaces in core areas. Clear space areas are supported by steel column and open web steel roof joists. Roof is a built-up bitumen roof system. The building structure and roof system are in excellent condition. The space being offered is approximately 100,000 square feet of open area that could be easily renovated into class room / lab spaces. The 30 foot clear ceiling heights offer the additional opportunity to construct a second floor mezzanine area, thereby nearly doubling the usable space potential. The open space area would allow economical phased expansion as program needs changed and expanded. The existing infrastructure services, sewer, water, fire sprinkling, and power are all available and can easily be modified for separate owner occupancies. The Division of Building Safety has also inspected the site and found no serious issues with the building. They recommended that the building could be revamped using a "Mall Occupancy" rating classification. The highly visible site is immediately adjacent and parallel to I-84 and approximately ½ mile from the Meridian Exit making for easy access. There is 1,600 paved, shared parking spaces on-site with ample security lighting.

New construction costs for new similar "shelled space" in the Boise metro area is between \$175 and \$200 per square foot. This estimated cost would include the cost of land which is constantly fluctuating upwards. Therefore, a 100,000 square foot building similar to the Jabil Building could cost a minimum of \$17,500,000 with no provisions for expansion.

Use of Permanent Building Funds for the acquisition and subsequent redevelopment of this space would represent a good value for tax dollars.

cc: Darrell Buffalo, ISU
John Julian, DPW Architect / Project Manager
Ken Gardener, DPW Field Representative
File



Meridian Building

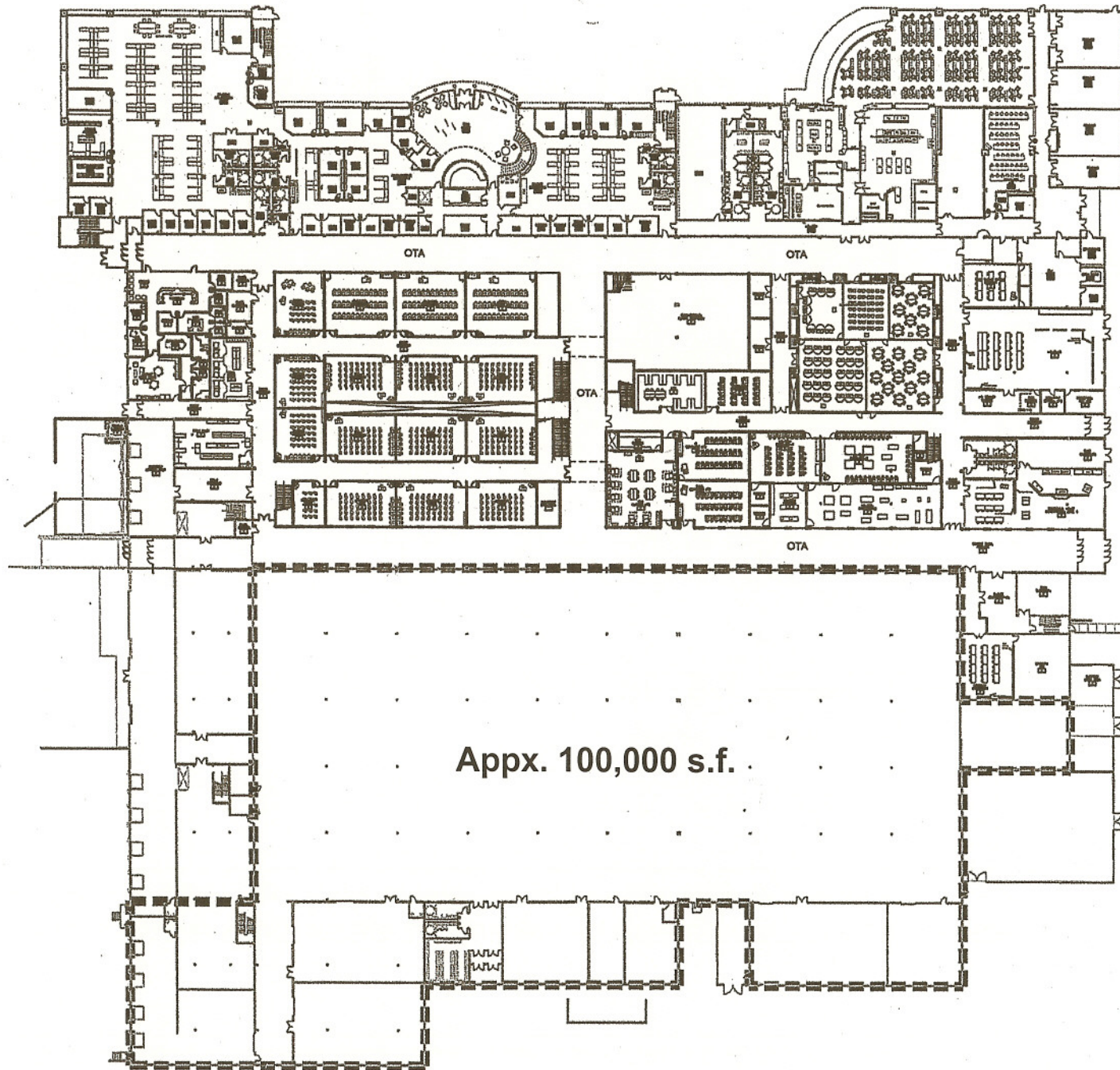


View from the south on Interstate 15

ATTACHMENT 5-A



Meridian Building Interior



FIRST FLOOR PLAN SCALE: 1" = 30'

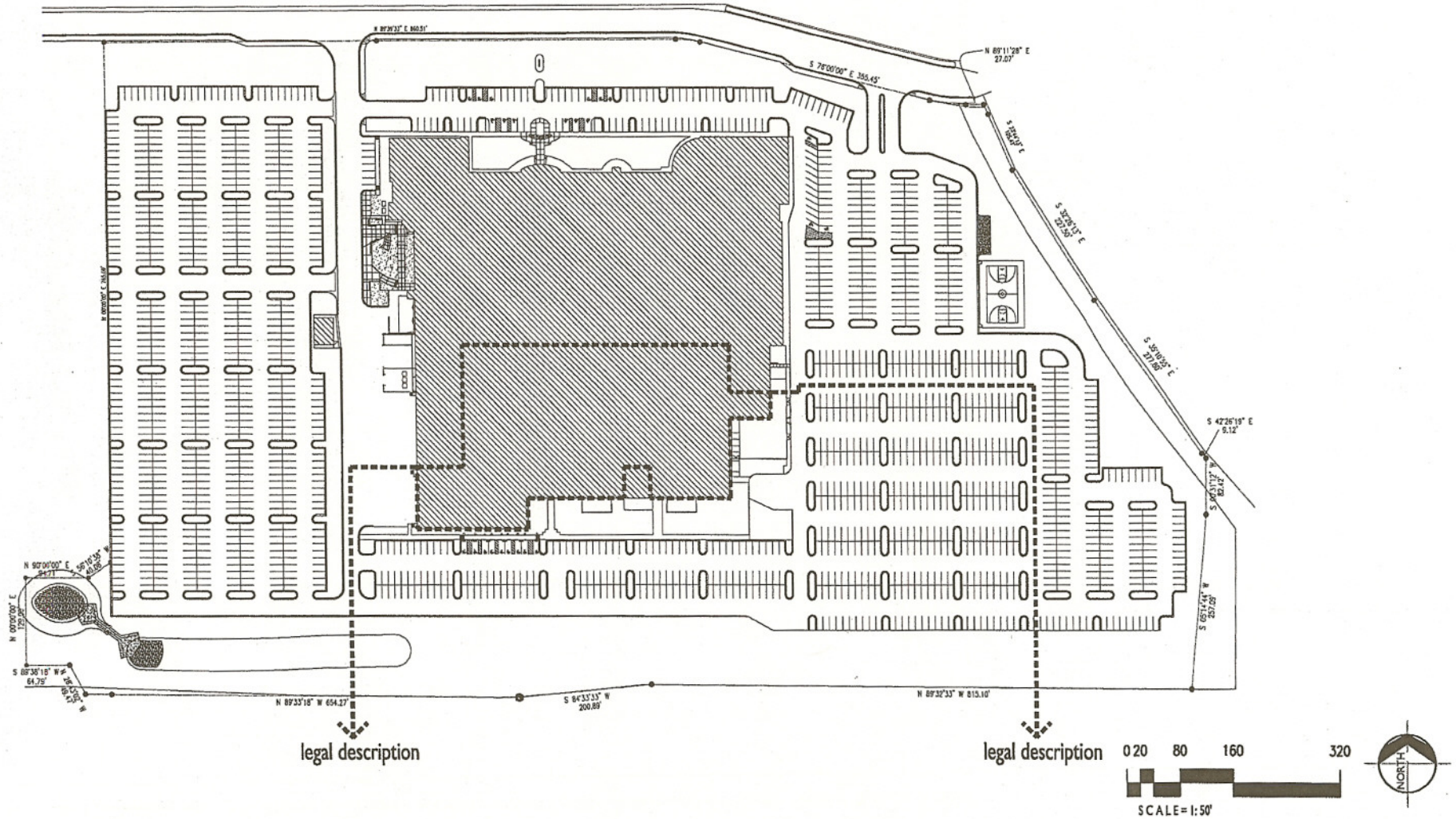
DECEMBER 20th, 2006

JOINT SCHOOL DISTRICT - MASTER FLOOR PLAN

JOINT SCHOOL DISTRICT NO. 2
MERIDIAN, IDAHO

SCHEMATIC DESIGN

HUMMEL
ARCHITECTS



SITE PLAN

JAN. 17th, 2007

JOINT SCHOOL DISTRICT - MASTER SITE PLAN

JOINT SCHOOL DISTRICT NO. 2
MERIDIAN, IDAHO

SCHEMATIC DESIGN

HUMMEL
ARCHITECTS PLLC



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**ISU-Boise
Programs & Enrollment
January 2007**

| | Program | Enrollment | Average Credits Per Semester | Program Length | Year Started |
|----|--|-------------------|---|-----------------------------|-------------------------|
| 2 | <u>Associate of Science</u> | | | | |
| 3 | Paramedic | 8 | 14 | 1 Year (3 semesters) | 2002 |
| 4 | Sign Language Studies | 2 | 3-7 | Varies | 2006 |
| 5 | <u>Bachelor of Science</u> | | | | |
| 6 | Speech Pathology & Audiology | 30 | 16 | 2 Years | 2000 |
| 7 | (includes Pre-Professional SLP) | | | (1 for Pre-Professional) | |
| 8 | Nursing Fast Track Program | 41 | 16-19 | 15 Months | 2002 |
| 9 | Clinical Laboratory Science | 14 | 13-19 | 1 Year | 2003 |
| 10 | <u>Master of Science</u> | | | | |
| 11 | Nursing | 15 | 6-8 | 2 1/2 - 3 Years | 1983 |
| 12 | Speech-Language Pathology | 37 | 12-13 | 2 Years + 1 Summer | 1989 |
| 13 | Clinical Laboratory Science | 1 | 6 | 2-3 Years | 2003 |
| 14 | Geology / GIS | 5 | 3-6 | Varies -Cooperative Program | 2002 |
| 15 | Dental Hygiene | 13 | 3-9 | 2 Years + | 2005 |
| 16 | <u>Master of Counseling</u> | | | | |
| 17 | Mental Health | 14 | 9 | 3 Years | 1980 |
| 18 | Marriage and Family | 8 | 9 | 3 Years | 2003 |
| 19 | <u>Other Degrees</u> | | | | |
| 20 | Geomatics Technology - AAS | 1 | 3-9 | Varies | 2006 |
| 21 | Master of Physical Education/ Athletic Administration | 22 | 3-9 | 1 1/2 - 4 Years | 1991 |
| 23 | Master of Public Health | 9 | 6 | 3+ Years | 1995 |
| 24 | Master of Health Education | 1 | 3-6 | 2-4 Years | 2003 |
| 25 | Dietetic Internship | 5 | 15 | 1 Year | 2002 |
| 26 | Pharmacy - 4th year students | 45 | 14-21 | 1-2 Years | 1970 |
| 27 | Pharmacy - 3rd year students | | 14-21 | 2 Years | 2004 |
| 28 | Audiology - 3rd & 4th year students | 3 | 5-14 | 1-2 Years | 2006 |
| 29 | Idaho Advanced General Dentistry | 4 | | 1 Year | 2005 |
| 30 | <u>Miscellaneous</u> | | | | |
| 31 | Undecided Arts & Sciences | 271 | 1-8 | | |
| 32 | (Includes dual enrollment, tech prep, & professional development) | | | | |
| 34 | No Major | 1 | 1-3 | | |
| 35 | Total Enrollment: | 550 | | | |

36 * Master of Nursing moved to complete online program Fall 2006, which resulted in decrease in enrollment; the
37 15 on-line students are included in this spring 10th day enrollment report increasing the total from 535 to 550.

38 **Decrease from 2006 was due to enrollment of all pharmacy students in previous spring semesters;

39 Pocatello students were included in the prior two years' counts and should not have been.

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Idaho State University Boise Leases

| 1 | Building | Address | | Start Date | End Date | SQ Feet | SQ Ft \$ | Annual Cost |
|---|--|-----------------------|-------|------------|------------|---------|----------|-------------|
| 2 | Hoff Building | 802 W Bannock Ste 203 | Boise | 11/1/2005 | 10/31/2008 | 909 | 17.00 | 15,453.00 |
| 3 | Health Science Center-Boise | 12301 W Explorer Dr | Boise | 1/12/2004 | 7/31/2007 | 29,126 | 16.50 | 480,579.00 |
| 4 | Idaho Water Center | 322 E Front St | Boise | 7/1/2005 | 6/30/2010 | 2,197 | 22.00 | 48,334.00 |
| 5 | Dental Sciences | 2033 Summersweet Dr | Boise | 6/15/2005 | 10/31/2010 | 5,150 | 16.80 | 86,520.00 |
| 6 | Health Science Center-Boise | 12438 W Bridger St | Boise | 3/1/2005 | 8/31/2007 | 16,731 | 15.25 | 255,147.75 |
| 7 | Family Practice Residency | 777 N Raymond | Boise | 12/1/2004 | 1/31/2006 | 150 | 16.00 | 2,400.00 |
| 8 | Idaho Center for Disabilities Evaluation | 4401 Flamingo Rd | Nampa | 3/15/2007 | 3/14/2011 | 1,500 | 20.50 | 30,750.00 |

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RS17187

Fifty-ninth Legislature
LEGISLATURE OF THE STATE OF IDAHO
First Regular Session - 2007

IN THE HOUSE OF REPRESENTATIVES

HOUSE CONCURRENT RESOLUTION NO. _____

BY _____

A CONCURRENT RESOLUTION

STATING FINDINGS OF THE LEGISLATURE AND AUTHORIZING IDAHO STATE UNIVERSITY TO PURCHASE SPACE IN A FACILITY FOR HEALTH SCIENCES EDUCATIONAL OFFERINGS IN THE TREASURE VALLEY.

Be It Resolved by the Legislature of the State of Idaho:

WHEREAS, Idaho State University currently leases approximately 55,600 square feet among seven different facilities throughout the Treasure Valley at an annual cost of over \$920,400; and

WHEREAS, a private foundation has pledged a \$5 million grant to assist Idaho State University with the purchase of space in the Treasure Valley to be used for health sciences education; and

WHEREAS, the purchase of said real estate will also enable Idaho State University to consolidate its current leaseholds and to accommodate planned enrollment growth; and

WHEREAS, a unique opportunity exists for Idaho State University to purchase 102,000 square feet of unfinished space in the former Jabil Circuit Building located in Meridian, Idaho, and now owned by Joint School District #2; and

WHEREAS, co-ownership of this facility with Joint School District #2 will also provide a unique venue for Idaho State University to offer concurrent enrollment opportunities, and to utilize school district space during evenings, weekends and summers; and

WHEREAS, academic use space is a recognized criteria to make a new higher education facility eligible to receive state moneys for the costs associated with occupancy, operation and maintenance.

NOW, THEREFORE, BE IT RESOLVED by the members of the First Regular Session of the Fifty-ninth Idaho Legislature, the House of Representatives and the Senate concurring therein, that pursuant to Section 33-3805A, Idaho Code, approval is hereby granted to the State Board of Education, acting as trustees for Idaho State University, to purchase 102,000 square feet of unfinished space in the former Jabil Circuit Building located in Meridian, Idaho, and now owned by Joint School District #2, to be used as a health sciences building.

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PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "Agreement"), made and entered into this ____ day of _____, 2007, by and between the Joint School District No. 2, Ada and Canyon Counties, State of Idaho, 911 Meridian Road, Meridian, Idaho 83642, hereinafter referred to as the "Seller", and The Board of Trustees of Idaho State University, hereinafter referred to as the "Purchaser".

WHEREAS, Seller is the owner of certain real property situated in the City of Meridian, County of Ada, State of Idaho, more particularly described on Exhibit "A" attached hereto and incorporated herein by reference, containing thereon a building and surrounding parking and grounds, hereinafter described as the "District Property"; and

WHEREAS, the Seller has agreed to sell a portion of the District Property as further described on Exhibit "B", attached hereto and incorporated herein by reference consisting of approximately 102,550 square feet of a building commonly known as the "District Services Center", along with all building fixtures and all easements and other rights appurtenant to said real property (hereinafter referred to as the "Subject Property") to the Purchaser, and the Purchaser has agreed to purchase the same upon the terms, conditions, and contingencies herein contained.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Sale.** The Seller has agreed, and by the presents does hereby agree to sell to the Purchaser all of the rights, title and interests of the Seller in and to the Subject Property, under and subject to all easements, covenants, conditions and deed restrictions now recorded or apparent from an inspection of the Subject Property, and

the Purchaser hereby agrees to purchase the same upon the terms, conditions, and contingencies herein contained and hereinafter set forth.

2. **Price and Terms of Payment.** Subject to the conditions set forth herein, the Purchaser agrees to pay to the Seller, and the Seller agrees to accept as full and complete consideration for the sale of the Subject Property, the sum of five million two hundred thousand (\$5,200,000.00) dollars (the "Purchase Price"), to be paid at closing, in immediately available funds.

3. **Condition of Property.** Subject to the warranties and contingencies expressed herein, the Purchaser agrees that it is purchasing the Subject Property in its AS IS," "WHERE IS" and "WITH ALL FAULTS AND DEFECTS" condition and Purchaser will at its own expense inspect the Property prior to closing, including, at its discretion, conduct an environmental assessment, if it so desires.

4. **License.** From execution of this Agreement until the Closing Date, (as defined herein) or the date this Agreement is terminated, whichever is earlier, Seller hereby grants Purchaser, its agents, employees and contractors, a license to enter the Subject Property to perform, at Purchaser's sole expense, a physical, structural and mechanical inspection of the land, the buildings, fixtures and other improvements under the following terms and conditions ("**License**"). Purchaser shall not engage in any invasive or intrusive testing without the prior written consent of Seller.

a) **Indemnity.** Purchaser agrees to indemnify, defend and save Seller (and Seller's affiliates) harmless from any and all claims, damages, liability, causes of action, judgments, expenses (including reasonable attorneys' fees and reasonable attorneys'

fees on appeal) arising out of or in any way connected with Purchaser's exercise of this License (other than the mere discovery of existing conditions). Purchaser agrees to repair any and all damage to Subject Property arising out of Purchaser's exercise of this License (other than the mere discovery of existing conditions) and to restore Subject Property to as good a condition as on the date immediately preceding the exercise of the License.

b) **Reports.** Purchaser agrees to immediately deliver to Seller all originals and copies of all reports and surveys prepared, written or assembled in connection with Purchaser's review of the Subject Property pursuant to this License to Seller upon receipt and to keep strictly confidential, to the extent allowed by law, the existence and content of any such surveys or reports unless required to disclose such information by any federal, state or local law, rule or regulation in which case Purchaser shall give Seller at least ten (10) days' prior written notice of such disclosure. The foregoing obligations shall survive the termination of this Agreement.

5. **Seller's Warranties.** Seller hereby warrants and represents that, to the best of Seller's knowledge, for the benefit of Buyer the following, both as of the date hereof and as of the Closing Date:

a) **Authority.** Seller is a political subdivision of the State of Idaho, duly formed and validly existing under the laws of the State of Idaho. The individual entering into this Agreement on behalf of Seller has the authority to bind the Seller. Entering into this Agreement and the consummation of the transaction contemplated hereby has

been duly authorized by all necessary action of Seller's Board and does not violate Seller's statutes, rules, bylaws or any other agreement to which Seller is a party.

b) **Litigation.** To the current actual knowledge of Dr. Linda Clark, Superintendent of Seller, there are not presently pending any special assessments or condemnation actions against the District Property or any part thereof, nor has Seller received any written notice of any special assessments or condemnation action being contemplated. To the current actual knowledge of Dr. Linda Clark, Superintendent of Seller, there is no litigation or other proceeding pending or threatened against Seller, which would adversely affect the District Property or its operation.

c) **Environmental Concerns.** Except as expressly set forth in this Agreement, Purchaser is relying solely upon Purchaser's inspections as to the condition of Subject Property. Seller and Seller's agents are not making, have not made and expressly disclaim any representations or warranties, express or implied, with respect to any aspect, feature or condition of the Subject Property including, without limitation, the existence of hazardous waste, or the suitability of Subject Property for Purchaser's intended use. Purchaser shall independently verify all information and reports regarding any aspect or feature of the Subject Property provided by Seller. Seller does not guaranty the accuracy of any information or reports provided by Seller, its agents, employees or contractors. Purchaser is purchasing the Subject Property in "As Is" condition with all faults including both latent and patent defects and except as expressly set forth in this Agreement and in the documents to be executed and delivered by Seller upon the closing, Purchaser releases Seller from any and all liability relating to any aspect or condition of the Subject Property, known or unknown, foreseeable or

unforeseeable, actual or contingent, arising by statute, common law or otherwise. As used herein “**hazardous waste**” shall mean any hazardous waste or pollutants, contaminants or hazardous waste as defined by the Environmental Laws (as defined below). Notwithstanding the foregoing, Seller has no current actual knowledge of any hazardous waste being used, produced, released, stored, transported, disposed of, generated, deposited or otherwise existing in, over, under or upon the District Property by Seller in violation of any “Environmental Laws” (as hereinafter defined). The term “Environmental Laws” shall collectively refer to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Toxic Substances Control Act, the Clean Water Act 33 U.S.C. § 1251-1387, the Resource Conservation and Recovery Act as amended, or any other similar federal, state or local law, rule or regulation respecting hazardous materials together with all rules and regulations promulgated thereunder and all amendments thereto. To the current actual knowledge of Dr. Linda Clarks, Superintendent of Seller, no notice of violation of any Environmental Laws (and no complaint, order, directive, claim, citation or notice relating to any Environment Law) has been issued with respect to the District Property. This provision shall survive closing.

d) **Indemnity.** The representation and warranties set forth in this Agreement and in any document or agreement delivered pursuant to this Agreement shall constitute continuing representations and warranties and shall be deemed to be true and correct as of the Closing Date. Seller agrees to indemnify, defend and hold harmless Purchaser from and against any and all liabilities, claims, suits, judgments, damages, expenses, losses, diminution in value, fees, penalties, fines and costs

(including, without limitation, reasonable attorneys' fees and reasonable attorneys' fees on any appeal), judgments, proceedings and cause of action of any kind whatsoever, arising out of or in any way connected with Seller's breach of the representation and warranties set forth in this Agreement and in any document or agreement delivered pursuant to this Agreement. The representations, warranties and indemnities of this Agreement and in any document or agreement delivered pursuant to this Agreement shall survive closing.

e) **Governmental Approvals.** Seller has received, or will by the Closing Date use commercially reasonable efforts to receive, any and all necessary governmental approvals necessary to convey fee simple title to the Subject Property to Purchaser and in the form described in this Agreement. In the event the Seller has not obtained all governmental approvals necessary to convey fee simple title to the Subject Property to the Purchaser, the parties agree that Seller shall use reasonable efforts to obtain such approvals as quickly as possible and the parties shall extend the Closing Date to a mutually agreeable Closing Date.

6. **Maintenance of Property.** Until the Closing, Seller shall continue all regular and necessary maintenance, repair and service of the Subject Property.

7. **Apportionments and Taxes.** All real estate taxes, if any, assessments, if any, utilities and other items capable of being prorated shall be prorated as of the Closing Date (as defined below). As public entities, the parties will cooperate and coordinate their efforts to have the District Property and the Subject Property exempted from real property taxes. Purchaser shall pay the costs of recording the Deed (as defined below).

Any escrow fees shall be paid equally by both parties. For the purposes of prorations, Purchaser shall be deemed to have owned the Subject Property for the entire Closing Date. All other recording fees shall be split equally among the parties. All other costs shall be paid by Purchaser.

8. **Closing and Transfer of Title.** The Closing and delivery of deed and possession of the Subject Property from the Seller to the Purchaser shall occur on or before the 12th day of September, 2007, at (the "Closing Date"), at Transnation/Land America Title Company at 950 W. Bannock Street; Suite 250, Boise, Idaho 83702, Attention: Nancilee Boslau ("Escrow Holder").

a) **Seller's Deposit.** On or before the Closing Date, Seller shall deposit with Escrow Holder the following:

- (i) The duly executed and acknowledged Deed conveying the Subject Property to Purchaser;
- (ii) A duly executed Master Declaration Agreement (as defined in Section 12);
- (iii) A duly executed Joint Operations and Maintenance Agreement (as defined in Section 12);

b) **Purchaser's Deposit.** On or before the Closing Date, Buyer shall deposit with Escrow Holder the following:

- (i) The entire Purchase Price;
- (ii) The duly executed Master Declaration Agreement;
- (iii) A duly executed Joint Operations Maintenance Agreement.

c) **Closing Procedure.** Seller shall instruct Escrow Holder to record the Deed when Escrow Holder is in a position to disburse the Purchase Price to Seller.

Purchaser shall instruct Escrow Holder to disburse the Purchase Price to Seller upon recordation of the Deed and when Escrow Holder is in a position to issue the title policy required by Section 10 hereof and the other conditions as set forth herein are satisfied.

9. Risk of Loss and Insurance. Risk of loss to the Subject Property resulting from fire or other casualty shall remain with the Seller until the date of Closing. In the event that the Subject Property shall be damaged or destroyed by fire or other casualty prior to the Closing, to the extent that the Subject Property is not entirely repaired within sixty (60) days, then and in such event this Agreement shall terminate forthwith and the Seller and the Purchaser shall be relieved of any obligations to each other under this Agreement.

10. Default. In the event that the Purchaser fails to close within ten (10) days of the Closing Date, as a result of the inability of the Purchaser to obtain required approvals and financing, this Agreement shall be null and void. In the event that the Purchaser otherwise fails to close within ten (10) days of The Closing Date, either party shall have the right to declare this Agreement to be null and void upon ten (10) days advance written notice to the other, and if the default is not cured within the ten (10) day period, this Agreement shall be null and void and each party shall be released from any further obligation or liability to the other except for any provisions which expressly survive this Agreement.

11. Purchaser's Condition and Contingencies. Notwithstanding the execution of this Agreement, Purchaser may terminate this Agreement as set forth below unless each of the following conditions have been met or Purchaser has waived the conditions:

a) **Conditions of Title.**

Title to the Subject Property shall be conveyed by a special warranty deed in the form attached hereto as Exhibit "C", (the "Deed"), and shall be free and clear of all liens, encumbrances, assessments, restrictions, and tenancies, whether recorded or unrecorded except (i) the lien of taxes and assessments, if any, not yet due and payable; (ii) any and all encumbrances, conditions, restrictions, limitations and easements encumbering the Subject Property approved in writing by Purchaser, (iii) the title insurer's standard printed exceptions; (iv) the Master Declaration and Joint Operations and Maintenance Agreement (as defined herein); and (v) those exceptions which are approved or deemed approved by Buyer as set forth in this Section 10(a) (collectively, the "**Permitted Exceptions**").

Upon execution of this Agreement, Seller shall obtain or cause the Escrow Holder (as defined above) to obtain a commitment for title insurance ("**Title Report**") with instructions that the original Title Report together with copies of documents creating exceptions thereon be delivered to Purchaser with copy to Seller. Purchaser shall have fifteen (15) days after receipt of the Title Report and copies of documents creating exceptions thereon, to review the condition of title set forth in the Title Report and to deliver notice to Seller in writing of any objections Purchaser may have, with reasons specified, of anything contained in the Title Report ("**Purchaser's Title Notice**"). Any such item which Purchaser shall not object to within the time period set forth above shall be conclusively deemed as approved by Purchaser as Permitted Exceptions. If Purchaser objects to any item contained in the Title Report, Purchaser shall have the option, but not the obligation, to satisfy such objection prior to closing. Unless Seller

gives Purchaser written notice that Seller is willing to satisfy Purchaser's written objections to the Title Report within ten (10) days after receipt of Purchaser's objections ("**Seller's Title Notice**"), Seller shall be deemed to be unwilling or unable to satisfy such objections and Buyer may either waive such objections or terminate this Agreement by delivering written notice to Seller within ten (10) days after Seller's Title Notice is received or the time has expired for Seller to deliver Seller's Title Notice, whichever is earlier. Failure of Purchaser to deliver such notice to Seller within such ten (10) day period shall be conclusively deemed Purchaser's waiver of such objections and all such items shall be Permitted Exceptions.

b) **Title Insurance.** At closing Seller shall provide, at its expense, Purchaser with an ATLA standard coverage owner's policy of title insurance, in the amount of the purchase price, insuring fee simple title to District Property to be vested in Purchaser, subject only to the Permitted Exceptions. Purchaser shall pay any surcharge or additional premium for any extended title insurance coverage, and the cost of any additional survey or other items required by the title company to issue such extended title insurance coverage

c) **Financing Contingencies.** Purchaser's obligation to close is contingent upon the Purchaser obtaining financing from a commercial bonding institution, the State of Idaho, or donations, or any combination thereof, and approval of its Board of Trustees, in such amounts and on such terms as shall be acceptable to the Purchaser.

d) **Joint Use/Common Space.** The Parties will at closing, enter into a Master Declaration Agreement in the form attached hereto as Exhibit "D" ("Master Declaration Agreement") and a Joint Operations and Maintenance Agreement in the

form attached hereto as Exhibit “E” (“Joint Operations and Maintenance Agreement”). The Master Declaration Agreement is subject to approval by the appropriate governmental agencies and is subject to change in order to obtain the necessary approvals. All changes will be approved by the parties.

12. Notices. Any notices to be given or made hereunder shall be in writing and shall be deemed to be delivered when properly addressed and posted by registered or certified mail, postage prepaid, to the party being given such notice at the last known address of such party. The address of the parties set forth herein shall be considered the last known address of each unless said party notifies the other in writing pursuant to the provisions of this paragraph.

To Purchaser: Vice President for Financial Services
Idaho State University
Campus Stop 8219
Pocatello, ID 83209
Phone: (208)
282-3234

With copy to: General Counsel
Idaho State University
Campus Stop 8410
Pocatello, ID 83209
Phone: (208) 282-3234

To Seller: Joint School District No. 2, Ada and Canyon Counties
911 Meridian Road
Meridian, ID 83642
Attention: Dr. Linda Clark
Phone: (208) 855-4500

With copy to: Hawley Troxell Ennis & Hawley LLP
877 Main Street, Suite 1000
P.O. Box 1617
Boise, ID 83701
Attention: Paula Landholm Kluksdal
Phone (208) 388-4884

13. **Integration.** This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of such parties in connection herewith. Any amendment or supplement hereto, including the joint use/common space agreement referred to in section 14 above, shall also be in writing.

14. **Headings.** The headings in this Agreements are inserted for convenience and identification only, and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any of the provisions hereof.

15. **Cumulative Rights and Remedies.** The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy shall not preclude or waive the right of such party to use any or all other remedies available to such party.

16. **Assignment.** This Agreement may not be assigned nor may any interest in Subject Property, be sublet, in whole or in part, without the prior written consent of the Seller.

17. **Compliance with Law.** Seller has complied with all applicable laws of the State of Idaho, including ordinances, regulations, statutes, rules and restrictions relating to the Property or any part thereof.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have hereunto set their hands and seals this day and year first above written.

Joint School District No. 2, Ada and Canyon Counties

By: _____
Dr. Linda Clark
Superintendent

Dated: _____

**BOARD OF TRUSTEES AND STATE BOARD OF
EDUCATION OF IDAHO STATE UNIVERSITY**

By: _____

Name: _____

Its: _____

Dated: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF SCHOOL DISTRICT PROPERTY

EXHIBIT "B"

LEGAL DESCRIPTION OF THE ISU PROPERTY

EXHIBIT "C"

SPECIAL WARRANTY DEED

When recorded, return to:

Attachment 9 – EXHIBIT C

Paula L. Kluksdal
Hawley Troxell Ennis and Hawley LLP
877 Main Street
Boise, Idaho 83702

SPECIAL WARRANTY DEED

For good and valuable consideration, JOINT SCHOOL DISTRICT NO. 2, Ada and Canyon Counties, Idaho, an Idaho school district ("Grantor"), does hereby grant, bargain, sell and convey unto Board of Trustees and State Board of Education of Idaho State University ("Grantee"), whose address is, Campus Stop 8219, Pocatello, Idaho, 83209, all of Grantors' right, title and interest in and to the real property located in Ada County, Idaho, legally described on the attached Exhibit A, which exhibit is made a part hereof, together with all appurtenances thereto (the "Property").

Reserving unto Grantor any and all rights and easements of record which benefit any of Grantor's other property.

To have and to hold said Property, unto Grantee and to Grantee's heirs, successors and assigns forever.

Grantee is not relying on representations of Grantor, whether oral or written, and Grantee is purchasing the Property "AS IS," "WHERE IS" and "WITH ALL FAULTS AND DEFECTS" and Grantee acknowledges and agrees that Grantor has not made, does not make and specifically disclaims any representations, warranties, promises, covenants, agreements or guaranties whatsoever, whether express or implied, oral or written, Grantee acknowledges that it has been afforded the opportunity to inspect the Property.

Grantor, for itself and its heirs, does hereby covenant to and with Grantee and its heirs, successors and assigns that (i) Grantor has not conveyed the same estate, or any right, title or interest therein, to any person or entity other than Grantee; (ii) the Property is free from all encumbrances, charges and liens done, made or suffered by Grantor, or any person claiming under Grantor, except easements, restrictions, agreements and encumbrances of record as of the date of this instrument, and general taxes and assessments, including irrigation assessments (if any) for the current year, which are not yet due and payable, unless approved in writing by Grantee; and (iii) Grantor will warrant and defend, including attorneys' fees, the same forever from all other lawful claims arising by or through the Grantor.

IN WITNESS WHEREOF, Grantor has caused its name to be hereunto subscribed this _____ day of _____, 2007.

GRANTOR:

JOINT SCHOOL DISTRICT NO. 2

By: _____
Dr. Linda Clark
Its: Superintendent

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

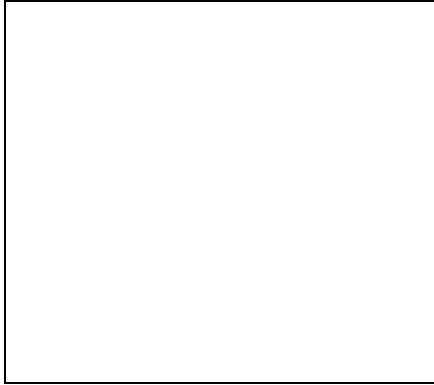
STATE OF IDAHO)
) ss.
County of Ada)

On this _____ day of March, 2007, before me, _____, a Notary Public in and for said State, personally appeared Dr. Linda Clark, known or identified to me to be the Superintendent of JOINT SCHOOL DISTRICT NO. 2, the entity that executed the within instrument or the person who executed the instrument on behalf of said entity, and acknowledged to me that such entity executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for Idaho
Residing at _____
My commission expires _____

WITNESS my hand and official seal hereto affixed the day and year first above written.



(Use This Space for Notarial Seal Stamp)

Notary Public in and for the State of Idaho,
residing at _____
My commission expires: _____

EXHIBIT A

Legal Description of the Property

EXHIBIT "D"

MASTER DECLARATION AGREEMENT

See Attachment 11

EXHIBIT "E"

JOINT OPERATIONS AND MAINTENANCE AGREEMENT

See Attachment 10

JOINT OPERATIONS AND MAINTENANCE AGREEMENT

THIS JOINT OPERATIONS AND MAINTENANCE AGREEMENT is made on _____, 2007, by the BOARD OF TRUSTEES AND STATE BOARD OF EDUCATION OF IDAHO STATE UNIVERSITY ("ISU") and JOINT SCHOOL DISTRICT NO. 2, Ada and Canyon Counties, Idaho, an Idaho school district ("School District").

PREAMBLE:

A. The School District is the owner of certain real property located in the City of Meridian, County of Ada, State of Idaho, described in Exhibit "A" attached hereto and by this reference incorporated herein (the "School District Property"). ISU is the owner of certain real property located in the City of Meridian, County of Ada, State of Idaho, described in Exhibit "B" attached hereto and by this reference incorporated herein (the "ISU Property"; the ISU Property and the School District Property are herein collectively called the "Property").

B. Concurrently with the recording of this Agreement, School District has conveyed the ISU Property to ISU. The parties have determined that it is desirable and necessary, for the efficient preservation of the values of the Property and for the maintenance and preservation of the Building (as defined below) and the Common Areas (as defined below) to enter into this Agreement for the purpose of maintaining and administering the Common Areas and enforcing the covenants, conditions and restrictions herein contained, and collecting and disbursing the assessments and charges hereinafter created.

C. ISU and the School District have entered into that certain "Master Declaration Agreement" which encumbers the Property and is recorded concurrently herewith ("**Declaration**"). Pursuant to the Declaration the Owners have imposed certain restrictions on their Parcels and have executed reciprocal easements each in favor of the other covering the Common Area (defined below).

D. ISU and the School District hereby declare that they desire to enter into an agreement which governs the joint use and maintenance of the Property and provides for the common operation, cleaning, maintenance, repair, replacement and insurance of the Common Area. The rights, duties and obligations set forth herein shall inure to the benefit of each Owner, and shall be binding on any Owners successors and assigns, and may be enforced by any Owner.

**ARTICLE 1
DEFINITIONS**

The following words, when used in this Agreement and in any amendment to this Agreement, unless otherwise provided, shall have the following meanings:

Section 1.1. “Agreement” shall mean this Joint Operations and Maintenance Agreement, as it may be amended from time to time as provided herein.

Section 1.2. “Building” means the building located on the Property known as the District Services Center.

Section 1.3. “Capital Improvement Assessment” shall mean a charge against each Owner and its Parcel, representing a portion of the cost to the Owners for installation or construction of any capital improvements on any of the Common Areas, including landscaping, which the Owners may from time to time authorize in accordance with Section 2.6 this Agreement.

Section 1.4. “Common Areas” shall mean any portion of the Property, including the Improvements thereon, which are used in common by the Owners or maintained in common by the Owners, including, but not limited to (a) all roadways within the Property, (b) any landscaping located within the Property, (c) all parking areas within the Property, (d) outside and parking lot lighting and signage within the Property, (e) sidewalks within the Property, (f) the exterior of the Building and the roof, and (g) any Improvements which are restricted to a use or uses beneficial to the Owners in common by reason of requirements imposed upon the Property by governmental entities, including but not limited to the mechanical room, as depicted on Exhibit “C” attached hereto, regardless of whether such Improvement are located within the Building.

Section 1.5. “Common Assessments” shall mean the annual charge against each Owner and its Parcel, representing a portion of the total ordinary costs of maintaining, operating, improving, repairing, replacing and managing the Common Areas, and reasonable reserves therefor, which charge shall be paid by each Owner to satisfy Common Expenses as further provided herein.

Section 1.6. “Common Expenses” shall mean the actual and estimated costs of maintenance, management, operation, repair and replacement of the Common Areas (including unpaid Special Assessments and Capital Improvement Assessments) including, but not limited to, reasonable compensation paid by the School District to building supervisors, managers, accountants, attorneys and employees engaged in maintaining, managing, operating, repairing and replacing the Common Areas; the costs of all commonly metered charges for the Property, including but not limited to the costs associated with the lighting in the parking lot; the costs of maintaining, repairing and replacing the Fire Safety Systems (as defined below); the costs of all services benefiting the Common Areas; taxes and assessments, if any, for any of the Common Areas which is not taxed directly to an Owner; and the costs of any other item or items for the benefit of all of the Owners.

Section 1.7. “Fire Safety Systems” shall mean all fire alarm systems, smoke control systems, standby power systems, emergency voice/alarm communication systems, and sprinkler systems, and any other system or device connected to the fire alarm system for the in Building.

Section 1.8. “Improvement” shall mean the exterior of all structures and appurtenances thereto of every kind, whether above or below the land surface, including, but not limited to, the exterior of the Building, utility systems, drainage systems, walkways, driveways, parking areas, standby power systems, fire alarm and control systems, emergency voice and alarm communication systems, smoke control systems, landscaping items, fences, landscaping vegetation, wetland improvements and improvements to wetland buffer areas, irrigation systems, signs, exterior fixtures and any structure of any kind.

Section 1.9. “Occupant” shall mean a lessee or licensee of an Owner, or any other Person other than an Owner in lawful possession of a Parcel, or a portion of a Parcel, with the permission of the Owner.

Section 1.10. “Owner” shall mean the Person, including ISU and the School District, holding fee simple title of record to a Parcel, including purchasers under executory contracts of sale. “Owners” shall mean all of the owners of Parcels within the Property.

Section 1.11. “Owners Committee” shall mean a committee composed of representatives of the Owners who shall meet and decide certain matters related to the Common Areas set forth in these Articles. The Owners Committee will be comprised of two representatives designated by each Owner, for a total of four (4) members. Matters requiring Owners Committee approval will be decided by consensus or unanimous vote. If the event there is not a consensus or unanimous vote, the Owners Committee will be deemed to have rejected or denied the request or proposal.

Section 1.12. “Parcel” shall mean each of the ISU Property and the School District Property or any portion therein.

Section 1.13. “Person” shall mean a natural individual, corporation or any other entity with the legal right to hold title to real property.

Section 1.14. “Property” shall mean all of the Parcels.

Section 1.15. “Reconstruction Assessment” shall mean a charge against each Owner and its Parcel, representing a portion of the cost for repair or replacement of any portion of damaged or lost Improvements in the Common Areas, as provided for in this Agreement.

Section 1.16. “Service Facilities” shall mean loading docks, trash enclosures and compactors, exterior coolers, electrical and refrigeration facilities and other similar service facilities.

Section 1.17. “Signs” shall mean any structure, device or contrivance, electric or non-electric, upon or within which any poster, bill, bulletin, printing, lettering,

painting, device or other advertising of any kind whatsoever is used, placed, posted, tacked, nailed, pasted or otherwise fastened or affixed.

Section 1.18. “Special Assessment” shall mean a charge against a particular Owner and its Parcel, directly attributable to, or reimbursable by, said Owner, equal to the cost incurred by the other Owner for corrective action performed pursuant to the provisions of this Agreement, plus interest and other charges thereon, as provided for in this Agreement.

Section 1.19. “Street” shall mean any street, driveway, lane, place or other thoroughfare either within or adjacent to the Property or as so used as a part of the Common Areas.

Section 1.20. “Visible from the Street” shall mean, with respect to any given object on a Parcel, that such object is or would be visible to a person six (6) feet tall, standing at ground level on a Street.

ARTICLE 2 REPAIR AND MAINTENANCE DUTIES; COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 2.1. Repair and Maintenance Duties of the School District. Subject to its receipt of ISU's share of Capital Improvement Assessments, Common Assessments, Reconstruction Assessments and Special Assessments, the School District shall maintain, repair, replace, resurface and make necessary improvements to the Common Areas and perform all items of common or shared maintenance required under the Declaration, to assure the maintenance of the Common Areas and perform all items of common or shared maintenance required under the Declaration, including, without limitation, all Improvements thereon, in a first class, sanitary and attractive condition. The School district shall have the right to perform such duties through the use of its own employees or shall contract for such maintenance, repair and improvements. Such maintenance, repairs and improvements shall include, without limitation (a) maintenance and replacement of shrubs, trees, vegetation, irrigation systems and other landscaping Improvements located on the Common Areas, mechanical and electrical equipment in the Common Areas; (b) repair and maintenance of all recreational areas, walks and other means of ingress and egress within the Common Areas; (c) maintenance of a central trash collection facility or facilities; (d) mechanical and electrical equipment; (e) repaving, resurfacing and re-striping of the parking lot; and (f) maintenance, repair and improvement of all Fire Safety Systems for the Building together with any other mechanical or other system providing common service or required to be maintained in common.

Section 2.2. Payment for Common Maintenance. All such maintenance, repairs and improvements to the Common Areas shall be paid for as Common Expenses. Subject to applicable bidding laws, and with the advice and input of the Owners Committee, the School District may enter into a management service contract to perform said services, but not for a term in excess of one (1) year; provided, however, before entering into such a management service contract the School District shall first offer to ISU the right to perform said services; provided, further, however, that

ISU must have the same or better experience as a management service provider and must be able to perform said services at a price which is competitive with a management service provider. In the event the School District, or its successors and assigns, should desire to not perform the foregoing obligations and ISU, or its successors and assigns is willing to perform said obligations, the parties shall execute and record an amendment to this Agreement which shall provide for ISU or its successor and assigns to perform said obligations.

Section 2.3. Fire Equipment. The School District shall be responsible for insuring that the necessary equipment is accessible for the Meridian Fire Department for the entire Building. ISU shall reimburse the School District, as part of the Common Assessment, for any and all costs associated therewith, including but not limited to any costs incurred as a result of the School District's inability to properly access the Building in order to maintain the necessary fire equipment. ISU hereby agrees to insure that the fire equipment is in no way obstructed or that the School District's ability to maintain the fire equipment for the Meridian Fire Department.

Section 2.4. Creation of the Lien and Personal Obligations of Assessments. ISU and the School District hereby covenant and agree to pay, and each successor Owner, by acceptance of a deed to a Parcel, whether or not it shall be so expressed in any such deed, is deemed to covenant and agree to pay, to the School District all Common Assessments for Common Expenses and all applicable Special Assessments, Reconstruction Assessments and Capital Improvement Assessments. All such assessments, together with interest, costs and reasonable attorneys fees, shall be a charge and a continuing lien against the Parcel against which each such assessment is made and shall also be a separate, distinct and personal obligation of the Owner at the time the assessments fall due, and shall bind his heirs, successors in interest, devisees, personal representatives and assigns. This personal obligation cannot be avoided by abandonment of the Parcel or Improvements thereon or by an offer to waive use of the Common Areas.

Section 2.5. Purpose of Assessments. The assessments levied pursuant to this Agreement shall be used to promote the health, safety, welfare and general benefit of the Owners and their employees and for the operation, replacement, improvement and maintenance of the Common Areas. All assessments must be used solely for the common benefit of the Owners for purposes authorized by this Agreement, as it may be amended from time to time. Disbursements by the School District Property Owner shall be made for such purposes as may be necessary for the discharge of its responsibilities herein for the common benefit of the Owners.

Section 2.6. Determination of Common Assessments. No later than October 1 of each calendar year, the School District shall prepare and provide to ISU an estimate of the Common Assessments for the following calendar year, broken down by Parcel, including a reasonable provision for contingencies and reserves for infrequently recurring expenditures. Without first receiving the approval of ISU, the School District may increase the annual Common Assessment against each Owner and the interest of such Owner in its Parcel in any calendar year by an amount not in excess of twenty percent (20%) of the annual Common Assessment levied in the preceding calendar

year. Any increase in excess of twenty percent (20%) shall require the prior approval of both Owners. Not later than ninety (90) days after the end of each calendar year, the School District shall prepare and distribute to ISU an annual report, including a balance sheet and an income statement reflecting the total income and Common Expenses during such calendar year in performing its functions under this Agreement. Common Assessments relating to Common Expenses shall be borne by the Owners and their Parcels proportionately by dividing the amount of the square footage of the Building owned by such Owner by the total square footage of the Building. Such proportionate share shall be reallocated monthly based upon any improvements or additions made to the Building. ISU shall pay to the School District its annual Common Assessment in installments at monthly intervals, or at such frequency and in such amounts as may hereafter be agreed upon by the Owners. In the event that the School District shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it shall immediately determine the approximate amount of such inadequacy and inform ISU. The School District shall have the authority to levy at any time a supplemental Common Assessment reflecting a revision of the total charges to be assessed against each Owner and the interest of such Owner in its Parcel, which supplemental Common Assessment shall not exceed: (1) twenty percent (20%) of the then current Common Assessment, if the current Common Assessment has been previously approved by the Owners, or (2) if the current Common Assessment has not been so approved, twenty percent (20%) of the previous year's Common Assessment. To the extent that any supplemental Common Assessment or the aggregate of any supplemental Common Assessments in any calendar year exceeds the foregoing, such excess shall require the prior approval of the Owners. Written notice of any change in the amount of Common Assessments shall be given to ISU not less than thirty (30) days prior to the effective date of such change.

Section 2.7. Collection of Common Assessments. Within thirty (30) days of execution of this Agreement, the School District shall fix and collect from each Owner its pro-rata share of the Common Assessments. Each Owner shall make payment of its pro-rata share of the Common Assessments on the first day of the month thereafter. Common Assessments for fractions of any period involved shall be prorated. At the end of any calendar year, the Owners may determine that all excess assessment funds be returned to the Owners proportionately or be retained by the School District and used to reduce the following year's Common Assessments. In any voluntary or involuntary conveyance of a Parcel, the new Owner ("Purchaser") shall be jointly and severally liable with the previous Owner ("Seller") for all unpaid installments of assessments levied by the School District against the Seller for its share of the Common Expenses up to the date of Close of Escrow of the conveyance, without prejudice to the right of the Purchaser to collect from the Seller therefor. However, any such Purchaser shall be entitled to a statement from the School District setting forth the amount of the unpaid assessments against the Seller due the School District as of the date the School District receives the request by such Purchaser, provided, however, that the Purchaser shall be personally liable for any and all installments of assessments and other charges becoming due after the Close of Escrow for the conveyance.

Section 2.8. Capital Improvement Assessments. Should the Owners determine the need for a capital improvement or replacement expenditure, the cost of

which is in excess of Fifty Thousand and No/100 Dollars (\$50,000.00), or which will materially affect, reduce or impede the use of the Common Area, then approval by both Owners shall be required to approve and render effective a Capital Improvement Assessment to cover the cost of such expenditure. Such Capital Improvement Assessment shall be prorated based on the same proportionate share as the Common Area Assessment.

ARTICLE 3 NONPAYMENT OF ASSESSMENTS

Section 3.1. Delinquency. Any installment of an assessment provided for in this Agreement shall become delinquent if not paid on the due date. With respect to each installment of an assessment not paid within ten (10) days after its due date, the non-delinquent Owner may, at its election, require the delinquent Owner to pay a "late charge" in a sum equal to six percent (6%) of such delinquent installment, together with interest on such delinquent sums at a rate equal to fifteen percent (15%) per annum, calculated from the date of delinquency to and including the date full payment is received by the non-delinquent Owner. If any installment of an assessment is not paid within thirty (30) days after its due date, the non-delinquent Owner may mail a notice to the delinquent Owner. The notice shall specify: (1) the fact that the installment is delinquent; (2) the action required to cure the default; (3) a date not less than three (3) days from the date the notice is mailed to the delinquent Owner by which date such default must be cured; and (4) that failure to cure the default on or before the date specified in the notice may result in acceleration of the balance of the installments of the assessments for the then current fiscal year and sale of the Owner's interest in its Parcel. The notice shall further inform the delinquent Owner of its right, if any, to cure after acceleration. If the delinquent installments of the assessments and any charges thereon are not paid in full on or before the date specified in the notice, the non-delinquent Owner, at its option, may declare all of the unpaid balance of the assessments for the then current fiscal year attributable to the delinquent Owner and its Parcel or interest therein to be immediately due and payable without further demand and may enforce the collection of the assessments and all charges thereon in any manner authorized by law or by this Agreement.

Section 3.2. Lien and Notice of Lien. Each Owner vests in the other Owner the right and power to bring all actions at law or to foreclose the non-delinquent Owner's lien provided for in Section 3.1 above against an Owner and such Owner's Parcel for the collection of delinquent assessments. No action shall be brought to foreclose said delinquent assessment lien or to proceed under the power of sale herein provided sooner than thirty (30) days after the date a notice of claim of lien is recorded by the non-delinquent Owner in the Office of the Real Property Records, Ada County, Idaho, and a copy thereof is deposited in the United States mails, certified or registered, postage prepaid, to the Owner of said Parcel at said Owner's last known address. Said notice of claim of lien must contain a sufficient legal description of said Parcel, the record owner or reputed owner thereof and the amount claimed, including the cost of preparing and recording the notice of claim of lien, late charges and interest on said unpaid assessments and costs of collections, including reasonable attorneys fee.

Section 3.3. Foreclosure and Sale. Any such foreclosure and sale provided for above shall be conducted in accordance with the laws of the State of Idaho applicable to the exercise of powers of foreclosure and sale of mortgages. The non-delinquent Owner, through its duly authorized agents, shall have the power to bid on the Parcel at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

Section 3.4. Curing the Default. Upon the timely curing of any default for which a notice of claim of lien was recorded by the non-delinquent Owner, the non-delinquent Owner shall record an appropriate release of such notice, upon payment by the defaulting Owner of all fees to cover the cost of preparing and recording such release, together with the payment of such other costs, interest and fees as shall have been incurred by the non-delinquent Owner by reason of such default. Any purchaser or encumbrancer who has acted in good faith and extended value may rely upon such release as conclusive evidence of the full satisfaction of the sums stated in the notice of claim of lien.

Section 3.5. Cumulative Remedies. The assessment lien and right of foreclosure and sale thereunder shall be in addition to, and not in substitution for, all other rights and remedies which the non-delinquent Owner may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, but any institution of a suit to recover a money judgment shall not constitute an affirmation of the adequacy of money damages.

Section 3.6. Subordination of Assessment Liens. All sums assessed in accordance with the provisions of this Agreement shall constitute a lien on the respective Parcel prior and superior to all other liens, except (1) all taxes, bonds, assessments and other levies or liens which, by law, would be superior thereto, and (2) the lien or charge of any Mortgage of Record made in good faith and for value and recorded prior to the date on which the notice of claim of lien is recorded. Upon the foreclosure of, or the acceptance of a deed in lieu of foreclosure of, a Mortgage described above, the foreclosure-purchaser or deed-in-lieu-grantee shall take title free of the lien for unpaid assessments for all said charges that have accrued up to the time of the foreclosure or deed given in lieu of foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the foreclosure or deed-in-lieu-of-foreclosure.

ARTICLE 4

COMMON AREA, UTILITIES, CONSTRUCTION AND RIGHT'S OF ENTRY

Section 4.1. Easements for Maintenance, Access and Parking.

(a) Easement for Bus Circulation. ISU hereby agrees to maintain the Common Area on the ISU Property so as to not interfere or obstruct the flow the School District's busing route and use of the Common Area by the School District's buses. The parties agree that the intended busing routes will be as set forth on Exhibit "D" attached hereto and incorporated herein by reference.

(b) Easement for Signage. The School District hereby grants and conveys to ISU a perpetual non-exclusive easement for the right to construct Signs, which are approved in writing by the School District, at the locations as set forth on Exhibit "E" attached hereto and incorporated herein by reference.

(c) Easement for Maintenance and Repair. Each Owner grants to the other Owner perpetual nonexclusive easements over the Common Areas and the Parcels as necessary to maintain and repair the Common Areas and to perform all tasks in accordance with the provisions of this Agreement.

(d) Easement for Parking. ISU and the School District hereby grant and convey to the other a perpetual, non-exclusive easement to use all parking areas presently existing or which may exist in the future on the Property. No Owner may reduce the number of parking stalls on its Parcel if such reduction would impair or affect the use of the other Parcel. Any parking immediately adjacent to an Owner's primary entrance into the Building on that Owner's Parcel shall be primarily for the use of that Owner. The Owners Committee will review parking needs of the Owners, and will agree upon parking rules, as necessary, including but not limited to, reserved and/or priority parking for the respective Owners during specified hours and use of the parking lot during special events.

(e) Walkways and Driveways. There shall be no obstruction of any streets, entranceways, walkways or driveways located within the Property which would interfere with the free circulation of foot, bicycle, automobile or truck traffic, except such obstruction as may be reasonably required in connection with repairs of such streets, walkways or driveways. Free use of the entranceways, walkways and driveways and free circulation of foot, bicycle and vehicular traffic are essential elements of the Property.

Section 4.2. Utilities and HVAC System. Except for the cost associated with maintaining the lighting in the parking lot, all utilities must be separately metered to each Parcel. Each Parcel shall own, maintain and repair its own HVAC units and systems.

Section 4.3. Rights of Entry. Each Owner shall have a limited right of entry in and upon the exterior of all Improvements located on any Parcel for the purpose of inspecting the same and taking whatever corrective action may be deemed

necessary or proper, as may be authorized by the provisions of this Agreement. However, nothing herein shall be construed to impose any obligation upon an Owner to maintain or repair any portion of a Parcel or any Improvement thereon which is to be maintained or repaired by the other Owner. Nothing in this Article shall in any manner limit the right of any Owner to the occupancy and control over the interior of the portion of the Building located upon its Parcel. However, each Owner shall permit access to such Owner's Parcel or Improvements thereon by the other Owner as reasonably necessary, such as in case of any emergency originating on or threatening such Parcel or Improvements, whether or not such Owner is present.

Section 4.4. Parking Lot Lighting. The Owner of the School District Property shall maintain the lighting in the parking lot. Such lighting shall remain on during the hours that the Owner of the School District Property deems necessary. The cost of the maintaining, repairing and replacing the parking lot lighting shall be a Common Area Expense and shall be a Common Expense.

Section 4.5. Individual Maintenance Obligations. Each Owner is responsible for all Service Facilities on its Parcel and shall insure that all outdoor refuse collection areas shall be visually screened so as not to be Visible from the Street and no refuse collection area shall be permitted between a street and the front of each Owner's portion of the Building.

(a) Security. Each Owner shall be responsible to provide any, if at all, security for its Parcel. Providing security shall not be the responsibility of the Owner of the School District Property and shall not be a Common Expense.

ARTICLE 5 SHARED USE OF THE FACILITIES

The parties hereby agree that the Owners have an interest in sharing the use of the Building. Except as specifically set forth herein or in the Master Declaration Agreement recorded against the Property, an Owner shall be allowed to use the other Owner's portion of the Building by obtaining written approval of the other Owner as to the dates and times of the use and the type of use. The Owner using the other Owner's portion of the Building shall pay to such other Owner the amounts as set forth on Exhibit "F" hereto for the use of the Building. This Exhibit may be amended as agreed to by the Owners.

ARTICLE 6 DAMAGE OR LOSS TO IMPROVEMENTS

Section 6.1. Insurance. The School District shall be responsible for maintaining the necessary commercial general liability and casualty insurance for the Property. The limits of liability of all such insurance shall be a combined single limit (covering personal injury, bodily injury and property damage) of \$_____ per occurrence. The School District shall provide ISU with a certificate evidencing such insurance. ISU shall reimburse the School District for its pro-rata share of the premium and deductibles related to the insurance, within fifteen (15) days of the School District

providing a receipt for such insurance to ISU. Such pro-rata share shall be based on the same proportionate share as the Common Area Assessment. In the event the premium for such insurance is increased due to a claim(s) against an Owner, such Owner shall be solely responsible for the increase in the premium due to the claim(s). Each Owner shall be responsible for maintaining any and all insurance for its personal property.

Section 6.2. Restoration of Common Areas. Except as otherwise provided in this Agreement, in the event of any destruction of any portion of the Common Areas other than any portion of the Building, it shall be the duty of the School District Property Owner to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance shall be used for such purpose. The Common Areas and all other Improvements located within the Common Areas shall be reconstructed or rebuilt substantially in accordance with the original construction plans if they are available, with such changes as are approved by the Owners. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than the estimated cost of restoration and repair, a Reconstruction Assessment shall be levied by the School District Property Owner upon the Owners and their Parcels in order to provide the necessary funds for such reconstruction over and above the amount of any insurance proceeds available for such purpose. Reconstruction Assessments shall be borne by the Owners in the same proportions as Common Assessments.

Section 6.3. Restoration Obligations of Owners. In the event of the damage or destruction of any portion of a Parcel or the portion of the Building thereon, then it shall be the duty of the Owner of such Parcel, as soon as may be practical, to repair and replace the damage or destruction, or such portion thereof as will render such damage or destruction indiscernible from the exterior of the Parcel.

Section 6.4. Condemnation. In the event the whole, or any part, of the Common Areas shall be taken or condemned by any authority exercising the power of eminent domain, the Owners shall appear and defend such proceedings; provided, that if a Parcel is encumbered by a Mortgage or Mortgages which has or have a provision relating to condemnation, then in lieu of distributing the award to the Owner of said Parcel, that Owner's portion of the award shall be paid to the Mortgagee of the Mortgage with the highest priority and seniority for distribution and payment in accordance with the terms and conditions of said Mortgagee's Mortgage.

ARTICLE 7 DURATION AND AMENDMENT

Section 7.1. Future Additions to the Building. In the Event an Owner desires to increase the square footage of the Building owned by it, it must provide written notice to the other Owner of such addition thirty (30) days prior to the commencement of such construction. In the event such additions are likely to materially affect, reduce, or impede the use of the Common Areas, the Owner proposing to construct the additional square footage will first obtain the review and approval of the Owners Committee, and such approval will not be unreasonably withheld. All

construction must be completed as quickly as possible and must comply with all applicable local, state and federal regulations, rules and ordinances and laws, including but not limited to parking requirements. All staging must be on the Owner's own Parcel and must not inhibit access to the Property and must not unreasonably interfere with the other Owner's use of the Common Area. Any improvements or remodeling to the Building which requires additions, changes or improvements to the Common Area of the Fire Safety System shall be the sole responsibility and cost of the Owner making such additions or improvements. Any and all remodeling, additions or changes made to the Building by an Owner shall comply with all applicable laws, rules and regulations

Section 7.2. Building Improvements.

(a) The Building may not be changed in anyway (including, without limitation, signs and color) without first providing prior written notice to the Owners as to the exterior elevations (including, without limitation, signs and color) of modification. All modifications to the Building must comply with all applicable rules, laws, regulations and ordinances.

Section 7.3. Construction Requirements.

(a) All work performed in the construction, maintenance, repair, replacement, alteration or expansion of the Building or Common Area improvements located on the Property shall be effected as expeditiously as possible and in such a manner as not to unreasonably interfere, obstruct or delay (i) access to or from the Building, or any part thereof, to or from any public right-of-way, (ii) vehicular parking in that portion of the improved Common Area located in from of the Building, or (iii) the busing route or delivery of receiving of merchandise by any business on the Property including, without limitation, access to Building. All staging for the construction, maintenance, repair, replacement, alteration or expansion of the Building or Common Area improvements located on the Property including, without limitation, the location of any temporary buildings or construction sheds, the storage of building materials, and the parking of construction vehicles and equipment shall be limited to that portion of the Property approved in writing by the Owners. Unless otherwise specifically state herein, the person contracting for the performance of such work ("Contracting Party") shall, at its sole cost and expense, promptly repair and restore or cause to be promptly repaired and restored to its prior condition all buildings, improvements, signs, utility lines and Common Area damaged or destroyed in the performance of such work. Any improvements or remodeling to the Building which requires additions, changes or improvements to the Common Area of the Fire Safety System shall be the sole responsibility and cost of the Owner making such additions or improvements.

(b) The Contracting Party shall not permit any liens to stand against any Parcel for any work done or materials furnished in connection with the performance of the work described in subparagraph (a) above; provided, however, that the Contracting Party shall, within thirty (30) days after receipt of written notice from the Owner or Occupant of any Parcel encumbered by any such lien or claim of lien, cause any such outstanding lien or claim of lien to be released of record or transferred to bond

in accordance with applicable law, failing which the Owner or Occupant of said Parcel shall have the right, at the Contracting Party's expense, to transfer said lien to bond.

(c) (c) The parties acknowledge and agree that incidental encroachments upon the Common Area may occur as a result of the use of ladders, scaffolds and similar facilities in connection with the construction, maintenance, repair, replacement, alteration or expansion of the Building, improvements and Common Area located on the Property, all of which are permitted hereunder so long as all activities requiring the use of such facilities are expeditiously pursued to completion and are performed in such a manner as to minimize any interference with the use of the improved Common Area or with the normal operation of any Business in the Building.

ARTICLE 8 GENERAL PROVISIONS

Section 8.1. Duration. This Agreement shall continue in full force until December 31, 2057, and thereafter in ten (10) year intervals unless a Termination of Joint Operations and Maintenance is recorded meeting the requirements of an amendment to this Agreement as set forth in Section 8.2. Notwithstanding any termination of this Agreement, in no event shall the easements granted in Section 4 be terminated, but shall remain in full force and effect.

Section 8.2. Amendment. Notice of the subject matter of a proposed amendment to this Agreement in reasonably detailed form shall be included in the notice of any meeting of the Owners at which a proposed amendment is to be considered. The amendment shall be adopted by the vote, in person or by proxy, or written consent of all Owners.

Section 8.3. Governmental Regulation. All valid governmental enactments, ordinances and regulations are deemed to be part of this Agreement and to the extent that they conflict with any provision, covenant, condition or restriction hereof, said conflicting governmental enactment, ordinance and regulation shall control and the provision, covenant, condition or restriction hereof in conflict therewith shall be deemed (i) amended to the extent necessary to bring it into conformity with said enactment, ordinance and regulation while still preserving the intent and spirit of the provision, covenant, condition or restriction or (ii) stricken herefrom should no amendment conforming to the governmental enactment, ordinance or restriction be capable of preserving the intent and spirit of said provision, covenant, condition or restriction

ARTICLE 9 GENERAL PROVISIONS

Section 9.1. Waiver of Use. No Owner may exempt himself from personal liability for assessments duly levied under this Agreement, nor release its Parcel from the liens and charges hereof, by waiver of the use and enjoyment of the Common Areas or by abandonment of its Parcel.

Section 9.2. Leasing of Property. Every lease or other agreement for the hire or occupation ("lease") of any portion of the Property which is executed after the

recording of this Agreement shall be subject to the provisions of this Agreement, and every Occupant of a Parcel or a portion thereof shall in all applicable respects comply with the provisions of this Agreement. Every Owner shall:

(a) Include in any agreement for the lease of all or any portion of its Parcel a specific provision that said lease is subject to this Agreement, that the Occupant of the Parcel will comply with the provisions of this Agreement, and that such provisions are an integral part of the lease; and

Not execute a lease to any portion of the Property without complying with the provisions of Section 9.2(a) above; provided, however, that an Owner's failure to do so shall not diminish the effect of this Agreement with respect to any such lease. The lease shall not become effective until an Occupant has executed a lease containing the provision required in Section 9.2(a) above.

Section 9.3. Legal Proceedings. Failure to comply with any of the terms of this Agreement by an Owner or Occupant, his guests, employees, invitees or tenants, shall be grounds for relief which may include, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought by an aggrieved Owner. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision, or any other provision hereof. Any Owner (not at the time in default hereunder) shall be entitled to bring an action for damages against any defaulting Owner and, in addition, may enjoin any violation of this Agreement. Any judgment rendered in any action or proceeding pursuant thereto shall include a sum for attorneys' fees, including appeals, in such amount as the Court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, together with interest, costs of collection and court costs. Each remedy provided for in this Agreement shall be cumulative and not exclusive or exhaustive.

Section 9.4. Severability. The provisions hereof shall be deemed independent and severable, and a determination of invalidity or partial invalidity or enforceability of any one provision or portion hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provisions hereof.

Section 9.5. Interpretation. The provisions of this Agreement shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the Property and for the maintenance of the Common Areas, and any violation of this Agreement shall be deemed to be a nuisance. The article and section headings, titles and captions have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context otherwise requires, as used herein the singular and the plural shall each include the other and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

Section 9.6. Hold Harmless and Indemnification; Insurance. To the extent permitted by the Idaho Tort Claims Act, Idaho Code § 6-901 et seq., each Owner shall indemnify, defend, protect and hold each other harmless from and against any and all claims of liability for any injury or damage to any person or property arising from School

District's or School District's agents and representatives or ISU's or ISU's agents and representatives use of the Building and Property, or from any activity, work or thing done, permitted or suffered by, in or about the Property and Building. The School District and ISU shall further indemnify, defend, protect and hold each other harmless from and against any and all claims arising from any negligent or intentional act or omission by each's respective agents, contractors or employees, and from and against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such action or proceeding brought thereon. In the event any action or proceeding is brought against the School District or ISU, by reason of any such claim, the entity from whose conduct the claim arose shall, upon notice from the School District or ISU, defend it or them at that entity's expense by counsel satisfactory to the entity to whom indemnification is owed.

Section 9.7. Limitation on Liability and Remedies. The School District and ISU, as a material part of the consideration to each other and in recognition of the cooperative relationship of the parties and their desire to provide for continued public use and enjoyment of the Property, do hereby agree to the following limitations on each other's liability arising from and as well as the use of the Building and the Property. To the fullest extent permitted by law, both the School District and ISU, on each other's behalf and on behalf of all persons or entities claiming by and through either, agree to limit the liability of the School District and ISU for any claims, losses, costs, damages of any nature whatsoever or claims or expenses from any cause or causes, so that the total aggregate liability of a claim against either the School District or ISU shall not exceed the amount of collectible liability insurance that the School District and ISU are separately required to maintain hereunder be liable to the other Owner for any injury to any person or damage to the Common Areas or any equipment thereon which may be sustained by reason of the negligence of said Owner or of his guests, employees, invitees or tenants, to the extent that any such damage shall not be covered by insurance. The costs incurred by the other Owner as a result of such damage shall be deemed a Special Assessment of such Owner and its Parcel, and shall be subject to levy, enforcement and collection by the other Owner in accordance with the assessment lien procedure provided in this Agreement.

Section 9.8. No Public Right or Dedication. Nothing contained in this Agreement shall be deemed to be a gift or dedication of all or any part of the Property to the public, or for any public use.

Section 9.9. Nonliability. No Person shall be liable to any party for injuries or damage resulting from such Person's acts or omissions within what such Person reasonably believed to be the scope of his duties under this Agreement ("Official Acts"), except to the extent that such injuries or damages result from such Person's malicious or criminal misconduct.

Section 9.10. Notices. Except as otherwise provided in this Agreement, in each instance in which notice is to be given to an Owner, the same shall be in writing and may be delivered personally to the Owner, in which case personal delivery of such notice to one or more co-owners of a Parcel or to any general partner of a partnership owning a Parcel shall be deemed delivery to all co-owners or to the partnership, as the

case may be. Personal delivery of such notice to any officer or agent for the service of process on a corporation or limited liability company shall be deemed delivery to the corporation or limited liability company, as the case may be. In lieu of the foregoing, such notice may be delivered by certified or registered United States mail, postage prepaid, return receipt required, addressed to the Owner at the most recent address furnished by such Owner to the other Owner or, if no such address shall have been furnished, to the street address of such Parcel. Such notice shall be deemed delivered forty-eight (48) hours after the time of such mailing.

THIS Agreement has been executed on the date first written above and may be executed in any number of original counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature and notary acknowledgement pages of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature and notary pages are attached to any other counterpart identical thereto except having additional signature and notary pages executed by other parties to this Agreement attached thereto.

**BOARD OF TRUSTEES AND STATE BOARD OF
EDUCATION OF IDAHO STATE UNIVERSITY**

By: _____

Name; _____

Title: _____

**JOINT SCHOOL DISTRICT NO. 2, ADA
AND CANYON COUNTIES, IDAHO**

By: _____

Name: Linda Clark

Title: Superintendent

EXHIBIT "A"

LEGAL DESCRIPTION OF SCHOOL DISTRICT PROPERTY

EXHIBIT "B"

LEGAL DESCRIPTION OF THE ISU PROPERTY

EXHIBIT "C"
MECHANICAL ROOM

EXHIBIT "D"
BUS ROUTES

EXHIBIT "E"

SIGNAGE

EXHIBIT "F"

SHARED USE OF THE FACILITIES

After recording, return to:

Recording Requested By and
When Recorded Return to:
Paula Landholm Kluksdal
HAWLEY TROXELL ENNIS & HAWLEY LLP
P.O. Box 1617
Boise, Idaho 83701

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

(Space Above Provided for Recorder's Office)

MASTER DECLARATION AGREEMENT

THIS MASTER DECLARATION AGREEMENT is made on _____, 2007, by the BOARD OF TRUSTEES AND STATE BOARD OF EDUCATION OF IDAHO STATE UNIVERSITY ("ISU") and JOINT SCHOOL DISTRICT NO. 2, Ada and Canyon Counties, Idaho, an Idaho school district ("School District").

PREAMBLE:

A. The School District is the owner of certain real property located in the City of Meridian, County of Ada, State of Idaho, described in Exhibit "A" attached hereto and by this reference incorporated herein (the "School District Property"). ISU is the owner of certain real property located in the City of Meridian, County of Ada, State of Idaho, described in Exhibit "B" attached hereto and by this reference incorporated herein (the "ISU Property"; the ISU Property and the School District Property are herein collectively called the "Property").

B. Concurrently with the recording of this Agreement, School District has conveyed the ISU Property to ISU. The parties have determined that it is desirable and necessary, for the efficient preservation of the values of the Property and for the maintenance and preservation of the Building (as defined below) and the Common Areas (as defined below) to enter into this Agreement for the purpose of maintaining and administering the Building and Common Areas and insuring the Building complies with the necessary code provisions and regulations.

C. ISU and the School District hereby declare that all of the Property shall be held, leased, occupied, sold and conveyed subject to the following covenants, conditions, restrictions and easements, all and each of which are for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property and for the protection of the Property. All and each of these covenants, conditions,

restrictions and easements are hereby imposed as equitable servitudes upon the Property. The covenants, conditions, restrictions, reservations, easements and equitable servitudes set forth herein shall run with the Property, and every portion thereof, shall be binding on all parties having or acquiring any right, title or interest in the Property or in any part thereof, and their successors and assigns, shall inure to the benefit of every portion of the Property and any interest therein, shall inure to the benefit of each Owner, and his successors and assigns, and may be enforced by any Owner.

ARTICLE 2 DEFINITIONS

The following words, when used in this Agreement and in any amendment to this Agreement, unless otherwise provided, shall have the following meanings:

Section 2.1. “Agreement” shall mean this Master Declaration Agreement, as it may be amended from time to time as provided herein.

Section 2.2. “Building” shall mean the building located on the Property known as the District Services Center.

Section 2.3. “Common Areas” shall mean any portion of the Property, including the Improvements thereon, which are used in common by the Owners or maintained in common by the Owners, including, but not limited to (a) all roadways within the Property, (b) any landscaping located within the Property, (c) all parking areas within the Property as depicted on Exhibit “C” attached hereto, (d) outside and parking lot lighting and signage within the Property, (e) sidewalks within the Property, (f) the roof, and (g) any Improvements which are restricted to a use or uses beneficial to the Owners in common by reason of requirements imposed upon the Property by governmental entities, including but not limited to the mechanical room, as depicted on Exhibit “C” attached hereto, regardless of whether such Improvements are in the Building.

Section 2.4. “Improvement” shall mean all structures, systems and appurtenances thereto of every kind, whether above or below the land surface, including, but not limited to, the Building, utility systems, drainage systems, walkways, driveways, parking areas, landscaping items, fences, landscaping vegetation, wetland improvements and improvements to wetland buffer areas, irrigation systems, signs, exterior fixtures and any structure of any kind.

Section 2.5. “Joint Operations and Maintenance Agreement” shall mean the document executed contemporaneously herewith governing the common maintenance of the Property.

Section 2.6. “Mortgage” - “Mortgagee” - “Mortgagor” shall mean any mortgage, deed of trust or other conveyance of a Parcel to secure the performance of an obligation that will be void and reconveyed upon completion of such performance. Reference in this Agreement to a Mortgagee shall be deemed to include the mortgagee of a mortgage, a beneficiary of a deed of trust or the secured party of any other conveyance

for security purposes; reference to a Mortgagor shall be deemed to include the mortgagor of a mortgage, trustor or grantor of a deed of trust, or the debtor of any other conveyance for security purposes.

Section 2.7. “Notice of Interest” shall mean written notice from an Owner to another Owner of such Owner’s intent to purchase the other Owner’s Parcel pursuant to the terms and conditions of the right of first refusal set forth herein in Article 6.

Section 2.8. “Occupant” shall mean a lessee or licensee of an Owner, or any other Person other than an Owner in lawful possession of a Parcel, or a portion of a Parcel, with the permission of the Owner.

Section 2.9. “Owner” shall mean the Person, including ISU and the School District, holding fee simple title of record to a Parcel, including purchasers under executory contracts of sale. “Owners” shall mean all of the owners of Parcels within the Property.

Section 2.10. “Parcel” shall mean each of the ISU Property and the School District Property or any portion therein.

Section 2.11. “Person” shall mean a natural individual, corporation or any other entity with the legal right to hold title to real property.

Section 2.12. “Property” shall mean all of the Parcels.

Section 2.13. “Reconstruction Assessment” shall mean a charge against each Owner and its Parcel, representing a portion of the cost for repair or replacement of any portion of damaged or lost Improvements in the Common Areas, as provided for in this Agreement.

Section 2.14. “Service Facilities” shall mean loading docks, trash enclosures and compactors, exterior coolers, electrical and refrigeration facilities and other similar service facilities.

Section 2.15. “Transfer Notice” shall mean written notice from an Owner to another Owner of such Owner’s intent to sell its Parcel pursuant to the terms and conditions of the right of first refusal set forth herein in Article 6.

Section 2.16. “Street” shall mean any street, drive, way, lane, place or other thoroughfare either within or adjacent to the Property or as so used as a part of the Common Areas, whether private or public.

ARTICLE 3 COMMON AREA, EASEMENT’S AND RIGHT’S OF ENTRY

Section 3.1. Easements.

(a) Access and Parking. The School District hereby grants and conveys to ISU a perpetual non-exclusive easement to use all Streets located upon the School District Property for ingress, egress and access between ISU and East Central Drive. ISU hereby grants and conveys to the School District a perpetual non-exclusive easement to use all Streets located upon the ISU Property for ingress, egress and access between the ISU Property and East Central Drive. In addition, the School District and ISU each hereby grant and convey to the other perpetual, non-exclusive easements to use all parking areas presently existing or which may exist in the future on the Property.

(b) Maintenance and Repair. Each Owner grants to the other Owner perpetual nonexclusive easements over the Common Areas and the Parcels as necessary to maintain and repair the Common Areas and to perform all tasks in accordance with the provisions of this Agreement and the Joint Operations and Maintenance Agreement.

(c) Utility Easements. Each Owner grants to the other Owner perpetual easements over the Parcels and the Common Areas for utility services and laterals, and repairs, replacement and maintenance of the same, over all of the Common Areas serving the individual Parcels as necessary in accordance with the locations of the utilities as initially installed or in accordance with alterations of the Building. Such easements shall not be used in a manner that would unreasonably interfere with the use and enjoyment by the Owners of their Parcels and the Common Areas. Any damage to another Owner's Property due to any repairs, replacement and maintenance shall be the responsibility of the Owner making such repairs, replacement and maintenance. All such easements shall be appurtenant to and shall pass with the title to each Parcel when conveyed. The utilities to the Building shall be separately metered to each Parcel.

(d) Encroachment. ISU and the School District each grant to the other perpetual easements appurtenant to each of the Parcels over the other Parcel and the Common Areas for the purposes of (1) maintaining the Common Areas and accommodating authorized construction, reconstruction, repair, shifting, movement or natural settling of the Improvements, or any portion thereof, and (2) maintaining drainage in accordance with the drainage pattern existing at the time of the recording of this Agreement or in accordance with such drainage pattern as altered with the prior consent of the Owners.

(e) Easements for City and County Use. In addition to the foregoing easements over the Common Areas, there shall be, and the Owners hereby reserve and covenant for themselves and all future Owners within the Property, easements for public services and utilities, including, without limitation, the right of the city, county, or other recognized governmental entity to install, maintain and repair public sanitary sewer and public water systems and the right of the police to enter upon any part of the Common Areas for the purpose of enforcing the law. Such representation and covenant shall not constitute any dedication to the public except to the extent such easements are depicted and set forth on record any plat for the Property.

Section 3.2. Rights of Entry. Each Owner shall have a limited right of entry in and upon the exterior of all Improvements located on any Parcel for the purpose of inspecting the same and taking whatever corrective action may be deemed necessary or proper, as may be authorized by the provisions of this Agreement. However, nothing herein shall be construed to impose any obligation upon an Owner to maintain or repair any portion of a Parcel or any Improvement thereon which is to be maintained or repaired by the other Owner. Nothing in this Article shall in any manner limit the right of any Owner to the exclusive occupancy and control over the interior of the portion of the Building located upon its Parcel. However, each Owner shall permit access to such Owner's Parcel or Improvements thereon by the other Owner as reasonably necessary, such as in case of any emergency originating on or threatening such Parcel or Improvements, whether or not such Owner is present.

Section 3.3. Leasing of Property. Every lease or other agreement for the hire or occupation ("lease") of any portion of the Property which is executed after the recording of this Agreement shall be subject to the provisions of this Agreement, and every Occupant of a Parcel or a portion thereof shall in all applicable respects comply with the provisions of this Agreement. Every Owner shall:

(a) Include in any agreement for the lease of all or any portion of its Parcel a specific provision that said lease is subject to this Agreement and the Joint Operations and Maintenance Agreement, that the Occupant of the Parcel will comply with the provisions of this Agreement, and that such provisions are an integral part of the lease; and

(b) Not execute a lease to any portion of the Property without complying with the provisions of Section 2.3(a) above; provided, however, that an Owner's failure to do so shall not diminish the effect of this Agreement with respect to any such lease. The lease shall not become effective until an Occupant has executed a lease containing the provision required in Section 2.3(a) above.

Section 3.4. Common Area.

(a) The Common Area is hereby reserved for the sole and exclusive use of all Owners of the Property, their tenants, contractors, employees, agents, customers, licensees and invitees and the subtenants, contractors, employees, agents, customers, licensees and invitees of such tenants. The Common Area may be used for vehicular driving, parking (except that there shall be no multi-level parking), pedestrian traffic, directional signs, sidewalks, walkways, landscaping, perimeter walls and fences, parking lot lighting, utility lines and Service Facilities and for no other purpose unless otherwise specifically provided in this Agreement or Section 1.3 hereof. No buildings or structures not approved in writing by the Owners shall be placed or constructed in the Common Area designated for vehicular traffic or parking except directional signs, paving bumper guards or curbs, landscape planters, lighting standards, perimeter walls and fences, utility pads and equipment, sidewalks and, to the extent that they are located, and do not impede access, to the rear or sides of the Building.

(b) The Common Area shall be maintained pursuant to the Joint Operations and Maintenance Agreement subject to the specific maintenance duties and obligations set forth herein. Expenses incurred for such maintenance shall be assessed pursuant to the Joint Operations and Maintenance Agreement, shall run with the land and shall be a continuing lien against the Property. The expenses incurred shall be allocated proportionately by dividing the amount of the square footage of the Building owned by such Owner by the total square footage of the Building unless otherwise agreed to in the Joint Operations and Maintenance Agreement. The parties hereto expressly vest in the other Owner the right and power to bring all actions at law or to foreclose on an Owner's lien against such Owner and such Owner's Parcel for the collection of delinquent assessments, pursuant to the terms and conditions as set forth in the Joint Operations and Maintenance Agreement. Each Owner gives the other Owner the right, pursuant to the terms of the Joint Operations and Maintenance Agreement, to record a notice of claim of lien against an Owner and said Owner's Parcel for any delinquent assessments in the Office of the Real Property Records, Ada County, Idaho, and a copy thereof is deposited in the United States mails, certified or registered, postage prepaid, to the Owner of said Parcel at said Owner's last known address. Said notice of claim of lien must contain a sufficient legal description of said Parcel, the record owner or reputed owner thereof and the amount claimed, including the cost of preparing and recording the notice of claim of lien, late charges and interest on said unpaid assessments and costs of collections, including reasonable attorneys fees.

Section 3.5. Building Improvements.

(a) Any alterations to the Building must be of Type I, II, III or IV as defined in the 2003 International Building Code Section 602. All modifications and plans to improve the Building comply with the 2003 International Building Code and have been approved by the Division of Building Safety. All modifications to the Building must comply with all applicable governmental rules, laws, regulations and ordinances.

(b) The Building shall not be modified in such a manner as to adversely affect the structural integrity of the Building.

(c) All Service Facilities shall be attractively screened from view from the parking areas.

(d) An open yard of at least sixty (60) feet shall be maintained around the perimeter of the Building at all times; provided, however, the Building may be expanded as long as a sixty (60) foot open yard is maintained around the perimeter. Such open yard shall not limit the ability of an Owner to place landscaping parking areas, sidewalks, roadways, lighting and signage in such open yard.

ARTICLE 4 REGULATION OF OPERATIONS AND USES

Section 4.1. Prohibited Uses. The following operations and uses shall not be permitted on any portion of the Property subject to this Agreement:

- (a) Trailer courts or recreation vehicle campgrounds;
- (b) Junk yards or recycling facilities;
- (c) Drilling for and removing oil, gas or other hydrocarbon substances;
- (d) Refining of petroleum or of its products;
- (e) Commercial petroleum storage yards;
- (f) Commercial excavation of building or construction materials provided that this prohibition shall not be construed to prohibit any excavation necessary in the course of construction of new Improvements on a Parcel or the Common Areas;
- (g) A theater, bowling alley, skating rink, gym, health spa or studio, dance hall, billiard or pool hall, massage parlor, game parlor or video arcade; provided, however, a workout or recreational area for use by the employees and/or students of the Owners is not prohibited hereby;
- (h) A bar;
- (i) Distillation of bones;
- (j) Dumping, disposal, incineration or reduction of garbage, sewage, offal, dead animals or other refuse;
- (k) Fat rendering;
- (l) Stockyard or slaughter of animals;
- (m) Smelting of iron, tin, zinc or any other ore or ores;
- (n) Cemeteries;
- (o) Jail or honor farms; or
- (p) Any use that is not appropriate for a first class property and any use which is in violation of this Agreement, or any statute, law, ordinance, regulation or ruling of any public authority having jurisdiction or could produce adverse effects upon the Property in terms of health, safety or welfare of persons.

Section 4.2. Permitted Uses. Any use or business permitted by the City of Meridian and permitted by current ordinances of the City of Meridian and by the 2003

International Building Code Section 402.2 that is not specifically prohibited in Section 5.1 above and that would not adversely affect the Property or adversely affect any uses to which either of the Parcels is then being put will be permitted. Such uses shall be performed or carried out entirely within the Building such that the enclosed operations and uses do not cause or produce a nuisance to other Parcel, such as, but not limited to, vibration, sound, electro-mechanical disturbances, radiation, air or water pollution, dust or the emission of odorous toxic or nontoxic matter including steam. Certain activities which cannot be carried on within a building may be permitted, provided the other Owner specifically consents to such activity in writing, and further provided such activity is screened so as not to be Visible from the Street. The Owners hereby agree that the intended uses of ISU and the School District comply with the 2003 International Building Code Section 402.2.

Section 4.3. Intentionally Omitted.

Section 4.4. Nuisances. No nuisance shall be permitted to exist or operate upon any Parcel so as to be offensive or detrimental to any other Parcel or to its Occupants or the Owner thereof. A “nuisance” shall include, but not be limited to, any of the following conditions:

(a) Any use, including reasonable construction activity, of the Parcel which emits dust, sweepings, dirt or cinders into the atmosphere, or discharges liquid, solid wastes or other matter into any stream, river or other waterway which may adversely affect the health, safety, comfort of, or intended use of their property by persons within the area. No waste nor any substance or materials of any kind shall be discharged into any public sewer serving the Property or any part thereof in violation of any regulation of any public body having jurisdiction over such public sewer.

(b) The escape or discharge of any fumes, odors, gases, vapors, steam, acids or other substance into the atmosphere which discharge may be detrimental to the health, safety or welfare of any Person or may interfere with the comfort of persons within the area or which may be harmful to property or vegetation.

(c) The radiation or discharge of intense glare or heat, or atomic, electromagnetic, microwave, ultrasonic, laser or other radiation. Any operation producing intense glare or heat or such other radiation shall be performed only within an enclosed or screened area and then only in such manner that the glare, heat or radiation emitted will not be noticeable from the street or other Parcels.

(d) Any use which creates a sound pressure level in violation of any regulation of any public body having jurisdiction or which creates a ground vibration that is perceptible, without instruments, at any point along any of the property lines of a Parcel.

(e) Visible emissions of smoke or steam will not be permitted outside the Building that exceed Ringlemann No. 1 on the Ringlemann Chart of the United States Bureau of Mines. This requirement shall also be applied to the disposal of trash and

waste materials. Windborne dust, sprays and mists originating in plants are not permitted.

Section 4.5. Condition of Property. No Owner shall allow the portion of the Building located on its Parcel or any other structure upon its Parcel to fall into disrepair, and such portion of the Building and other structures shall at all times be kept in good condition and repair. The Owner or Occupant of any Parcel shall at all times keep its portion of the Building and appurtenances in a safe, clean and wholesome condition and comply, at its own expense, in all respects with applicable governmental, health, fire and safety ordinances, regulations, requirements and directives, and the Owner or Occupant shall at regular and frequent intervals remove at its own expense any rubbish of any character whatsoever that may accumulate within such portion of the Building to a trash collection facility or facilities.

Section 4.6. Remedies for Failure to Maintain and Repair.

(a) Remedies. If any Owner shall fail to perform the maintenance and repair required by Section 3.5, then the other Owner, after fifteen (15) days prior written notice to such delinquent Owner, shall have the right, but not the obligation, to perform such maintenance and repair and to charge the delinquent Owner and its Parcel with the cost of such work, together with interest thereon at the rate of fifteen percent (15%) per annum from the date of the advancement of funds for such work to the date of reimbursement by such Owner. If the delinquent Owner shall fail to reimburse the other Owner for such cost within ten (10) days after demand therefor, the non-delinquent Owner may, at any time within six (6) months after such advance, record a claim of lien signed by an authorized agent of the non-delinquent Owner for the amount of such charge, together with interest thereon and enforce the lien in accordance with the provisions of this Agreement.

(b) Nonexclusive Remedy. The foregoing lien and the rights to foreclose thereunder shall be in addition to, and not in substitution for, all other rights and remedies which the non-delinquent Owner may have hereunder and by law, including any suit for specific performance or to recover a money judgment for unpaid assessments.

Section 4.7. Utility Lines and Antennas. No sewer, drainage or utility lines or wires or other devices for the communication or transmission of electric current, power or signals, including telephone, television, microwave or radio signals, shall be constructed, placed or maintained anywhere in or upon any portion of a Parcel, other than within buildings or structures, unless the same shall be contained in conduits or cables constructed, placed or maintained underground or concealed in or under the Building or other structures. Antenna or satellite dishes for the transmission or reception of telephone, television, microwave or radio signals may be placed on any Parcel, but only on the roof of the Building and appropriately screened so as to have minimal visual impact on surrounding streets, public spaces and the Common Areas. The final location and configuration of such antenna or dish must be approved in writing by the other Owner. Nothing contained herein shall be deemed to forbid the erection or

use of temporary power or telephone facilities by an Owner incidental to the construction or repair of the portion of the Building located on such Owner's Parcel.

Section 4.8. Fire and Safety Systems. All fire alarms, automatic sprinkler systems, smoke control systems, standby power and emergency voice/alarm communication systems required by the building officials for the operation and treatment of the Building (collectively the "Fire and Safety Systems") shall be maintained as if the Building was owned by one Owner. The School District Property Owner shall be responsible for the control and maintenance of the Fire and Safety Systems for the entire Building pursuant to the Joint Operations and Maintenance Agreement. The ISU Property Owner shall be responsible to reimburse the School District Property Owner for such maintenance and control pursuant to the Joint Operations and Maintenance Agreement. Both Owners shall insure that the fire department has proper access to the equipment required by the fire department to be maintained on the Property.

Section 4.9. Mechanical Equipment. All mechanical equipment, utility meters, storage tanks, air conditioning equipment and similar items shall be screened with landscaping or attractive architectural features integrated into the structure itself.

Section 4.10. Mineral Exploration. No portion of the Property shall be used in any manner to explore for or to remove any steam, heat, oil or other hydrocarbons, gravel, earth, or any earth substances or other minerals of any kind; provided, however, that this shall not prevent the excavation of earth in connection with the grading or construction of Improvements within a Parcel. Water may be extracted to the extent permitted by the appropriate governmental agency.

ARTICLE 5 DAMAGE OR LOSS TO IMPROVEMENTS

Section 5.1. Restoration of Common Areas. Except as otherwise provided in this Agreement, in the event of any destruction of any portion of the Common Areas other than any portion of the Building, it shall be the duty of the School District Property Owner to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance shall be used for such purpose. The Common Areas and all other Improvements located within the Common Areas shall be reconstructed or rebuilt substantially in accordance with the original construction plans if they are available, with such changes as are approved by the Owners. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than the estimated cost of restoration and repair, a Reconstruction Assessment shall be levied by the School District Property Owner upon the Owners and their Parcels in order to provide the necessary funds for such reconstruction over and above the amount of any insurance proceeds available for such purpose. Reconstruction Assessments shall be borne by the Owners in the same proportions as Common Assessments as set forth in the Joint Operations and Maintenance Agreement.

Section 5.2. Restoration Obligations of Owners. In the event of the damage or destruction of any portion of a Parcel or the portion of the Building thereon, then it shall be the duty of the Owner of such Parcel, as soon as may be practical, to repair and replace the damage or destruction, or such portion thereof as will render such damage or destruction indiscernible from the exterior of the Parcel.

Section 5.3. Condemnation. In the event the whole, or any part, of the Common Areas shall be taken or condemned by any authority exercising the power of eminent domain, the Owners shall appear and defend such proceedings; provided, that if a Parcel is encumbered by a Mortgage or Mortgages which has or have a provision relating to condemnation, then in lieu of distributing the award to the Owner of said Parcel, that Owner's portion of the award shall be paid to the Mortgagee of the Mortgage with the highest priority and seniority for distribution and payment in accordance with the terms and conditions of said Mortgagee's Mortgage.

ARTICLE 6 DURATION AND AMENDMENT

Section 6.1. Duration. This Agreement shall be recorded against the Parcels, shall run with the Parcels and shall be perpetual.

Section 6.2. Amendment. This Agreement may not be amended without written consent of all Owners. Notwithstanding the foregoing, any of the following amendments, to be effective, must be approved in writing by the record holders of one hundred percent (100%) of the aggregate value of Mortgages encumbering the Property at the time of such amendment and all necessary building officials.

Section 6.3. Governmental Regulation. All valid governmental enactments, ordinances and regulations are deemed to be part of this Agreement and to the extent that they conflict with any provision, covenant, condition or restriction hereof, said conflicting governmental enactment, ordinance and regulation shall control and the provision, covenant, condition or restriction hereof in conflict therewith shall be deemed (i) amended to the extent necessary to bring it into conformity with said enactment, ordinance and regulation while still preserving the intent and spirit of the provision, covenant, condition or restriction or (ii) stricken herefrom should no amendment conforming to the governmental enactment, ordinance or restriction be capable of preserving the intent and spirit of said provision, covenant, condition or restriction.

ARTICLE 7 RIGHT OF FIRST REFUSAL

Section 7.1. Right of First Refusal Granted. ISU hereby grants to the School District and the School District hereby grants to ISU the right of first refusal to purchase such Owner's Parcel, upon the terms and conditions hereinafter set forth.

Section 7.2. Notice of Interest to Purchase. In the event an Owner determines that it is going to sell, convey or otherwise transfer its Parcel to a third party pursuant to

an offer or bid, said Owner shall provide the other Owner a Transfer Notice which Transfer Notice must set forth the terms and conditions of the third party offer or bid, with a copy of such third party offer or bid attached to the Transfer Notice. Upon receipt of the Transfer Notice, the Owner receiving the Transfer Notice shall have thirty (30) days in which to provide the Owner delivering the Transfer Notice a Notice of Interest, subject to such Owner completing its due diligence and being satisfied, in its discretion, as set forth below. If an Owner fails to timely deliver a Notice of Interest, or if an Owner notifies the other Owner in writing that it declines to purchase the Parcel, the Owner selling the Parcel may proceed with its sale or transfer to the third party so long as such sale or transfer is at a price not less than and on terms not more favorable than the price and terms stated in the third party offer or bid attached to the Transfer Notice. In the event the sale or transfer attached to the Transfer Notice, the right of first refusal set forth herein shall remain in effect.

Section 7.3. Due Diligence Period. If an Owner wishes to purchase the Parcel and sends the Notice of Interest to the other Owner, then the purchasing Owner shall have thirty (30) days in which to perform its due diligence following the selling Owner's receipt of the Notice of Interest. Upon delivery of the Notice of Interest, such Owner shall proceed to conduct any surveys, soils tests, engineering studies, title reviews, and environmental tests and audits which such Owner deems necessary for such Owner to determine the suitability of the Parcel, in such Owner's sole and absolute discretion. If such Owner is satisfied with the results of the due diligence and elects to purchase the Parcel, such Owner shall notify the other Owner in writing, and the parties shall then use their good faith diligent efforts to close on the purchase of the Parcel, but in any event within three (3) months of completion of the due diligence period or otherwise agreed to in writing by the parties, unless such Owner needs to conduct a bond election to generate the funds for the purchase price and then within nine (9) months of completion of the due diligence period or otherwise agreed to in writing by the Owners. At the closing for the Parcel, the Owner selling the Parcel shall convey fee simple title to the Parcel to the Owner purchasing the Parcel, subject only to the following matters: (i) real property taxes, if any, not then delinquent; (ii) all easements, restrictions and covenants of record and/or shown on the final plat or contained in the Joint Operations and Maintenance Agreement entered into between the Owners; and (iii) zoning ordinances, easements and rights of way of record or visible upon the Parcel.

Section 7.4. Purchase Price. The purchase price for purchase of the Parcel shall be the lesser of the appraised value of the Parcel, as appraised by an appraiser selected by the Owner selling the Parcel and certified in the State of Idaho and agreed to by the parties, or the amount to be paid by the third party as set forth in the Transfer Notice.

Section 7.5. Closing Costs, Payment of Purchase Price. The Owner purchasing the Parcel shall pay the cost of recording the deed conveying the Parcel. Any escrow fees, and all fees charged by the closing agent, shall be paid equally by ISU and the School District. Taxes, if any, rentals, if any, and utilities shall be prorated as of the time of closing. The Owner selling the Parcel shall pay the premium which would be charged for a standard Owner's policy of title insurance in the amount of the purchase price.

The Owner purchasing the Parcel shall pay the amount of any additional premium charged for extended coverage required or desired by the Owner purchasing the Parcel. The Owner selling the Parcel shall pay all other costs including, without limitation, all other recording fees, state documentary stamps, transfer taxes, excise taxes, and assessments for improvements completed prior to the date hereof, whether levied or not. At closing, the Owner purchasing the Parcel shall pay the purchase price, and other amounts owed hereunder, in immediately available funds to an escrow agent established among the parties, and shall instruct such escrow agent to release the same when the deed conveying the Parcel is recorded in compliance herewith.

ARTICLE 8 GENERAL PROVISIONS

Section 8.1. Legal Proceedings. Failure to comply with any of the terms of this Agreement by an Owner or Occupant, his guests, employees, invitees or tenants, shall be grounds for relief which may include, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought by an aggrieved Owner. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision, or any other provision hereof. Any Owner (not at the time in default hereunder) shall be entitled to bring an action for damages against any defaulting Owner and, in addition, may enjoin any violation of this Agreement. Any judgment rendered in any action or proceeding pursuant thereto shall include a sum for attorneys' fees, including appeals, in such amount as the Court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, together with interest, costs of collection and court costs. Each remedy provided for in this Agreement shall be cumulative and not exclusive or exhaustive.

Section 8.2. Severability. The provisions hereof shall be deemed independent and severable, and a determination of invalidity or partial invalidity or enforceability of any one provision or portion hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provisions hereof.

Section 8.3. Interpretation. The provisions of this Agreement shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the Property and for the maintenance of the Common Areas, and any violation of this Agreement shall be deemed to be a nuisance. The article and section headings, titles and captions have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context otherwise requires, as used herein the singular and the plural shall each include the other and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

Section 8.4. Hold Harmless and Indemnification; Insurance. To the extent permitted by the Idaho Tort Claims Act, Idaho Code § 6-901 et seq., each Owner shall indemnify, defend, protect and hold each other harmless from and against any and all claims of liability for any injury or damage to any person or property arising from School

District's or School District's agents and representatives or ISU's or ISU's agents and representatives, use of the Building, Common Area and Property, or from any activity, work or thing done, permitted or suffered by, in or about the Property and Building. The School District and ISU shall further indemnify, defend, protect and hold each other harmless from and against any and all claims arising from any negligent or intentional act or omission by each's respective agents, contractors or employees, and from and against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such action or proceeding brought thereon. In the event any action or proceeding is brought against the School District or ISU, by reason of any such claim, the entity from whose conduct the claim arose shall, upon notice from the School District or ISU, defend it or them at that entity's expense by counsel satisfactory to the entity to whom indemnification is owed.

Section 8.5. Limitation on Liability and Remedies. The School District and ISU, as a material part of the consideration to each other and in recognition of the cooperative relationship of the parties and their desire to provide for continued public use and enjoyment of the Property, do hereby agree to the following limitations on each other's liability arising from and as well as the use of the Building and the Property. To the fullest extent permitted by law, both the School District and ISU, on each other's behalf and on behalf of all persons or entities claiming by and through either, agree to limit the liability of the School District and ISU for any claims, losses, costs, damages of any nature whatsoever or claims or expenses from any cause or causes, so that the total aggregate liability of a claim against either the School District or ISU shall not exceed the amount of collectible liability insurance that the School District and ISU are separately required to maintain hereunder be liable to the other Owner for any injury to any person or damage to the Common Areas or any equipment thereon which may be sustained by reason of the negligence of said Owner or of his guests, employees, invitees or tenants, to the extent that any such damage shall not be covered by insurance. The costs incurred by the other Owner as a result of such damage shall be deemed a Special Assessment of such Owner and its Parcel, and shall be subject to levy, enforcement and collection by the other Owner in accordance with the assessment lien procedure provided in this Agreement.

Section 8.6. No Public Right or Dedication. Nothing contained in this Agreement shall be deemed to be a gift or dedication of all or any part of the Property to the public, or for any public use.

Section 8.7. Nonliability. No Person shall be liable to any party for injuries or damage resulting from such Person's acts or omissions within what such Person reasonably believed to be the scope of his duties under this Agreement ("Official Acts"), except to the extent that such injuries or damages result from such Person's malicious or criminal misconduct.

Section 8.8. Notices. Except as otherwise provided in this Agreement, in each instance in which notice is to be given to an Owner, the same shall be in writing and may be delivered personally to the Owner, in which case personal delivery of such notice to one or more co-owners of a Parcel or to any general partner of a partnership

owning a Parcel shall be deemed delivery to all co-owners or to the partnership, as the case may be. Personal delivery of such notice to any officer or agent for the service of process on a corporation or limited liability company shall be deemed delivery to the corporation or limited liability company, as the case may be. In lieu of the foregoing, such notice may be delivered by certified or registered United States mail, postage prepaid, return receipt required, addressed to the Owner at the most recent address furnished by such Owner to the other Owner or, if no such address shall have been furnished, to the street address of such Parcel. Such notice shall be deemed delivered forty-eight (48) hours after the time of such mailing.

THIS Agreement has been executed on the date first written above and may be executed in any number of original counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature and notary acknowledgement pages of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature and notary pages are attached to any other counterpart identical thereto except having additional signature and notary pages executed by other parties to this Agreement attached thereto.

BOARD OF TRUSTEES AND STATE BOARD OF
EDUCATION OF IDAHO STATE UNIVERSITY

By: _____

Name: _____

Title: _____

JOINT SCHOOL DISTRICT NO. 2, ADA
AND CANYON COUNTIES, IDAHO

By: _____

Name: Linda Clark

Title: Superintendent

STATE OF IDAHO)
) ss.
County of Ada)

On this _____ day of April, 2007, before me,
_____, a Notary Public in and for said State,
personally appeared _____, known or identified to me to be the
_____ of BOARD OF TRUSTEES AND STATE BOARD OF
EDUCATION OF IDAHO STATE UNIVERSITY, the entity that executed the within
instrument or the person who executed the instrument on behalf of said entity, and
acknowledged to me that such entity executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official
seal the day and year in this certificate first above written.

Notary Public for Idaho
Residing at _____
My commission expires _____

STATE OF IDAHO)
) ss.
 County of Ada)

On this _____ day of April, 2007, before me,
 _____, a Notary Public in and for said State,
 personally appeared Linda Clark, known or identified to me to be the Superintendent of
 JOINT SCHOOL DISTRICT NO. 2, ADA AND CANYON, COUNTIES, IDAHO, the entity
 that executed the within instrument or the person who executed the instrument on
 behalf of said entity, and acknowledged to me that such entity executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official
 seal the day and year in this certificate first above written.

 Notary Public for Idaho
 Residing at _____
 My commission expires _____

EXHIBIT "A"
LEGAL DESCRIPTION OF SCHOOL DISTRICT PROPERTY

EXHIBIT "B"

LEGAL DESCRIPTION OF THE ISU PROPERTY

EXHIBIT "C"

PARKING LOT AND MECHANICAL ROOM

REFERENCE – APPLICABLE STATUTE, RULE, OR POLICY

IDAHO STATE BOARD OF EDUCATION
GOVERNING POLICIES AND PROCEDURES
SECTION: V. FINANCIAL AFFAIRS
SUBSECTION: E. GIFTS AND AFFILIATED FOUNDATIONS

JULY 2008

E. Gifts and Affiliated Foundations

1. Purpose of the Policy

- a. The Board recognizes the importance of voluntary private support and encourages grants and contributions for the benefit of the institutions, school, and agencies under its governance. Private support for public education is an accepted and firmly established practice throughout the United States. Tax-exempt foundations are one means of providing this valuable support to help the institutions, school, and agencies under the Board's governance raise money through private contributions. Foundations are separate, legal entities, tax-exempt under Section 501(c) of the United States Internal Revenue Code of 1986, as amended, associated with the institutions, school, and agencies under the Board's governance. Foundations are established for the purpose of raising, receiving, holding, and/or using funds from the private sector for charitable, scientific, cultural, educational, athletic, or related endeavors that support, enrich, and improve the institutions, school, or agencies. The Board wishes to encourage a broad base of support from many sources, particularly increased levels of voluntary support. To achieve this goal, the Board will cooperate in every way possible with the work and mission of recognized affiliated foundations.
- b. The Board recognizes that foundations:
 - (1) Provide an opportunity for private individuals and organizations to contribute to the institutions, school, and agencies under the Board's governance with the assurance that the benefits of their gifts supplement, not supplant, state appropriations to the institutions, school, and agencies;
 - (2) Provide assurance to donors that their contributions will be received, distributed, and utilized as requested for specified purposes, to the extent legally permissible, and that donor records will be kept confidential to the extent requested by the donor and as allowed by law;
 - (3) Provide an instrument through which alumni and community leaders can help strengthen the institutions, school, and agencies through participation in the solicitation, management, and distribution of private gifts; and

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

- (4) Aid and assist the Board in attaining its approved educational, research, public service, student loan and financial assistance, alumni relations, and financial development program objectives.
- c. The Board, aware of the value of tax-exempt foundations to the well being of the institutions, school, and agencies under the Board's governance, adopts this policy with the following objectives:
 - (1) To preserve and encourage the operation of recognized foundations associated with the institutions, school, and agencies under the Board's governance; and
 - (2) To ensure that the institutions, school, and agencies under the Board's governance work with their respective affiliated foundations to make certain that business is conducted responsibly and according to applicable laws, rules, regulations, and policies, and that such foundations fulfill their obligations to contributors, to those who benefit from their programs, and to the general public.

REFERENCE – APPLICABLE STATUTE, RULE, OR POLICY - continued

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
APRIL 18-20, 2007

- 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.

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
APRIL 18-20, 2007

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
APRIL 18-20, 2007

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 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

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

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.

33-3805. Authorization, issuance, maturity, interest and sale of bonds. When the board shall find the proposed project or projects to be necessary for the proper operation of the institution and economically feasible and such finding is recorded in its minutes, the bonds therefor shall be authorized by resolution of the board. The bonds may be issued in one or more series, may bear such date or dates, may be in such denomination or denominations, may mature at such time or times, not exceeding forty (40) years from the respective dates thereof, may mature in such amount or amounts, may bear interest, at such rate or rates to be determined by the board, may be in such form, either coupon or registered, may carry such registration and such conversion privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be subject to such terms of redemption, with or without premium, as such resolution or other resolutions may provide. The bonds may be sold at a public or private sale at not less than par and accrued interest, in a manner to be provided by the board. The bonds shall be fully negotiable within the meaning and for all purposes of the Uniform Commercial Code.

33-3805A. Procedure prior to authorization. Notwithstanding any other provisions of this chapter, the board shall not enter into lease-purchase agreements for, acquire, build or take possession of any building or facility which requires state general account appropriated funds for construction, operation or maintenance unless prior approval by the legislature has been given by concurrent resolution authorizing the board to proceed with the project or projects.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO

SUBJECT

Information item by University of Idaho (UI) regarding future financing plans under single bond system.

REFERENCE

| | |
|---------------|--|
| December 2004 | Information item to discuss intent to issue tax-exempt revenue bonds, to refund bonds, and to initiate a single bond system. |
| January 2005 | SBOE approval of single bond system. |
| August 2006 | Information item to present Events Pavilion Feasibility Study. |
| February 2007 | Information item to present update on Events Pavilion Feasibility Study and notification of immediate code compliance issues with Kibbie Dome. |

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.F. and V.K.
Section 33-3804, Idaho Code

BACKGROUND

The Board's approval will be requested at the June board meeting to issue tax-exempt refunding bonds of approximately \$80,000,000.

The University also anticipates issuing a significant amount of debt during the next two years. The amount will depend on further identification of various projects to address energy savings, safety, and deferred maintenance. This aggressive effort is being undertaken to renew and renovate the UI campus consistent with its Strategic Plan. The amount of donations, grants, and/or state funds secured could impact the amount of the borrowing.

DISCUSSION

Refunding:

The University periodically reviews outstanding bond issues to assess whether or not it is advisable to refinance bonds to take advantage of savings that may be available due to lower interest rates. Preliminary analysis suggests UI could realize a total cash savings of approximately \$2,800,000 with the refunding. This savings will enable UI to pursue future bond financed projects. The University will develop a refunding, with the assistance of bond underwriter, to take advantage of 30 year lows in the tax-exempt bond market. In the event market conditions at

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO - continued

the time of the June meeting do not result in substantial savings, the University will not issue the refunding bonds.

Projects:

The University has been reviewing potential projects to improve facilities consistent with the President's "A Plan for Renewal of People, Programs and Place" and the University's Strategic Plan. The first of these efforts included UI's Technical Audit to achieve significant energy savings and the Events Pavilion Feasibility Study. These efforts have identified further needs for safety and deferred maintenance based projects. This has prompted a further review of critical facility needs by the University. This review is in progress now and UI anticipates seeking Board approval in June for formal planning of these projects. UI anticipates requesting approval within the next two years to proceed with construction, subject to approval of financing.

Please see Attachment 1 on page 3 for details related to viability of financing potential projects in the range of \$100,000,000 over the next two years.

IMPACT

It is expected that the refunding will not impact the University's credit rating of A1/A+. UI believes that borrowing is necessary to address safety and deferred maintenance in order to grow enrollments and research consistent with the University's Strategic Plan.

ATTACHMENTS

Attachment 1 - Ten Year Debt Projection

Page 3

STAFF COMMENTS AND RECOMMENDATIONS

At staff's request, the University provided a 10-year debt projection similar to what the Board has seen with respect to similar requests from other institutions. This allows Board members to review the UI information in a format they are familiar with.

Staff has reviewed the information and will work with the University when they bring their request to the June 2007 Board meeting. The University is aware that more detailed information will be necessary for the next presentation.

BOARD ACTION

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

**University of Idaho
Ten Year Debt Projection
April 18, 2007**

| | | | | FY2008 | FY2009 | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | Total |
|----|--|--------------|------------------------------|--------------|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1 | Potential Projects | Cost | Est Debt Financed | Terms | Annual Debt Service | | | | | | | | | |
| 2 | Potential Safety Project | \$14,000,000 | \$7,000,000 | 30, 5% | | \$433,700 | \$433,700 | \$433,700 | \$433,700 | \$433,700 | \$433,700 | \$433,700 | \$433,700 | \$3,903,300 |
| 3 | Potential Energy Savings Project | \$35,000,000 | \$35,000,000 | 30, 5% | | | \$2,169,400 | \$2,169,400 | \$2,169,400 | \$2,169,400 | \$2,169,400 | \$2,169,400 | \$2,169,400 | \$17,355,200 |
| 4 | Various Projects in Review | \$60,000,000 | \$60,000,000 | 30, 5% | | | \$3,717,000 | \$3,717,000 | \$3,717,000 | \$3,717,000 | \$3,717,000 | \$3,717,000 | \$3,717,000 | \$29,736,000 |
| 5 | New Debt Financing | | \$102,000,000 | | \$0 | \$433,700 | \$6,320,100 | \$6,320,100 | \$6,320,100 | \$6,320,100 | \$6,320,100 | \$6,320,100 | \$6,320,100 | \$50,994,500 |
| 6 | Beginning Facilities Fee Reserve - New Debt | | | | \$0 | \$695,000 | \$2,618,300 | \$477,200 | \$195,600 | \$1,811,075 | \$3,900,279 | \$7,302,948 | \$11,019,905 | \$15,058,065 |
| 7 | Debt Service | | | | \$0 | -\$433,700 | -\$6,320,100 | -\$6,320,100 | -\$6,320,100 | -\$6,320,100 | -\$6,320,100 | -\$6,320,100 | -\$6,320,100 | -\$50,994,500 |
| 8 | SFF Revenue | | | | \$695,000 | \$1,757,000 | \$3,549,000 | \$5,377,000 | \$7,241,000 | \$7,680,000 | \$8,957,000 | \$9,233,000 | \$9,514,000 | \$63,802,000 |
| 9 | Energy Savings | | | | \$0 | \$600,000 | \$630,000 | \$661,500 | \$694,575 | \$729,304 | \$765,769 | \$804,057 | \$844,260 | \$6,615,939 |
| 10 | Ending Facilities Fee Reserve - New Debt | | | | \$695,000 | \$2,618,300 | \$477,200 | \$195,600 | \$1,811,075 | \$3,900,279 | \$7,302,948 | \$11,019,905 | \$15,058,065 | \$19,423,439 |
| 11 | Total Projected Debt Service | | | | \$11,234,075 | \$11,871,137 | \$18,067,625 | \$17,506,653 | \$16,907,374 | \$16,974,472 | \$18,078,658 | \$18,061,728 | \$16,883,843 | \$14,743,140 |
| 12 | Operating Budget | | | | \$351,530,078 | \$358,560,679 | \$365,731,893 | \$373,046,531 | \$380,507,461 | \$388,117,610 | \$395,879,963 | \$403,797,562 | \$411,873,513 | \$420,110,983 |
| 13 | Debt Service as % of Perating Budget | | | | 3.20% | 3.31% | 4.94% | 4.69% | 4.44% | 4.37% | 4.57% | 4.47% | 4.10% | 3.51% |

- 14 **Assumptions:**
15 1. Average annual operating budget growth of 2%
16 2. No new state funding for academic buildings
17 3. Student enrollment growth of 1% annually
18 4. New SFF fee of \$40 in FY08, \$60 in FY09, \$100 in FY10, \$100 in FY11, \$100 in FY12

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

1. General Powers

The University of Idaho, Idaho State University, Lewis-Clark State College, and Boise State University may, by a majority vote of all the members of the Board, borrow money with or without the issuance of bonds pursuant to Chapter 38, Title 33, Idaho Code. The Board must act by formal resolution. Such indebtedness is not an obligation of the state of Idaho but is an obligation solely of the respective institutions and the respective board of trustees. Any indebtedness is to be used to acquire a project, facility, or other asset that may be required by or be convenient for the purposes of the institution. Student fees, rentals, charges for the use of the projected facility, or other revenue may be pledged or otherwise encumbered to pay the indebtedness. Refunding bonds also may be issued.

Eastern Idaho Technical College is not authorized to borrow money under Chapter 38, Title 33, Idaho Code.

2. Attorney General's Opinion

The Board or the institution may request the Attorney General of Idaho to review and pass upon the validity of a proposed bond issue. If found valid, the bond is an incontestable, binding obligation on the institution.

3. Private Sale

A private sale of bonds is permitted only with the prior approval of the Board as the governing body of the institution. The chief executive officer of the institution must justify why a public sale is not desirable and explain the benefits of a private sale of bonds.

4. Responsibility of the Chief Executive Officer

The chief executive officer of the institution is responsible for compliance with state law and these provisions when any indebtedness is incurred.

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.

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 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.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

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
APRIL 18-20, 2007

REFERENCE – APPLICABLE STATUTE, RULE OR POLICY - continued

GENERAL LAWS
TITLE 33. EDUCATION
CHAPTER 38. STATE INSTITUTIONS OF HIGHER EDUCATION BOND ACT
Idaho Code § 33-3804 (2006)

§ 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 terms within six (6) months from the date of the delivery of the refunding bonds. No

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

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
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO

SUBJECT

Transfer of gifted real property to the Regents of the University of Idaho from the University of Idaho Foundation, Inc.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.E.2.h. and Section V.I.2.

BACKGROUND

The University of Idaho Foundation Inc. (Foundation) received a gift of real property in December, 1996, which, at the time was subject to a life estate in favor of the husband and wife Grantors. The property consists of a 42 acre scenic preserve approximately 5 miles north and east of Moscow on Moscow Mountain which includes a residence. In 2004, the wife died and the husband elected to deed the balance of fee title in the property to the Foundation and terminate the underlying life estate agreement. The Grantors desired that the property be utilized by the University as a preserve and a retreat center. The University wishes to do so, but needs to have the property titled in the University in order to invest the funds necessary to modify the residence accordingly and to then utilize it.

DISCUSSION

The property is located on the side of Moscow Mountain offering stunning views of the Palouse and a natural setting for small meetings, seminars or classes. The property was the donors' personal residence and will require some renovations to make it suitable for group meetings and retreats.

The University has set aside internal funds in the amount of \$100,000 to accomplish needed renovations to initially set the property up as a sanctuary and retreat center for use by the University as well as surrounding institutions and agencies. Students and Faculty from the College of Business and Economics have prepared a business plan for funding the center through use fees charged internally to University colleges and departments as well as fees for use of the property by local and regional institutions and entities.

The University needs to hold title to the property to be in the best position to accomplish the necessary renovations and to implement the business plan for the facility. The University seeks approval from the Regents to accept title from the Foundation for this purpose.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO - continued

IMPACT

The University intends to use internally allocated funds for the initial renovations and proceeds from the operations of the facility. The University may seek additional donated funds for the facility, but will not seek any additional state funding for renovations or operations of the facility.

ATTACHMENTS

| | | |
|---------------|---------------|---------|
| Attachment 1 | Proposed Deed | Page 3 |
| Attachment 2a | Aerial Map | Page 6 |
| Attachment 2b | Aerial View | Page 7 |
| Attachment 3 | Area Map | Page 8 |
| Attachment 4 | Plat Map | Page 9 |
| Attachment 5 | Survey Map | Page 10 |

STAFF COMMENTS AND RECOMMENDATIONS

University officials indicated the anticipated cost of renovations (\$100,000) will be funded either by Auxiliary Services or unrestricted funds or interest payments. Staff asked the University why the university vs. the Foundation should shoulder the cost of renovations. The basic reason is that the UI Foundation was an intermediary to the initial acquisition of the property due to a life tenancy arrangement, and the donor wishes for the property to be managed by a high-level university committee.

Staff has reviewed the request and recommends approval.

BOARD ACTION

A motion to authorize the University of Idaho to accept a deed to the subject property from the University of Idaho Foundation in substantial conformance to the form submitted to the Regents. The University of Idaho Vice President for Finance and Administration is authorized to sign, on behalf of the State Board of Education, any legal documents relating to this transaction.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

On this _____ day of _____, 2007, before me, a Notary Public in and for said State, personally appeared _____, known to me to be the _____ of **The University of Idaho Foundation, Inc.**, an Idaho nonprofit corporation that executed the same instrument and acknowledged to me that such corporation executed same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year written above.

NOTARY PUBLIC for Idaho
Residing at _____, Idaho
My Commission expires: _____

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

Exhibit A
To
Bargain and Sale Deed

A parcel of land situated in Sections 23 & 24, Township 40 North, Range 5 West Boise Meridian, Latah County, Idaho, and being more particularly described as follows:

In Section 23, beginning at the northeast corner of the Southeast Quarter of the Southeast Quarter of said Section 23;

Thence North $00^{\circ}11'47''$ East, 2797.90 feet, along the section line;
Thence North $89^{\circ}48'13''$ West, 660.00 feet;
Thence South $00^{\circ}11'47''$ West, 660.00 feet;
Thence South $89^{\circ}48'13''$ East, 132.00 feet;
Thence South $00^{\circ}11'47''$ West, 828.55 feet, to the centerline of Section 23;
Thence South $02^{\circ}36'15''$ East, 1944.34 feet, to the centerline of the County Road;
Thence North $81^{\circ}25'34''$ East, 48.84 feet, along the centerline of the County Road;
Thence North $78^{\circ}46'40''$ East, 77.93 feet;
Thence North $74^{\circ}05'49''$ East, 71.30 feet;
Thence North $63^{\circ}12'12''$ East, 74.89 feet;
Thence North $52^{\circ}12'21''$ East, 72.91 feet;
Thence North $41^{\circ}34'33''$ East, 174.87 feet, to the intersection of the section line between
Section 23 & 24, and the centerline of the County Road;
Thence North $00^{\circ}11'47''$ East, 380.00 feet, along the section line to the point of
beginning.

In Section 24, all that land in the Southwest Quarter of the Southwest Quarter of Section 24, Township 40 North, Range 5 West Boise Meridian, lying north and west of the now existing county road.

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BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

Attachment 2a - Aerial Map

Google
Maps
Address Moscow Mountain Rd
ID



BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

ATTACHMENT 2b – Aerial View -



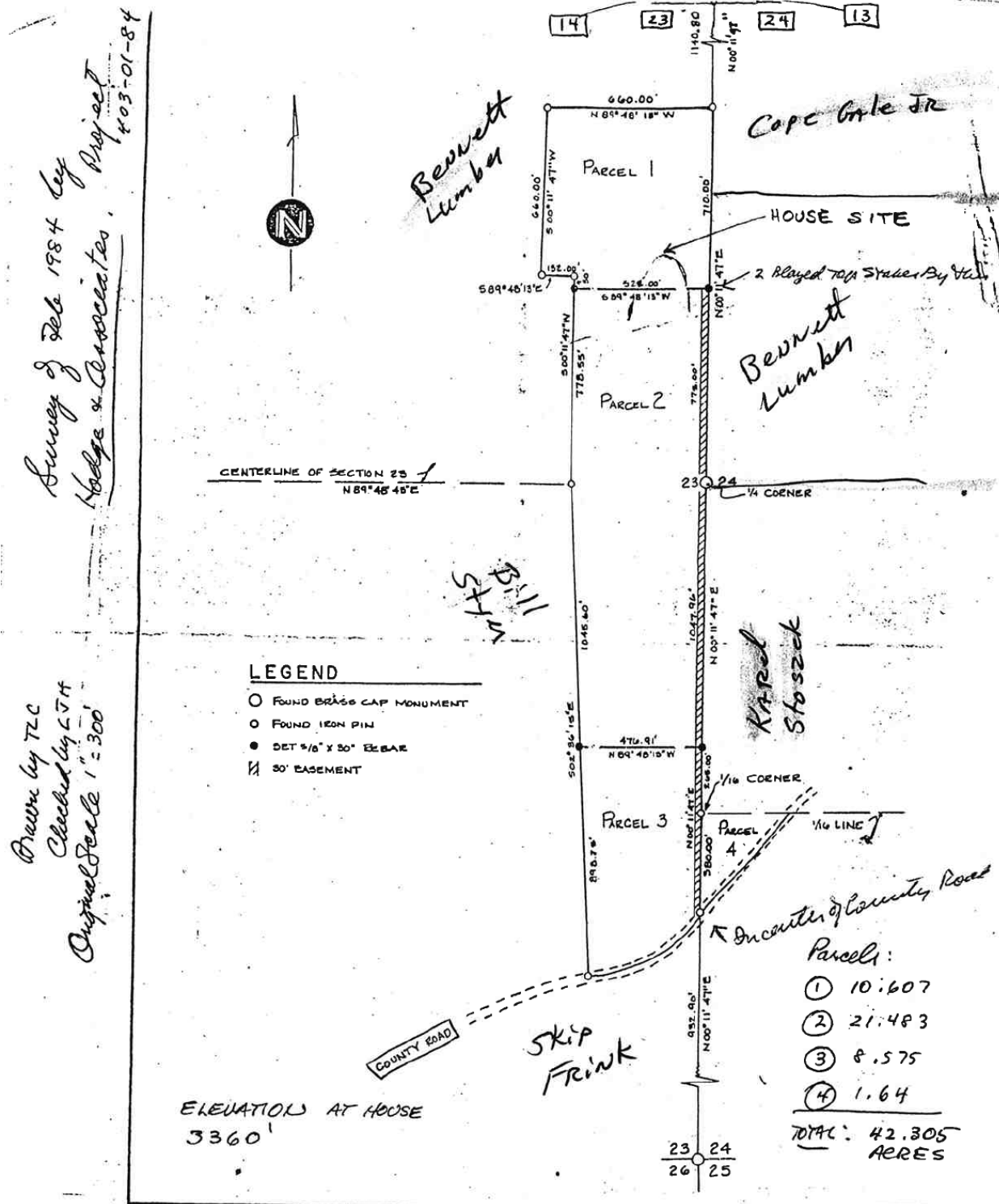
ATTACHMENT 3 – AREA MAP



ATTACHMENT 4 - PLAT MAP



ATTACHMENT 5 - Survey Map



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REFERENCE – APPLICABLE STATUTE, RULE OR POLICY

Idaho State Board of Education

GOVERNING POLICIES AND PROCEDURES

SECTION: V. FINANCIAL AFFAIRS

Subsection: E. Gifts and Affiliated Foundations

July, 2008

2. Institutional Foundations

h. Transfers from Foundations to Institutions

- (1) A formal procedure shall be established for institutions to accept gifts and donations transferred from the foundations. The institutions are not obligated to accept any gifts or donations from the foundations that are not consistent with the institutions' identified purposes and Board policies. In addition, the institutions shall not accept gifts or donations from the foundations if restrictive terms and conditions exist which do not comply with Board and institutional policies.
- (2) A procedure shall be established to authorize transfers from the foundations to the institutions. All foundation transfers to the institutions shall be documented and reported annually to the chief executive officer of the institutions and the Board. Where restrictions apply to transfers, the foundations shall be certain that the institutions have access to any relevant documentation concerning donor intent.
- (3) Transfers of real property from the foundations to the institutions are subject to all approvals required by Board policies for acceptance of gifts or real estate.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

REFERENCE – APPLICABLE STATUTE, RULE OR POLICY - continued

Idaho State Board of Education

GOVERNING POLICIES AND PROCEDURES

SECTION: V. FINANCIAL AFFAIRS

Subsection: I. Real and Personal Property and Services

April 2002

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.
- 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.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO

SUBJECT

Capital Project Authorization Request, Replace Artificial Turf, ASUI Kibbie Activity Center

REFERENCE

| | |
|---------------|---|
| August 2006 | Information Item, Technical Assessment & Feasibility Study, Proposed University of Idaho Events Pavilion and ASUI Kibbie Activity Center Improvements |
| November 2006 | Discussion, Replace Artificial Turf, ASUI Kibbie Activity Center |
| February 2007 | Information Item, UPDATE: 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 & Procedure, Section, V.K.1 & V.K.2

BACKGROUND

This is an initial request for Regent's Authorization to purchase and install a Convertible Filled Turf System in replacement of the existing Artificial Turf Rolled Carpet System in the ASUI Kibbie Activity Center, University of Idaho, Moscow, Idaho. The existing Artificial Turf Rolled Carpet System is at the end of its service life and presents safety issues to recreational, intramural and varsity student athletes.

DISCUSSION

In the summer of 2006, The University of Idaho initiated a technical assessment feasibility study for a proposed University of Idaho Events Pavilion and proposed improvements to the ASUI Kibbie Activity Center.

The university presented an Information and Update Item summarizing the progress and findings of the feasibility study as apart of the regular Board Meting, February 22, 2007.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO – continued

One of the recommendations contained in the feasibility study was the replacement of the existing Artificial Turf Rolled Carpet System in the ASUI Kibbie Activity Center with a current, state of the art Convertible Filled Turf System. The existing Artificial Turf Rolled Carpet System is at the end of its services life, represents outdated technology, and is a safety hazard for recreational, intramural and varsity student athletes.

The university has experienced extremely positive results with a Filled Turf System installed at the Student Activity Fields just to the east of the ASUI Kibbie Activity Center in 2005. It is the recommendation of the feasibility study and the desire of the university to install a similar, convertible system indoors within the ASUI Kibbie Activity Center. Such a convertible system will retain the flexibility to transition the dome floor from a turf surface to a sports court surface that currently exists with the exiting system. The new system, however, will represent a marked improvement in comfort and safety for recreational, intramural and varsity student athletes.

This topic was preliminarily discussed with the Regents in the course of the November 30, 2006 Regular Board Meeting and was highlighted in the February 22, 2007 presentation of the Feasibility Study findings. Accordingly, the university has issued a Request for Proposal for a Convertible Filled Turf System to potential vendors. The university has also initiated Design and Construction documents for an associated small scope construction project necessary to modify the ASUI Kibbie Activity Center as required to accept the new Convertible Filled Turf System.

Scheduled milestones for delivery and implementation include:

| Milestone | Date |
|--|-----------------|
| Receipt of Proposals from Vendors Responding to RFP | April 12, 2007 |
| RFP Response Evaluations Complete, Vendor Selected | April 27, 2007 |
| Kibbie Modifications Construction Project Bids Due | May 1, 2007 |
| Kibbie Modifications Construction Project Substantial Completion | July 13, 2007 |
| Turf Installation Substantial Completion | August 10, 2007 |
| First Home Varsity Football Game | Sep 8, 2007 |

The current total project estimate based upon the Architects estimate of purchase, construction, and installation costs for this effort is \$1,752,250.00. The university will report any variations or deviations from this project cost estimate based upon RFP response and bids received per the schedule noted above.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO - continued

The project is fully consistent with the university's strategic plan, the Long Range Campus Development Plan (LRCDP) and the February 2007 ASUI Kibbie Activity Center and Proposed Events Pavilion Feasibility Study.

IMPACT

Immediate fiscal impact of this effort is \$1,752,250.

| <u>Funding</u> | | <u>Estimate Budget</u> | |
|--------------------|------------------|------------------------|----------------|
| State | \$ 0 | Construction | \$1,459,750 |
| Federal (Grant): | 0 | A/E & Consultant Fees | 80,000 |
| Other (State & UI) | <u>1,752,250</u> | Contingency | <u>212,500</u> |
| Total | \$1,752,250 | Total | \$1,752,250 |

ATTACHMENTS

| | |
|--|--------|
| Attachment 1: Project Acquisition Plan | Page 4 |
| Attachment 2: Capital Project Tracking Sheet | Page 5 |

STAFF COMMENTS AND RECOMMENDATIONS

The University intends to use unrestricted institutional funds to pay for the turf and installation, and repay those funds at a rate consistent with what the University might earn from investing the monies. The internal loan will be paid back in full over a period of nine years, at worst case through the University's current revenue account for turf repair and replacement. That account receives approximately \$200,000 per year, has a current fund balance of \$368,000, and by the time the turf and installation are paid for, another allocation will have been deposited, thereby reducing the internal loan amount.

This mechanism of internal loan and repayment allows the University rather than an outside banking institution to retain the interest payment, and use a fund stream that is currently in place for this purpose.

Staff has reviewed the request, and recommends approval.

BOARD ACTION

A motion to approve the University of Idaho's request to purchase and install a convertible filled turf system as a replacement for the existing turf in the Kibbie Activity Center, in the amount not to exceed \$1,800,000.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

Project Acquisition Plan

Architectural & Engineering Services

Facilities

University of Idaho, Moscow, Idaho

1 **Project Title:** ASUI Kibbie Activity Center Replace Turf
 2 UI Project Mgr: Raymond Pankopf
 3 UI Project No.: CP070062
 4 DPW Project No.: N/A
 5 Date Prepared: 28 Feb 07, REVISED 3 Mar 07 per T.E. Input
 6 Date Last Updated: 8-Mar-07 67

| T/M No. | Task/Milestone Description | Lead | Estimated Cal Days/ Event | Estimated Milestone Date | Actual Cal Days/ Event | Actual Milestone Date | +/- | Cum Days Ahead (+) or Behind (-) | Estimated Milestone Julian Date |
|---------|---|------------------------------|---------------------------|--------------------------|------------------------|-----------------------|-----|----------------------------------|---------------------------------|
| | | | | | | | | | |
| 10 | 1 Job Meeting 27 Feb 07 | All | 0 | 27-Feb-07 | 0 | 27-Feb-07 | 0 | 0 | 58 |
| 11 | 2 Identify Selection Committee | Ray / Athletics / SS | 10 | 9-Mar-07 | | | | | 68 |
| 12 | 3 Draft Regents Item - UI Int Deadline | Ray Pankopf | 0 | 9-Mar-07 | | 8-Mar-07 | 1 | | 68 |
| 13 | 4 Budget / Funding Source Identified to Allow Buck Sheets to Clear Process | Tyrone Brooks / Jana Stotler | 5 | 14-Mar-07 | | 6-Mar-07 | 8 | | 73 |
| 14 | 5 Buck Sheet for Turf RFP Initiated | Carry Salonen | 1 | 15-Mar-07 | | | | | 74 |
| 15 | 6 Advertisement Due to Paper for Turf RFP | UI Purchasing | 5 | 20-Mar-07 | | | | | 79 |
| 16 | 7 Tech Spec for RFP Complete | Opsis / D.A. Hogan | 1 | 21-Mar-07 | | | | | 80 |
| 17 | 8 Turf RFP Complete | UI Purchasing | 2 | 23-Mar-07 | | | | | 82 |
| 18 | 9 RFP Period Opens | UI Purchasing | 3 | 26-Mar-07 | | | | | 85 |
| 19 | 10 Buck Sheet for Const Project Initiated | Carry Salonen | 3 | 29-Mar-07 | | | | | 88 |
| 20 | 11 Advertisement Due to Paper for Const Prjct | UI A & E Services | 5 | 3-Apr-07 | | | | | 93 |
| 21 | 12 CD's for Const Project RTA | Opsis / MW Engine | 3 | 6-Apr-07 | | | | | 96 |
| 22 | 13 Bid Period for Const Project Starts | UI A & E Services | 3 | 9-Apr-07 | | | | | 99 |
| 23 | 14 RFP Responses DUE | Vendors / Proposei | 3 | 12-Apr-07 | | | | | 102 |
| 24 | 15 Suspense Date for Ops Visit (to B.C. Place) | SSC / Athletics / AI | 0 | 12-Apr-07 | | | | | 102 |
| 25 | 16 Regents Meeting | Regents | 7 | 19-Apr-07 | | | | | 109 |
| 26 | 17 RFP Evaluations Complete | Selection Team | 8 | 27-Apr-07 | | | | | 117 |
| 27 | 18 Bid Opening for Const Project | UI A & E Services | 4 | 1-May-07 | | | | | 121 |
| 28 | 19 A & E Services Issues Letter of Intent to Award to Successful Contractor | UI A & E Services | 3 | 4-May-07 | | | | | 124 |
| 29 | 20 Purchasing Awards and Issues NTP to Successful Turf Vendor | UI Purchasing | 0 | 4-May-07 | | | | | 124 |
| 30 | 21 Existing Turf is Surplused Suspense Date | Athletics / Surplus | 7 | 11-May-07 | | | | | 131 |
| 31 | 22 Commencement (no Dome Access) | SSC / Events | 1 | 12-May-07 | | | | | 132 |
| 32 | 23 A & E Services Issues NTP to Successful Contractor | UI A & E Services | 2 | 14-May-07 | | | | | 134 |
| 33 | 24 Moscow Elementary Track Meet (possibly moved to outdoor Student Activity Fields) | Events | 18 | 1-Jun-07 | | | | | 152 |
| 34 | 25 MHS Graduation | Events | 7 | 8-Jun-07 | | | | | 159 |
| 35 | 26 Vandal Football Camp Begins | Athletics | 10 | 18-Jun-07 | | | | | 169 |
| 36 | 27 Vandal Football Camp Ends | Athletics | 3 | 21-Jun-07 | | | | | 172 |
| 37 | 28 Shrine Circus (no Contract) | Events | 3 | 24-Jun-07 | | | | | 175 |
| 38 | 29 NW Inland Modelers Begins | Events | 12 | 6-Jul-07 | | | | | 187 |
| 39 | 30 NW Inland Modelers Ends | Events | 4 | 10-Jul-07 | | | | | 191 |
| 40 | 31 Const Project Substantial Completion | Contractor | 3 | 13-Jul-07 | | | | | 194 |
| 41 | 32 Volleyball Camp Starts (no Dome Access) | Athletics | 2 | 15-Jul-07 | | | | | 196 |
| 42 | 33 Volleyball Camp Ends | Athletics | 5 | 20-Jul-07 | | | | | 201 |
| 43 | 34 Turf Installation Begins in Dome | Turf Vendor | 2 | 23-Jul-07 | | | | | 203 |
| 44 | 35 Varsity Football Camp Starts | Athletics | 13 | 4-Aug-07 | | | | | 216 |
| 45 | 36 TURF Substantial Completion | Turf Vendor | 6 | 10-Aug-07 | | | | | 222 |
| 46 | 37 PROJECT Substantial Completion | Everybody | 0 | 10-Aug-07 | | | | | 222 |
| 47 | 38 First Available Varsity Football Use | Athletics | 1 | 11-Aug-07 | | | | | 223 |
| 48 | 39 First Varsity Football Home Game | Athletics | 28 | 8-Sep-07 | | | | | 251 |
| 50 | Total Estimated Calendar Days | | 164 | | | | | | |
| 51 | Total Actual Calendar Days to Date | | | | | | | | |
| 52 | Actual Calendar Days Variance from Plan to Date | | | | | | | | |
| 53 | Projected Completion Date: | | | 10-Aug-07 | | | | | |
| 54 | Job notes | | | | | | | | |

Office of the Idaho State Board of Education
Capital Project Tracking Sheet
As of April 19, 2007

History Narrative

- 1 Institution/Agency:** University of Idaho **Project:** Capital Project Authorization Request, Replace Artificial Turf, ASUI Kibbie Activity Center, University of Idaho, Moscow, Idaho
- 2 Project Description:** Purchase and install a Convertible Filled Turf System in replacement of the existing Artificial Turf Rolled Carpet System in the ASUI Kibbie Activity Center, University of Idaho, Moscow, Idaho.
- 3 Project Use:** Replacement of the existing Artificial Turf Rolled Carpet System in the ASUI Kibbie Activity Center with a current, state of the art Convertible Filled Turf System. The existing Artificial Turf Rolled Carpet System is at the end of its services life, represents outdated technology, and is a safety hazard for recreational, intramural and varsity student athletes.
- 4 Project Size:** N/A

| | Sources of Funds | | | | Use of Funds | | | |
|--------------------------------|------------------|------|--------------|---------------|--------------|------------------------|------------|--------------|
| | PBF | ISBA | Other | Total Sources | Planning | Use of Funds* Const | Other** | Total Uses |
| Initial Cost of Project | \$ - | \$ - | \$ 1,752,250 | \$ 1,752,250 | \$ 80,000 | \$ 1,459,750 | \$ 212,500 | \$ 1,752,250 |
| History of Revisions: | | | | | | | | |
| Total Project Costs | \$ - | \$ - | \$ 1,752,250 | \$ 1,752,250 | \$ 80,000 | \$ 1,459,750 | \$ 212,500 | \$ 1,752,250 |

| History of Funding: | * Other Sources of Funds----- | | | | | | |
|--|-------------------------------|------|---------------------------------------|-----------------|-------|--------------|---------------|
| | PBF | ISBA | Institutional Funds (Gifts/Grants) | Student Revenue | Other | Total Other | Total Funding |
| Original Authorization Request, Feb 07 | \$ - | | \$ 1,752,250 | | | \$ 1,752,250 | \$ 1,752,250 |
| | | | | | | - | - |
| | | | | | | - | - |
| | | | | | | - | - |
| Total | \$ - | \$ - | \$ 1,752,250 | \$ - | \$ - | \$ 1,752,250 | \$ 1,752,250 |

* Overall project cost estimate will be refined and improved as part of this planning process; UI will report back to the Board of Regents any resulting revisions to the project estimate and seek additional project authorization as may be required.

** Project Contingency

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.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO

SUBJECT

Capital Project Authorization Request, Renovate and Improve Training Room,
ASUI Kibbie Activity Center

REFERENCE

August 9-11, 2006 Information Item, Technical Assessment & Feasibility
Study, Proposed University of Idaho Events Pavilion
and ASUI Kibbie Activity Center Improvements.

Feb 22, 2007 Information Item, UPDATE: 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.1
& V.K.2

BACKGROUND

This is an initial request for Regent's Authorization to proceed with a design and construction effort to renovate and improve the Training facilities and associated spaces within the ASUI Kibbie Activity Center, University of Idaho, Moscow, Idaho.

DISCUSSION

In the summer of 2006, The University of Idaho initiated a technical assessment feasibility study for a proposed University of Idaho Events Pavilion and proposed improvements to the ASUI Kibbie Activity Center.

The university presented an Information and Update Item summarizing the progress and findings of the feasibility study as a part of the regular Board Meeting, February 22, 2007.

One of the recommendations contained in the feasibility study was to continue to make progress on the East End and Vandal Athletic Center Additions. Consistent with this recommendation, the university desires to embark upon a design and construction effort to renovate and improve the facilities associated with Athletic Training currently housed in the East End/Vandal Athletic Center. The scope of this project was initially defined in the April, 2004 Vandal Athletic Center Feasibility and Planning Study and was validated and confirmed in the February 2007 ASUI Kibbie Activity Center and Proposed Events Pavilion Technical Assessment & Feasibility Study.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO – continued

Project scope includes renovations and improvements to the Training and Treatment Areas, Equipment Room, Laundry, Storage and Restrooms. Life Safety elements such as extension of fire suppression systems into this area are included in the scope.

Source of funds for this effort are from gifts made to support improvements to athletic facilities. Gifts have been received by the University of Idaho Foundation and are currently available for this project.

The project is fully consistent with the university's strategic plan, the Long Range Campus Development Plan (LRCDP), the April 2004 Vandal Athletic Center Feasibility and Planning Study and the February 2007 ASUI Kibbie Activity Center and Proposed Events Pavilion technical Assessment & Feasibility Study.

IMPACT

Immediate fiscal impact of this effort is \$845,000.

| <u>Funding</u> | | <u>Estimate Budget</u> | |
|-----------------------|----------------|-------------------------------|---------------|
| State | \$ 0 | Construction | \$ 668,000 |
| Federal (Grant): | 0 | A/E & Consultant Fees | 100,000 |
| Other (State & UI) | <u>845,000</u> | Contingency | <u>77,000</u> |
| Total | \$ 845,000 | Total | \$ 845,000 |

ATTACHMENTS

Attachment 1 - Capital Project Tracking Sheet

Page 3

STAFF COMMENTS AND RECOMMENDATIONS

Staff has reviewed the request, and has increased the dollar amount of the approval level from the amount requested, \$855,000, to \$900,000, to account for unforeseen cost increases.

Staff recommends approval.

BOARD ACTION

A motion to approve the request by the University of Idaho to proceed with the design and construction of the renovation and improvement of the training facilities and associated spaces within the ASUI Kibbie Activity Center, at a cost not to exceed \$900,000. Funds will come from private gifts made to the University to support improvements to athletic facilities.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

Office of the Idaho State Board of Education
Capital Project Tracking Sheet
As of April 19, 2007

History Narrative

- 1 **Institution/Agency:** University of Idaho **Project:** Capital Project Authorization Request, Renovate and Improve Training Room, ASUI Kibbie Activity Center, University of Idaho, Moscow, Idaho
- 2 **Project Description:** Design and construction effort to renovate and improve the Training facilities and associated spaces within the ASUI Kibbie Activity Center, University of Idaho, Moscow, Idaho.
- 3 **Project Use:** Project scope includes renovations and improvements to the Training and Treatment Areas, Equipment Room, Laundry, Storage and Restrooms. Life Safety elements such as extension of fire suppression systems into this area are included in the scope.
- 4 **Project Size:** N/A

| | Sources of Funds | | | | Use of Funds | | | |
|-------------------------|------------------|------|------------|---------------|--------------|---------------------|-----------|------------|
| | PBF | ISBA | Other | Total Sources | Planning | Use of Funds* Const | Other** | Total Uses |
| Initial Cost of Project | \$ - | \$ - | \$ 845,000 | \$ 845,000 | \$ 100,000 | \$ 668,000 | \$ 77,000 | \$ 845,000 |
| History of Revisions: | | | | | | | | |
| Total Project Costs | \$ - | \$ - | \$ 845,000 | \$ 845,000 | \$ 100,000 | \$ 668,000 | \$ 77,000 | \$ 845,000 |

| History of Funding: | * Other Sources of Funds | | | | | | |
|--|--------------------------|------|------------------------------------|-----------------|-------|-------------|---------------|
| | PBF | ISBA | Institutional Funds (Gifts/Grants) | Student Revenue | Other | Total Other | Total Funding |
| Original Authorization Request, Feb 07 | \$ - | | \$ 845,000 | | | \$ 845,000 | \$ 845,000 |
| | | | | | | - | - |
| | | | | | | - | - |
| | | | | | | - | - |
| Total | \$ - | \$ - | \$ 845,000 | \$ - | \$ - | \$ 845,000 | \$ 845,000 |

25 * Overall project cost estimate will be refined and improved as part of this planning process; UI will report back to the Board of Regents any resulting revisions to the project estimate and seek additional project authorization as may be required.

26 ** Project Contingency

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

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2. Project Approvals

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BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO

SUBJECT

Establishment of an independent trust for self-funded health benefits plan.

REFERENCE

December 2004 Transition to self-funded medical coverage program discussed as informational item.

April 2005 Board approved self-funded medical and dental contracts with any necessary changes to accommodate compliance with Title 41, Chapter 40, Idaho Code..

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.C.1.d.

Title 41, Chapter 40, Idaho Code

BACKGROUND

In December 2004, the University of Idaho discussed with the Board the option of transitioning its traditional health benefits plan to a self-funded plan. In April 2005, the Board approved the University's health benefits contracts with any necessary amendments to accommodate a transition to a self-funded plan that complies with Title 41, Chapter 40, Idaho Code. Title 41, Chapter 40, Idaho Code requires self-funded health care plans that fall within the scope of the statute to register with the Idaho Department of Insurance (IDI). In order to register, the self-funded health care plan must operate as an independent trust, under a trust agreement reviewed and approved by the IDI. The University has been working with the IDI to put together a complete application that satisfies all of the statutory requirements. The statutory requirements were modified by HB822, which became effective on July 1, 2006. The University submitted a draft application package to the IDI in September, 2006. Since then, the University has worked with the IDI to address its questions and modify its application accordingly, including modifications to the draft trust agreement. In addition, the draft trust agreement has been reviewed by independent legal counsel for the trustees. Once the trust agreement is approved and signed, the University will submit a final, complete application to the IDI.

DISCUSSION

This trust agreement establishes a separate, independent legal entity, the University of Idaho Health Benefits Trust (Trust). The Trust will hold and manage all funds intended for the University's health benefits plan.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO - continued

Under the trust agreement, the University remains the entity responsible for designing the health benefits for the participants in the health benefits plan, and, together with the Trust, will retain third party claim administrators to manage claims. All contributions to the plan will be held and managed by the Trust. Likewise, the Trust will be responsible for all distributions with respect to the plan, including claims administration fees, and payments for covered services. The Trust is required to establish a reserve and a surplus, the amounts of which are set by statute with Idaho Code § 41-4010 and Idaho Rule IDAPA 18.01.27.026. As a separate legal entity the Trust, among other powers, has the power to enter into legal proceedings, to obtain necessary professional services, to hire employees, and to invest the trust funds, subject to statutory limitations on investment vehicles. Accounting and reporting requirements for the Trust are set out in statute.

The Trust shall be governed by four trustees, who will be employees, excepting the President, the Vice President for Finance and Administration and the Assistant Vice President for Human Resources. The initial four trustees represent a cross section of employees, including faculty, finance staff, and administration. The trustees shall be covered by a bond or equivalent crime policy and likewise, will have the equivalent of directors and officers coverage.

IMPACT

The University's health care plan currently represents approximately 15% of the University's \$300 million budget, presently costing approximately \$20 million annually. This dollar amount represents contributions from the University, including from appropriated funds, and from plan participants.

Pending establishment of the trust and registration of the self-funded plan with the IDI, the University, since July 1, 2005, has operated its benefits program as a self-funded internal program. The University transitioned to a self-funded program based on the ability to reduce its projected health cost increase. The projected cost reductions have been realized in the past two years. In fiscal year 2006, the cost avoided through the self funded program was approximately \$1,920,000. For the current fiscal year the anticipated cost avoidance is approximately \$2,150,000. The cost avoidance, calculation for FY06 compares actual experience to fully insured quotes received for the same period. The FY07 projection uses the prior years fully insured cost trended forward based on the twelve percent average escalation rate for fully insured health care programs.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO - continued

With registration and establishment of the Trust under Title 41, Chapter 40, Idaho Code, the University will be required to pay annual fees associated with the registration of approximately \$1,500.00, one time fees of approximately \$1,000.00, and, the Trust likely will incur costs that otherwise were internal to the University, such as fees and expenses for professional services. Notwithstanding these additional expenditures, the University still will be able to realize significant cost containment by maintaining a self-funded health benefits program through a registered Trust.

While the transition to self-funding has allowed the University to realize significant cost avoidance, the rising cost of health care requires us to continually seek to improve our program. Even with the self-funded program, the University's health benefits costs were approximately \$18 million in FY06, and are projected to be approximately \$20 million in FY07.

In the next several months the University will be examining additional cost containment opportunities for its health benefits program, including the possibility of transferring to a cafeteria style program that would provide participants with an allocated annual contribution and allow them greater participation in deciding what benefits to elect to spend it on from a menu of possible options. The University intends to bring the cafeteria benefits plan model forward as an information item within the next few months.

ATTACHMENTS

Attachment 1 - University of Idaho Health Benefits Trust Agreement Page 5

STAFF COMMENTS AND RECOMMENDATIONS

As noted by the University, the concept of registration has previously been discussed with the Board, and Board and University staff has had extensive conversations with the Idaho Department of Insurance. Board staff believes that registration of the plan provides significant benefits and protections to all parties involved. These benefits include:

- All contributions must be paid in advance and be deposited in, and disbursed from, a trust fund created using a trust agreement;
- All contributions by the employer must be in the form of regular payroll deductions;
- Each employee-beneficiary must be provided with a written statement or schedule outlining all benefits available;
- The plan is required to be actuarially sound;
- Funds in the trust are not available for use for any other purpose;
- Adequate reserves as necessary are required;

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

INSTITUTION / AGENCY AGENDA
UNIVERSITY OF IDAHO - continued

- Full and accurate records of financial transactions and annual financial reports are required;
- All individuals handling receipts and disbursements must be bonded.

Staff believes the University is attempting to properly manage its costs for health benefits, while providing a reasonable level of health benefits to its employees.

Staff has reviewed this request and recommends approval.

BOARD ACTION

A motion to approve the request by University of Idaho to enter into the University of Idaho Health Benefits Trust Agreement in substantially the same form as the draft attached hereto, and with any further edits requested by the Idaho Department of Insurance to satisfy Title 41, Chapter 40, Idaho Code, and to continually authorize the University of Idaho to transfer University funds to the Trust in a manner consistent with, and as required by, the Trust Agreement and Title 41, Chapter 40, Idaho Code.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

**UNIVERSITY OF IDAHO HEALTH BENEFITS
TRUST AGREEMENT**

WHEREAS, the Board of Regents of the University of Idaho, (“University”) finds there is a need to provide healthcare coverage to its employees;

WHEREAS, University finds it prudent to self-fund such a healthcare plan;

WHEREAS, University has determined said plan should be funded through a trust that is tax-exempt under Section 501(c)(9) the Internal Revenue Code of 1986, as amended (the “Code”);

NOW THEREFORE, effective [insert date] (“Effective Date”), in order to accomplish the foregoing, University hereby establishes this trust (“Trust”) by entering into the agreement set forth below (“Agreement”).

1.0 DEFINITIONS.

1.1 BENEFICIARY.

As defined by the current medical, pharmacy, dental, and vision contracts contained in the Plan.

1.2 CLAIMS ADMINISTRATORS.

One or more third-party administrators retained by the Plan Sponsor that shall administer the health benefits under the Plan including medical, pharmacy, dental, and vision.

1.3 CONTRIBUTIONS.

The payments by University, employees, dependents and/or retirees to the Trust for the purposes of the Plan and Trust set out in Section 2. 3.

1.4 COVERED SERVICES.

Those services for medical, pharmacy, dental, and vision benefits set out in the Plan.

1.5 DEPENDENT.

As defined under the Plan.

1.6 FUND.

The Trust created by this Agreement, which shall consist of all bank accounts or savings accounts or certificates together with all investments made and held by or for the Trustees, all monies received by the Trustees and any other property

received and held by the Trustees for uses, purposes and trusts set forth in this Agreement.

1.7 PARTICIPANT.

Persons who participate in the Trust other than the University, by making contributions to the Fund.

1.8 PLAN.

The one or more documents under which the Plan Sponsor provides medical, pharmacy, dental, and vision benefits to Plan Participants, including without limitation the written agreements between the Plan Sponsor and the Claims Administrators identifying Plan terms and conditions, including general provisions, exclusions, limitations, schedule of benefits, endorsements, and application forms.

1.9 PLAN PARTICIPANTS.

Beneficiaries, enrolled employees, retirees, or families of employees or retirees who have met the eligibility requirements for medical, pharmacy, dental, and vision benefits as set out in the Plan, and who, in a timely manner, have made all required Contributions.

1.10 PLAN SPONSOR.

The University as the entity creating the Plan for the benefit of the Plan Participants is the Plan Sponsor.

1.11 PLAN YEAR.

The Plan Year means each twelve consecutive month period beginning July 1 and ending June 30, except for the first Plan Year beginning on the Effective Date and any shorter last Plan Year.

1.12 TRUSTEES.

The persons designated as Trustees in this Agreement together with their successors.

2.0 ESTABLISHMENT OF TRUST.

2.1 ESTABLISHMENT AND NAME OF TRUST.

University hereby establishes an employee benefit trust, referred to as the University of Idaho Health Benefits Trust ("Trust").

2.2 AGREEMENT BY TRUSTEES.

The undersigned Trustees, by the execution of this Agreement, (i) accept the trusteeship, and (ii) declare that they will receive and hold the Fund assets as

Trustees under this Agreement for the uses, purposes, and trusts set forth in this Agreement.

2.3 PURPOSES OF TRUST.

University has established a Plan to provide for the payment of covered services incurred by Plan Participants. The purposes of the Trust are:

- 2.3.1 To accumulate funds in a trust to pay Plan benefits for Plan Participants according to the Plan as a voluntary employees' beneficiary association under Code Section 501(c)(9);
- 2.3.2 To receive all contributions to the Plan;
- 2.3.3 To hold, manage, invest, and reinvest the Trust property and all income from the property, in accordance with the terms of this Trust; and
- 2.3.4 To make distributions from the Trust Fund in accordance with Section 3.3.
- 2.3.5 To qualify as a self-funded trust under Idaho state law.

2.4 IRREVOCABILITY OF THE TRUST.

University reserves no right or authority to revoke or terminate the Trust; provided, however, the Trust shall terminate if it no longer serves the purposes for which it is established and in accordance with Idaho law, including without limitation, Section 41-4018 of the Idaho Code and Article 6.0 herein.

2.5 NONDISCRIMINATION

No part of the net earnings of the Trust (other than through the payment of benefits in accordance with the Plan) shall inure to the benefit of any person.

2.6 NOTIFICATION.

The University will take such action and file such documents as are required under Section 505(c) of the Code to notify the Internal Revenue Service that the Trust is applying for recognition as an organization which is exempt from tax under Sections 501(a) and 501(c)(9) of the Code.

3.0 ADMINISTRATION AND DISPOSITION OF TRUST FUND.

3.1 CLAIMS.

3.1.1 Authority: The Plan Sponsor, or its designee, shall have full and complete authority, responsibility, discretion and control over the management, administration and operation of the Plan, including without limitation to make all determinations as to the right of any person to a benefit under the Plan and to delegate any responsibilities to another party. The Plan Sponsor shall generally

delegate the Plan administration to the Claims Administrators who shall have authority to control and manage the daily operation and administration of the Plan and shall apply rules in a nondiscriminatory manner so that persons entitled to benefits under the Plan are treated similarly. The Trustee shall have full and complete authority, responsibility, discretion and control with respect to all matters pertaining to the Trust and Fund.

3.1.2 Notice: The Plan Sponsor, on behalf of the Trustees, shall cause a written statement or schedule adequately and clearly stating all benefits currently allowable under the Plan, together with all applicable restrictions, limitations, and exclusions, and the procedure for filing a claim for benefits, to be furnished to each Plan Participant.

3.2 CONTRIBUTIONS.

3.2.1 Plan Sponsor Contributions: The Plan Sponsor shall make Contributions to the Trust as it in its sole discretion determines from time to time to provide health benefits under the Plan; provided that for each Plan Year in which the Plan and Trust continue the Plan Sponsor shall make Contributions to the Trust in an amount to be actuarially sound and consistent with statutory requirements, including but not limited to making Contributions in advance. However the Plan Sponsor does not hereby assume any contractual or other obligation as to the continuance of the Plan or the making of future Contributions with respect thereto.

3.2.2 Plan Participant Contributions: Any Contribution to the Trust by Plan Participants shall be by regular, periodic payroll deductions unless allowed otherwise under the Idaho Code.

3.2.3 Receipt of Contributions: The Trustee shall receive and hold as part of the Trust Fund any Contributions paid to the Trustee; provided, however, to the extent applicable law does not otherwise require, the Trustee shall not be required to determine that any Contributions are in compliance with the Plan, shall be accountable only for the funds actually received by it, and shall not be responsible for the adequacy of the Trust Fund to meet and discharge any or all liabilities under the Plan or for the proper application of distributions made upon the written direction of the Plan Sponsor.

3.3 PAYMENT

The Trustees shall make distributions from the Trust Fund in such amounts and to such person or persons as the Claims Administrators, by direction from the Plan Sponsor through the Plan, or by direction of such persons authorized in writing by the Plan Sponsor to give the direction to provide for the payment of (i) covered medical services, (ii) covered dental services, (iii) covered pharmacy services, (iv) covered vision plan services, (v) such administrative fees charged by the Claims Administrators, and (vi) other such costs and charges related to

Trust business. Trustees or their designees may authorize draws upon the Fund. The Trustees shall not be considered the agents of the Claims Administrators.

3.4 SEPARATE ACCOUNTS.

For investment and/or accounting purposes, the assets of the Trust Fund may be held in one or more separate accounts as may be determined by the Trustees, or as may be directed by the University for the sole purpose of complying with GASB or other accounting or legal requirements. All such separate accounts must be consistent with applicable accounting standards. At such time as any amounts shall be paid or delivered to the Trustees, the University shall, if separate accounts have been established, specify to which accounts such amounts shall be credited.

Assets credited to a separate account may be invested on a commingled basis, but if so invested, the separate account must be adjusted on at least a yearly basis to reflect its proportionate share of the appreciation, depreciation, income, expenses, gains, and losses of the Trust Fund for the period.

The accounting for the active employee medical plans shall be separate from the accounting for the retired employee medical plans.

3.5 EXPENSES, RESERVES, SURPLUS AND TAXES.

3.5.1 The Trustees may pay or provide for (i) the payment of all reasonable and necessary expense of collecting the employer and employee Contributions and administering the affairs of the Trust and Fund, including all expenses which may be incurred in connection with the establishment of the Trust and Fund, (ii) the employment of administrative, legal, expert and clerical assistance, (iii) the leasing of premises and the purchase or lease of materials, supplies and equipment which the Trustees, in their discretion, find necessary or appropriate in the performance of their duties, (iv) any cost associated with covered claims or administration of claims for benefits; and (v) any reasonable and necessary expenses of offering, communicating, documenting and maintaining health programs for the benefit of the Plan Participants.

3.5.2 The Trustees shall establish and accumulate as part of the Fund a reserve in an amount certified to by a member of the American Academy of Actuaries as being necessary for payment of claims against the Trust Fund for benefits, including both claims reported and not yet paid and claims incurred but not yet reported. If under the Plan, periodic Contributions of either the University or Plan Participants to the Trust Fund are payable less frequently than monthly, there shall be a reserve for unearned Contributions as computed pro rata on the basis of the unexpired portion of the period for which the Contribution has been paid.

3.5.3 The Trustees shall establish and maintain in the Trust Fund a surplus. For the first Plan Year, the surplus shall be not less than ten percent (10%) of the unpaid claims liability of the Plan. For the second Plan Year the surplus shall be not less than twenty percent (20%) of the unpaid claims liability. For the third Plan Year and every Plan Year thereafter, the surplus shall be not less than thirty percent (30%) of the unpaid claims liability of the Plan.

3.5.4 The Trustees may pay any federal, state or local tax which may be properly levied against the Fund.

3.6 INVESTMENTS.

3.6.1 All funds received by the Trustees under this Trust as part of the Fund shall be deposited by them, or their designees, in the bank or banks that the Trustees designate for that purpose. All withdrawals of funds from such bank or banks shall be made only by check signed by a person or persons authorized by the Trustees to sign or countersign. The Trustees may invest and reinvest (or direct same to a professional investment manager) any part of the Fund which, in their sole judgment, is not required for current expenditures, as provided herein.

3.6.2 In accordance with Section 41-4009 of the Idaho Code, the Trustees shall, at all times, invest and reinvest the Fund and keep the Fund invested, without distinction between principal and income, in the following kinds of investments only:

- (1) General obligations of the United States government, or of any state, district, commonwealth, or territory of the United States, or of any municipality, county, or other political subdivision or agency thereof.
- (2) Obligations the payment of principal and interest of which is guaranteed by any such government or agency.
- (3) Corporate bonds and similar obligations meeting the requirements specified for investment of funds of insurers under Section 41-711 of the Idaho Code.
- (4) Collateral loans payment of principal and interest of which is adequately secured by securities in which the Trust Fund could lawfully invest directly.
- (5) Deposits, savings accounts, and share accounts in established banks and savings and loan associations located in the United States. Such investment as to any one (1) such institution

shall not be in excess of the amount covered by applicable deposit, savings, and share account insurance.

(6) Investments as permitted by sections 41-714 (common stock of publicly traded domestic and foreign corporations) and 41-716 (securities of any open-ended management type investment company or investment trust) of the Idaho Code, provided that the combined amount of such investments shall not exceed ten percent (10%) of the total assets of the Trust Fund.

(7) And in any other property or securities that are legal for investment of trust funds under the laws of the State of Idaho.

3.6.3 The Trustees are expressly prohibited from investing Trust Fund assets in:

(1) Any loan to or security of the University, or to or of any officer, director, subsidiary or affiliate of the University.

(2) The security of any person in which the Trustees, Committee, or any consultant of the plan has a direct or indirect material pecuniary interest.

(3) Real estate or loans thereon, or any personal loan.

3.6.4 All investments shall be made and held in the name of the Trust Fund, and the interest and yield thereon shall inure to the account of the Fund. No investment shall be made unless authorized in writing by the Trustees and must be so shown in the records of the Fund. Any person who authorizes any investment of Fund assets in violation of Section 41-4009 of the Idaho Code shall, in addition to other penalty therefore, be liable for all loss suffered by the Fund on account of the investment. No investment made in violation of this Section shall constitute an "asset" in any determination of the financial condition of the Fund.

3.7 TITLE TO ASSETS AND TRUST OBLIGATIONS.

The Trustee is vested with title to all the assets of the Trust Fund and shall have full power and authority to do all acts necessary to carry out its duties hereunder. The interest of each Participant hereunder shall be deemed to be personalty only and no Participant shall have any individual ownership interest in any Trust asset. Conveyances, assignments, transfers and deliveries of Trust assets by the Trustee alone shall pass all titles, rights and interests held hereunder. The liability for any Plan benefits is specifically limited to the assets of the Fund, including any Contributions receivable from the University and Participants.

3.8 INTEREST.

The Trust shall not be required to pay interest on University or Participant Contributions to the Fund.

3.9 SPENDTHRIFT CLAUSE.

No Trust Funds shall be:

3.9.1 Assigned or encumbered by any Participant;

3.9.2 Attached by or subjected to the interference or control of any creditor of any Participant or University; or

3.9.3 Reached by any legal or equitable process in satisfaction of any debt or liability of any Participant other than provided by statute.

3.10 VALUATION OF ASSETS.

The Trustees shall determine the value of the assets of the Fund as of such dates as the Trustees may deem appropriate or upon the request of the University on a given date. . Assets shall be valued at their market values at the close of business on the date of valuation, or in the absence of readily ascertainable market values, at such values as the Trustees shall determine, in accordance with methods consistently followed and uniformly applied.

3.11 POWERS OF THE TRUSTEES.

In administering the Fund, the Trustees shall be authorized to exercise the following powers, all of which shall be exercised by the Trustees in a fiduciary capacity, and in the best interest of the Fund and the Beneficiaries thereof.

3.11.1 To vote in person or by proxy, or to refrain from voting, with respect to any securities held by the Fund, and to enter into any voting trust or similar agreement relating thereto;

3.11.2 To consent or object to any action or non-action of any corporation, or of the directors, officers or stockholders of any corporation, with respect to any investment;

3.11.3 To settle, compromise or submit to arbitration any claims, debts or damages due or owing to or from the Fund, provided, however, that the Trustees shall not be authorized to settle, compromise or submit to arbitration any claims for benefits submitted by or on behalf of any Plan Participant or beneficiary under the Plans;

3.11.4 To deposit any property with any protective, reorganization or similar committee; to delegate power thereto; and to pay, or agree to pay, part of its expenses and compensation and any assessments levied with respect to any property so deposited;

3.11.5 To deposit securities with custodians or securities clearing corporations or depositories or similar organizations, whether located within the State of Idaho or elsewhere in the United States or abroad, except that the indicia of ownership of any property shall not be maintained outside the jurisdiction of Idaho state courts;

3.11.6 To commence or defend suits or legal proceedings; and to represent the Fund in all suits or legal proceedings in any court or before any other body or tribunal (provided, however, that the Trustees shall have no obligation to take any legal action for the benefit of the Fund unless it shall be first indemnified for all expenses in connection therewith, including reasonable attorneys' fees);

3.11.7 To establish one or more bank accounts (of any type) in the name of the Trust and to keep all or a portion of the assets of the Fund in any such accounts;

3.11.8 To apply for, accept, hold and act as owner and policyholder of, and to administer insurance policies, from time to time for policies that they determine to be necessary or that the University request they obtain, provided such request is consistent with best business practices, , and to pay premiums or fees with respect to such policies as they become due;

3.11.9 To execute and deliver such instruments and to take any and all actions to the extent necessary or desirable to carry out any of the foregoing powers or as are otherwise in the best interests of the Fund;

3.11.11 To employ suitable agents, custodians and counsel and, as part of its reimbursable expenses under this Agreement, to pay their reasonable expenses and compensation;

3.11.12 To appoint ancillary trustees to hold any portion of the assets of the Trust and to pay their reasonable expenses and compensation;

3.11.13 To register any securities held by it hereunder in its own name, in the name of its nominee, in the name of its agent, or in the name of its agent's nominee, with or without the addition of words indicating that such securities are held in a fiduciary capacity, and to hold any securities in bearer form and to deposit any securities or other property in a depository or clearing corporation;

3.11.14 To make, execute and deliver, as Trustees, any and all deeds, leases, conveyances, waivers, releases or other instruments in writing necessary or desirable for the accomplishment of any of the foregoing powers;

3.11.15 To seek legal redress on behalf of the Fund as the Trustees deems necessary and appropriate; and

3.11.16 Generally, to do all acts, exclusive of acts delegated to investment managers,' which the Trustees may deem necessary or desirable for the protection of the Fund and administration of the Trust.

3.12 INVESTMENT MANAGERS.

The Trustees from time to time, may appoint one or more investment managers to manage the investment of any portion of the Trust Fund, with the written consent of the University, which shall not be unreasonably withheld. The Trustees shall have an investment management agreement with any and all investment managers employed to invest a portion of the Trust Fund. Any directions to an investment manager from the Trustees shall be in writing and shall be signed by both parties authorized to act on behalf of each party.

4.0 TRUSTEES.

4.1 TRUSTEES.

There shall be four Trustees. Any University employee may be a Trustee, except the President, the Vice President for Finance and Administration, and the Assistant Vice President for Human Resources. The initial four Trustees shall be those individuals who are signatories to this Agreement.

4.2 TERM.

Each Trustee shall continue to serve as Trustee until the Trustee's death, incapacity, resignation or removal as provided in this Agreement.

4.3 RESIGNATION.

A Trustee may resign from all further duty or responsibility under this Agreement upon giving thirty (30) days notice in writing to the President of the University, or such shorter notice as the University may accept as sufficient. The notice shall state a date when the Trustee's resignation shall take effect. The resignation shall take effect of the date specified in the notice unless a successor Trustee shall have been appointed at an earlier date, in which event the resignation shall take effect immediately upon the appointment of the successor Trustee.

4.4 REMOVAL.

A Trustee may be removed from office at any time by a written notice signed by the President and Vice President for Finance and Administration, which shall be sent by registered or certified mail and which shall state a date when the removal shall take effect. Trustees are subject to removal by a veto vote of a majority of Plan Participants if ten (10) Plan Participants request such a vote in writing within 90 days of the appointment of a Trustee.

4.5 SUCCESSOR TRUSTEE.

4.5.1 In case any of the Trustees shall die, become incapable of acting under this Agreement, resign, or be removed, a successor Trustee shall promptly be appointed by a written notice signed by the President of the University and the Vice President for Finance and Administration. Until the appointment of a successor Trustee, the remaining Trustees by majority vote shall have full power to act under this Agreement.

4.5.2 A successor Trustee shall become vested with all the property, rights, powers, and duties of a Trustee upon (i) appointment as a successor Trustee, and (ii) acceptance by such successor Trustee of the trusteeship in a writing filed with the Trustees.

4.6 MEETINGS.

4.6.1 The Trustees shall meet regularly, at least once each calendar quarter, and at other times as is necessary to carry out the business and responsibilities of the Plan and Trust. Any one of the Trustees may call a meeting of the Trustees at any time, in person, by telephone or by e-mail, by giving at least forty-eight (48) hours written or e-mailed notice of the time and place of the meeting to the remaining Trustees; however, such notice may be waived by agreement of the Trustees.

4.6.2 The Trustees may conduct ministerial and administrative duties (e.g. paying legitimately presented bills) by voting via e-mail, without notice, but a record of such action must be made and stored.

4.7 ACTIONS BY TRUSTEES.

The four (4) Trustees shall act by a majority vote needed of three (3). Any person serving as Trustee may take any action or execute any document in the name of and on behalf of the Trust Fund and the other persons serving as Trustee, once duly approved and authorized by the Trustees, and unless the University or the persons serving as Trustee provide otherwise. The decision of the Trustee in matters within its jurisdiction shall be final, binding, and conclusive upon all interested or concerned parties.

4.8 PERSONS DEALING WITH TRUSTEE.

No person contracting or in any way dealing with the Trustee shall be under any obligation to ascertain or inquire (i) into any powers of the Trustee, (ii) whether such powers have been properly exercised or (iii) about the source or application of any funds received from or paid to the Trustee, and such person may rely on the Trustee's exercise of any power or authority as conclusive evidence that he or she possesses such power and authority. This Section shall not apply to any person who is a fiduciary with respect to the Plan or Trust.

4.9 VOTING.

Each Trustee shall have one vote on all matters in any meeting of the Trustees.

4.10 ADDITIONAL POWERS.

4.10.1 In addition to the Powers set out in Section 3.11, the Trustees shall have all powers specified herein, and as further provided in the Idaho Uniform Trustees' Powers Act, as amended, and any other applicable statute or rule of law.

4.10.2 The Trustees, the University, and each investment manager shall discharge their respective duties provided for under this Agreement with respect to the Fund in a fiduciary capacity and solely in the interest of the Beneficiaries with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims. The duties of the Trustees shall only be those specifically undertaken pursuant to this Agreement.

4.11 PROHIBITED POLITICAL OR PECUNIARY INTERESTS IN PLAN MANAGEMENT.

4.11.1 In accordance with Section 41-4015 of the Idaho Code, no Trustees, or other person having responsibility for the management of the Plan, or the investment or other handling of Trust Fund assets shall:

- (1) Receive directly or indirectly or be pecuniarily interested in any fee, commission, compensation, or emolument, other than salary or other similar compensation regularly fixed and allowed for services regularly rendered to the Plan, arising out of any transaction to which the Trust Fund is or is to be a party.
- (2) Receive compensation as a consultant to the Plan while also acting as a Trustee or administrator, or as an employee of either.
- (3) Have any direct or indirect material pecuniary interest in any loan or investment of the Trust Fund.

4.11.2 No consultant to the Plan or Fund shall directly or indirectly receive or have any pecuniary interest in any commission or other compensation arising out of any contract or transaction between the Trust Fund and any insurer, health care service corporation, health maintenance organization or other provider of health care services or of drugs or other health care needs and supplies.

4.11.3 No Trustee shall make or knowingly permit the making, directly or indirectly, of any political contribution by or from the Fund.

4.12 INTERPRETATION.

The Trustees shall have full and complete authority, discretion and power to construe the provisions of this Agreement. Any construction adopted by the Trustees that is not inconsistent with the provisions of the Plan shall be binding upon Plan Participants, Participants, University, the Claims Administrator and all others claiming by or through any of them by assignment, bequest or otherwise.

4.13 PAYMENT OF ADMINISTRATIVE EXPENSES.

4.13.1 All reasonable expenses incurred in administering the Plan and Trust, including but not limited to administrative fees and expenses owing to any third-party administrative service provider, actuary, consultant, accountant, specialist, or other person or organization that may be employed by the Trustees in connection with the administration of the Plan, insurance premiums, bond premiums for Trustees' coverage, or premiums for University self insurance, shall be paid out of the Fund. In the first twelve months of operation of the Fund, the University shall provide adequate contributions to cover initial administrative fees and expenses. In subsequent years, if the Fund is inadequate to cover administrative fees and expenses, Trustees may apply to the University for additional Fund contributions.

4.13.2 At the request of the Trustees, the University will provide administrative services and use of facilities and equipment to the Trustees. Services to be provided may include financial management, accounting services, investment management, information technology services, and other services as requested, provided such requests fall within permissible services to be provided to affiliated foundations under Section V.E. of the policies of the State Board of Education, as they are now and as they may be amended in the future, and provided that the Fund is at all times clearly segregated from all University accounts and established in separate accounts pursuant to this Agreement. After the first twelve months, for any and all services requested, University shall charge its cost for providing such services, through monthly detailed invoices. University shall not charge for services in the first year, and shall not charge for facilities and equipment used by the Trustees on behalf of the Trust.

4.14 RULES AND REGULATIONS.

The Trustees may adopt and promulgate such rules and regulations as may, in their discretion, be proper and necessary for the sound and efficient administration of the Trust

4.15 LIABILITY AND INDEMNITIES.

To the extent permitted by law, the Trustees shall not incur any liability for any acts or for failure to act except for willful misconduct or dishonesty, and the University or applicable insurance carrier hereby agrees to indemnify each Trustee for and to hold him or her harmless against any and all liabilities, losses, costs or expenses (including legal fees and expenses) of whatsoever kind and nature which may be imposed on, incurred by or asserted against him or her at

any time by reason of his or her service under the Plan if he or she did not act dishonestly or otherwise in willful violation of the law under which such liability, loss, cost or expense arises. This indemnity shall not preclude such other indemnities as may be available under insurance purchased or provided by the University or under any agreement with the University to the extent permitted by law. Payments under this Section shall not be made from Trust Fund assets. University or any applicable insurance carrier shall also supply counsel, and pay all attorney fees incurred by Trustees in defense of any action.

4.15 TRUSTEES RELIANCE.

The Trustees may rely upon any certificate, notice or direction of the University which the Trustees believe to be genuine and to have been signed by a duly authorized employee of the University. Communications from the University to the Trustees shall be sent to the Trustees' office as stated above or to such other address as the Trustees shall specify,.

4.16 RECORDS AND ACCOUNTS.

4.16.1 In accordance with Idaho Code § 41-4011, the Trustees shall keep accurate and detailed accounts of all investments, receipts, disbursements, earnings on contributions for each year in which the Trust is effective and all other transactions hereunder. The Trustees shall keep records indicating the amount contributed by the University, by Plan, and the amount and type of benefits paid by the Trust. All accounts, books and records relating thereto shall be open to inspection and audit at all reasonable times, with prior notice to the Trustees, by any persons designated by the University.

4.16.2 Within 90 days next following (i) the close of each fiscal year of this Trust, which shall be the 12-month period ending on June 30 of each year, (ii) the removal or resignation of a Trustee as provided in Section 9.3 hereof, (iii) the effective date of termination of the Trust, (iv) the withdrawal and transfer of a substantial portion of the Fund to another trust in accordance with the terms of the Trust, and (v) at such other times as shall be requested by the University, the Trustees shall file with the University and the State of Idaho Department of Insurance a written accounting setting forth all investments, receipts, disbursements, earnings on contributions with respect to the Plans funded, and in the aggregate, for each year in which the Trust is effective and all other transactions effected by the Trustees or reported to it by such investment managers as may be appointed hereunder during each fiscal year or during the period from the close of the last such fiscal year to the date of such removal or resignation. The accounting shall be certified by the accountant by whom such information was prepared or audited. In addition, the Trustees shall file quarterly unaudited financial reports in a form and at the time prescribed by the State of Idaho Department of Insurance, with copies to

the University. Within 30 days from the date of filing such annual or other accounting, the Trustees also will serve copies of such accounting upon any persons designated by the University as having administrative responsibility with respect to any Plan if requested by the University.

4.17 BONDING.

As required by Idaho state law, the Trustees shall cause all individuals handling receipts and disbursements for the Fund to be bonded or comparably covered by a crime policy at all times under a fidelity bond or other surety issued by a surety or other insurer authorized to transact such insurance in the State of Idaho. The bond or crime policy shall be in favor of the Fund and shall be in an amount equal to the greater of ten percent (10%) of the Contributions received by the Plan or ten percent (10%) of the benefits paid during the preceding year. For the first year, without operating information from the preceding year, the bond or crime policy shall be in an amount equal to ten percent (10%) of the contributions projected to be received by the Plan during its first year of operation. The amount of any bond or crime policy shall be not less than twenty-five thousand dollars (\$25,000) or more than five hundred thousand dollars (\$500,000). The bond or policy shall be non-cancellable except upon not less than thirty (30) days in advance notice in writing to the Trustees and the Department of Insurance. The cost of the bond or comparable crime policy shall be borne by the Fund.

5.0 AMENDMENTS.

5.1 ENTIRE AGREEMENT.

This Trust Agreement constitutes the entire agreement between University and the Trustees and shall not be deemed to be varied, altered or amended by any other statement representation or agreement by or between any person or persons whomsoever, whether written, oral or implied in any way, except as provided in this Agreement.

5.2 AMENDMENT.

The parties to this Agreement may, at any time and from time to time, by instrument in writing executed pursuant to appropriate authorizations amend in whole or in part any or all of the provisions of this Agreement, provided, however, that no amendment or modification may be made that would permit any part of the corpus or income of the Fund to be used for, or diverted to, purposes other than for the exclusive benefit of the Plan Participants, and/or for the payment of administrative expenses, to the extent permitted by applicable law. Any such amendment shall become effective upon receipt by the Trustees of the instrument of amendment and endorsement thereon by the Trustees of its consent thereto, if such consent is required.

5.3 NOTICE.

The Trustees shall (i) immediately notify University, the Claims Administrators and other interested parties of any amendment to this Agreement, and (ii) execute any instrument or instruments in connection with the amendment.

6.0 TERMINATION OR DISCONTINUANCE OF THE PLAN.

6.1 APPLICATION OF FUNDS.

In the event of termination or discontinuance of the Plan, the Trustees shall apply the Fund to the continuation of providing benefits and to provide for payment of reasonable and necessary expenses incurred in termination of the Fund, until the Fund is exhausted. In the event of termination or discontinuance, University and Participant contributions shall be used to carry out purposes of the Trust as provided in this Agreement.

6.2 DISSOLUTION.

Upon termination or discontinuance of the Plan, or termination of registration pursuant to Idaho Code section 41-4018, the University shall immediately notify Trustees, who shall continue as Trustees for the purposes of dissolution and liquidation and may take any action that may be appropriate or required.

6.2.1 If the Plan or registration thereof is terminated, or if the Plan is discontinued, then there shall be a plan of liquidation for the Trust, in writing, and filed with and approved by the State of Idaho Department of Insurance as required by state law. Any balance remaining in the Fund after payment or adequate provision for all claims and charges against the Fund shall be disposed of in such manner as is provided for in the plan of liquidation. Unless under the plan of liquidation, liability for all unpaid claims and obligations of the Fund has been assumed by other financially responsible person or persons, the existence of surplus funds for such disposition shall not be determined prior to expiration of two (2) years after termination or discontinuance. The plan of liquidation, after such plan has been approved by the Department of Insurance, if applicable, shall be binding upon all persons with pecuniary interest in the Fund. Pending the effectuation of the plan of liquidation, the Trustees may impose such prohibitions or restrictions upon disbursement or use of Trust assets as it deems advisable for the protection of all interested persons.

6.2.2 In the event of termination or discontinuance of the Plan, the assets of the Trust, to the extent not required to be addressed or covered under an approved plan of liquidation pursuant to Idaho Code section 41-4019, shall be held by the Trustees, in trust, and shall be directed to the payment of unpaid benefits, insurance premiums and/or administrative expenses under the Plan, and other duly incurred obligations of the Trust, in accordance with the provisions of this Agreement relating to such payments until such assets have been exhausted. In no event shall the assets of the Trust be returned to the University upon dissolution of the

Trust unless permitted by applicable law. Upon termination of the Plan and satisfaction of all liabilities to existing Plan Participants, any assets remaining in the Trust may be applied to provide other permissible benefits or as otherwise permitted by applicable law.

7.0 MISCELLANEOUS PROVISIONS.

7.1 PAYROLL INFORMATION.

University shall promptly furnish to the Trustees, on demand, such payroll information and data with respect to the individual employees benefiting from this Agreement that the Trustees may require in connection with the administration of the Trust and the Plan. Payroll information and data shall be limited in nature to matters such as name, classification, social security number, hours worked or other information necessary to affirm eligibility for benefits. The Trustees, or their authorized representatives, may examine the pertinent payroll records of the employer with respect to the individual employees benefiting from this Agreement whenever an examination is deemed necessary or advisable by the Trustees in connection with the proper administration of the Trust and the Plan. Such information shall be kept confidential to the extent required by the Idaho Public Records Law I.C. § 9-340C and 9-348, and any other applicable law.

7.2 THIRD PARTY INTEREST.

No Participant, nor any person claiming by or through a Participant, employer, person, partnership, corporation or association, nor any person entity claiming by or through any one of them by reason or assignment, bequest or any other means shall have any right, title or interest in the Fund or any part of the Fund. However, any Participant who is actually covered by the Plan is entitled, subject to the terms and condition of the Plan, to the benefits provided under the Plan in the amount and to the extent provided in the Plan.

7.3 THIRD PARTY RELIANCE.

No person, partnership, corporation or association dealing with the Trustees shall be required (i) to see to the application of any funds or property of the Trust, (ii) to see that the terms of the Trust have been complied with, or (iii) to inquire into the necessity or expediency of any act of the Trustees. Every instrument effected by the Trustees shall be conclusive in favor of any person, partnership, or corporation relying on such instrument that:

7.3.1 At the time of the delivery of the instrument the Trust was in full force and effect;

7.3.2 The instrument was effected in accordance with the terms and conditions of this Agreement; and

7.3.3 The Trustees were duly authorized and empowered to execute the instrument.

7.4 PARTIES TO AGREEMENT.

No person or entity other than the Trustees or their lawful successors and University shall be considered a party to this Trust Agreement.

7.5 CONFLICTS OF LAW.

Whenever conflicts between Idaho Code Title 41, Chapter 40, and any other statute occur as to the interpretation of this Agreement, Title 41, Chapter 40 shall control.

7.6 SEGREGATION OF ASSETS.

The University may, if it so determines, at any time and from time to time, designate any group or groups of the eligible Plan Participants a separate class and may direct the Trustees to segregate in a separate fund, to be held for the benefit of such class, the part of the Fund allocable to such class as determined by the University or by an actuary appointed by the University, or of some lesser amount than such allocable part if the University or such actuary shall determine that other equitable provision is made for the difference. The University shall cause the Trustees to effect such segregation by delivering to the Trustees a certified copy of the University's or such actuary's determination, together with a certified copy of an approved motion of the Board of Regents of the University directing such segregation. The Trustees may rely conclusively and without investigation upon any such certified copy of such determination and such resolution and shall segregate such assets as the University may direct. The Trustees' valuation of such assets for that purpose shall be conclusive. The Trustees shall hold all of the assets so segregated under this provision, together with such payments as shall thereafter be made to the Trust in behalf of such class, and the income therefrom, as a subpart of the Fund and subject to the terms of this Agreement, or shall dispose of the same as directed by the University pursuant to the terms of this Agreement. In the event that the Trust or any subpart thereof created by this Agreement shall be terminated as to such class, the University shall direct the disposition of the assets held by the for such class through transfer to a successor trust, the payment of insurance premiums, or other means permitted by applicable law, as the University shall determine, and thereafter such Plan Participants shall not have any rights in the Fund, or against the Trustees. University or any applicable insurance carrier shall defend and indemnify Trustees for any actions, claims, demands or lawsuits brought against Trustees for actions taken pursuant to this paragraph. University or any applicable insurance carrier shall also supply counsel, and pay all attorney fees incurred by Trustees in said defense.

7.7 NONDIVERSION OF THE FUND.

Except as may otherwise be expressly provided herein, at no time shall any part of the Fund be used for, or diverted to, any purposes other than the purpose of providing health care benefits under the Plan, or other permissible benefits

allowed under applicable law, to those eligible Plan Participants entitled to benefits under this Trust, and for defraying the reasonable expenses of the Plan and Trust in the manner and to the extent provided in this Agreement; provided, however, that to the extent permitted by applicable law, contributions made by the University to the Trust may be returned to the University under circumstances where (i) the Trust does not qualify under applicable law such as Code Section 501(c)(9) and the contribution is returned within one year after the Trust is found to not so qualify; or (ii) the contribution was made due to a mistake of fact and the contribution is returned within one year of the mistaken payment. In the case of a mistake of fact, the return of contributions is limited to that portion of the contribution as to which there actually was a mistake of fact. A returned contribution does not include the earnings attributable to the contribution but it is reduced by any losses attributable thereto.

7.8 PROHIBITION ON ASSIGNMENT OR ALIENATION OF EQUITABLE INTERESTS.

The interests of the Plan in the assets, earnings and profits of the Trust shall not be subject to garnishment, assignment, attachment, levy or execution of any kind for the debts, defaults, bankruptcies or escheats of any person, natural or legal, having, or claiming to have, an interest in the Trust or in the Plan. In accordance with Section 41-4008 of the Idaho Code, this Section shall not prohibit levy upon the Fund by any provider (or assignee) for health care services rendered to a beneficiary if the Fund has theretofore agreed in writing to pay the same directly to such provider.

7.9 TAX EXEMPTION.

Contributions into the Fund, the accumulation of interest or other earnings in the Fund, and payments from an account for qualified health care expenses are tax-exempt, as provided in Idaho State Law and under applicable federal laws and regulations, to the extent that the plan is qualified under Section 501(c)(9) of the Internal Revenue Code.

8.0 SITUS AND CONSTRUCTION OF TRUST.

8.1 SITUS.

The Trust Fund is situated in the State of Idaho.

8.2 GOVERNING LAW, JURISDICTION, AND VENUE.

This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho and the United States Internal Revenue Code. The parties agree that the state courts of Idaho shall have exclusive jurisdiction and agree that Latah County is the proper venue.

8.3 SEVERABILITY.

The invalidity of any portion of this Agreement, as determined by a court of competent jurisdiction, shall not affect the validity of any other portion of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date indicated below.

DATED this _____ day of _____, 2006.

UNIVERSITY OF IDAHO

by: _____
Lloyd E. Mues, Vice President of
Finance and Administration

ATTEST:

TRUSTEES:

Bruce Pitman

Jeff Young

John Keats

Joy S. Fisher

REFERENCE – APPLICABLE STATUTE, RULE OR POLICY

Idaho State Board of Education

GOVERNING POLICIES AND PROCEDURES

SECTION: V. FINANCIAL AFFAIRS

Subsection: C. Spending Authority

April 2002

1. Monies Subject to Appropriation

d. Board Authorization Always Required

Irrespective of any other spending authority, the institutions, school and agencies under the governance of the Board must not expend, encumber, or otherwise use monies under their direct control without the specific or general approval by the State Board of Education or the Board of Regents of the University of Idaho and only in such amounts and for such purposes as are so authorized.

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BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 18-20, 2007

REFERENCE – APPLICABLE STATUTE, RULE OR POLICY - continued

GENERAL LAWS
TITLE 41. INSURANCE
CHAPTER 40. SELF-FUNDED HEALTH CARE PLANS

Idaho Code § 41-4001 (2006)

§ 41-4001. Declaration of purpose

(1) It is the purpose of this chapter to recognize and provide reasonable public supervision of self-funded or partially self-funded plans for provision of health care service benefits to employees in connection with or as an alternative to insurance and other prepayment plans, to provide standards for financial soundness of such plans, to protect the interests of employees covered thereby and to provide for financially viable alternatives to traditional health care arrangements. The legislature of the state of Idaho declares that the existence and operation of such self-funded plans are matters of legislative concern, vitally affecting the rights and interests of the citizens of this state.

(2) The provisions of this chapter shall apply to any single employer or multiple employer arrangement to fully or partially self-fund a health benefit plan for beneficiaries residing in this state to the extent that state regulation of the arrangement or plan is not preempted by the employee retirement income security act of 1974.

HISTORY: 1974, ch. 248, § 1, p. 1624; am. 2006, ch. 414, § 1, p. 1257.

NOTES:

COMPILER'S NOTES. The 2006 amendment, by ch. 414, added the subsection (1) designation; in subsection (1), substituted "chapter" for "act", inserted "or partially self-funded", deleted "and" preceding "to protect the interests" and inserted "and to provide for financially viable alternatives to traditional health care arrangements"; and added subsection (2).

CROSS REF. Life and Health Insurance Guaranty Association Act, §§ 41-4301 -- 41-4319.

SEC. TO SEC. REF. This chapter is referred to in § 41-5204.

Idaho Code § 41-4002 (2006)

§ 41-4002. Definitions

For the purposes of this chapter unless context otherwise requires:

(1) "Administrator" is a person, if other than the trustee, appointed by the plan sponsor or employed by the trustee to provide administrative services to a self-funded plan.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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(2) "Beneficiary" is any individual entitled, under the self-funded plan, to payment by the trust fund of any part of all of the cost of any health care service rendered him.

(3) "Claims liability" or "reserves" is the total of all incurred and unpaid claims, including incurred but not reported claims, for allowable benefits under a self-funded plan that are not reimbursed or reimbursable by stop-loss insurance provided by a carrier authorized to transact insurance in this state.

(4) "Contribution" is the amount paid or payable by the employer or employee into the trust fund.

(5) "Director" is the director of the department of insurance of this state.

(6) "Multiple employer welfare arrangement" shall have the same meaning as that given to such term by the employee retirement income security act of 1974.

(7) "Person" is any individual, corporation, association, firm, syndicate, organization, or other entity.

(8) "Plan sponsor" is any person who creates a plan for the benefit of any person.

(9) "Self-funded plan" or "plan" is any single or multiple employer welfare arrangement, or any other single or multiple employer plan, other than a plan providing only benefits under title 72, Idaho Code, under which payment for medical, surgical, hospital, and other services for prevention, diagnosis, or treatment of any disease, injury, or bodily condition of an employee is, or is to be, regularly provided for or promised from funds created or maintained in whole or in part by contributions or payments thereto by the employer or employers, or by the employer or employers and the employees, and not otherwise covered by insurance or contract with a health care service corporation or managed care organization authorized to transact business in this state.

(10) "Single employer" is any individual, sole proprietorship, business, partnership, corporation, limited liability company, firm or any other form of legally recognized entity or a group of two (2) or more employers under "common control" as defined in section 3(40)(B)(iii) of the employee retirement system act of 1974.

(11) "Surplus" is the excess of the assets of a self-funded plan minus the liabilities of the plan, provided the liabilities of a self-funded plan shall include the claims liability of the plan.

(12) "Trust fund" is a trust fund established in conjunction with a self-funded plan for receipt of contributions of employer and employees and payment of or with respect to health care service costs of beneficiaries.

(13) "Trustee" is the trustee, whether a single or multiple trustee, of the trust fund.

HISTORY: 1974, ch. 248, § 2, p. 1624; am. 2006, ch. 414, § 2, p. 1257.

NOTES:

BUSINESS AFFAIRS AND HUMAN RESOURCES
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COMPILER'S NOTES. The name of the commissioner of insurance has been changed to the director of the department of insurance on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

The 2006 amendment, by ch. 414, added present subsections (5) to (8), (10) and (11) and renumbered the remaining subsections accordingly; substituted "chapter" for "act" in the introductory language; in subsection (1), inserted "appointed by the plan sponsor or" and substituted "provide administrative services to" for "administer"; deleted former subsection (3), which read: "'Director' is the director of the department of insurance of this state"; in present subsection (9), substituted "single or multiple employer welfare arrangement, or any other single or multiple employer plan, other than a plan providing only benefits under title 72, Idaho Code, under which payment for" for "plan under which payment for any disability income benefits not otherwise provided for under title 72, Idaho Code, (workmen's compensation and related laws -- industrial commission)", inserted "or employers" twice following "employer", and substituted "or managed care organization authorized to transact business in this state" for "health maintenance organization, or similar other third party prepayment plan"; and substituted "in conjunction with" for "under" in present subsection (12).

Idaho Code § 41-4003 (2006)

§ 41-4003. Registration required -- Exemptions -- Not subject to insurance code

(1) No person shall offer or operate a self-funded plan in this state except while registered with the director as hereinafter provided.

(2) No registration shall be required of:

(a) Any self-funded plan established for the sole purpose of funding the dollar amount of a deductible clause contained in the provisions of an insurance contract issued by an insurer duly authorized to transact disability insurance in this state if the deductible does not exceed an amount applicable to each beneficiary of two thousand dollars (\$ 2,000) per annum and the total of all obligations to all beneficiaries insured under the plan arising out of the application of such a deductible does not exceed the aggregate amount of two hundred thousand dollars (\$ 200,000) in any one (1) year.

(b) Any plan established and maintained for the purpose of complying with any worker's compensation law or unemployment compensation disability insurance law.

(c) Any plan administered by or for the federal government or agency thereof or any county of this state.

(d) Any plan which is primarily for the purpose of providing first aid care and treatment, at a dispensary of an employer, for injury or sickness of employees while engaged in their employment.

(3) Plans while so registered shall not be deemed to be engaged in the business of insurance and shall not be subject to provisions of the Idaho insurance code except as expressly provided in this chapter. A plan that operates in this state without registering under this chapter shall be deemed to be engaged in the business of insurance and any

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person offering or operating an unregistered plan shall be deemed to be transacting insurance without proper licensing.

(4) Any self-funded plan providing benefits to more than one (1) employer shall provide to each employer participant and to each prospective employer participant written notice that the plan is not insurance and does not participate in the state guaranty association. The notice shall also be included as part of all marketing materials used by or on behalf of the plan.

HISTORY: 1974, ch. 248, § 3, p. 1624; am. 2001, ch. 308, § 1, p. 1114; am. 2004, ch. 86, § 1, p. 321; am. 2006, ch. 414, § 3, p. 1257.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

The 2006 amendment, by ch. 414, rewrote subsection (1), which formerly read: "No self-funded plan shall operate in this state except while registered with the director as hereinafter provided. Self-funded plans already in operation at the effective date of this act shall so register within ninety (90) days after such effective date"; deleted former subsection (1)(e), which read: "Any employer's self-insured health plan or service established and maintained solely for its members and their immediate families, or to any self-insured health plan or service established, maintained, and insured jointly by any employer and any labor organization or organizations if such health plan or service has been in existence and operation for fifteen (15) years immediately preceding the effective date of this act"; substituted "this chapter. A plan that operates in this state without registering under this chapter shall be deemed to be engaged in the business of insurance and any person offering or operating an unregistered plan shall be deemed to be transacting insurance without proper licensing" for "this act" at the end of subsection (3); and added subsection (4).

Idaho Code § 41-4004 (2006)

§ 41-4004. Plan requirements

No self-funded plan shall register, and the director shall not register a self-funded plan, which does not meet the following requirements:

(1) The plan must require all contributions to be paid in advance and to be deposited in and disbursed from a trust fund duly created and existing under an adequate written irrevocable trust agreement between the employer or employers and the trustee that meets the terms of this chapter.

(2) The plan must have, or provide for, a trustworthy and responsible trustee, and for competent administration of the trust fund and plan.

(3) The plan must require that employers contribute to the trust fund, and that all contributions, if any, by employees shall be by regular periodic payroll deductions, except as to contributions made by an employee during his absence from such employment for such period as the plan may reasonably provide.

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(4) The plan must provide that the administrator or trustee on behalf of the trust fund, as the case may be, shall furnish to each employee-beneficiary of the plan a written statement or schedule adequately and clearly stating all benefits currently allowable under the plan, together with all applicable restrictions, limitations, and exclusions, and the procedure for filing a claim for benefits.

(5) The plan must require that the trust fund be actuarially sound; that is, assets and income of the trust fund must be adequate under reasonable estimates for payment of all benefits promised to beneficiaries by the plan.

HISTORY: 1974, ch. 248, § 4, p. 1624; am. 1990, ch. 169, § 1, p. 366; am. 2006, ch. 414, § 4, p. 1257.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

The 2006 amendment, by ch. 414, rewrote the section heading, which formerly read: "Qualifications for registration"; substituted "does not meet the following requirements" for "is not qualified therefor as follows" in the introductory language; inserted "The plan" at the beginning of subsections (1) to (4); inserted "that meets the terms of this chapter" at the end of subsection (1); in subsection (3), deleted "all such" after "require that"; in subsection (5), substituted "plan must require that the trust fund be" for "the trust fund must be" and deleted the last sentence, which formerly read: "In determining actuarial soundness the director shall also give due consideration to"; and deleted former subsections (5) and (6) which read:

"(5)(a) Applicable stop-loss insurance provided or to be provided the plan by an insurer duly authorized to transact disability insurance in this state;

"(b) Contracts with health care service corporations or health maintenance organizations authorized to conduct such operations in this state, and covering certain of the promised benefits;

"(c) Other applicable insurance or guarantys; and

"(d) Plan factors or provisions for prevention or reduction of adverse selection against the plan by those otherwise eligible to become beneficiaries.

"(6) Must otherwise be in compliance with this act".

SEC. TO SEC. REF. This section is referred to in §§ 41-4006 and 41-4018.

Idaho Code § 41-4005 (2006)

§ 41-4005. Application for registration -- Fee

(1) Application for registration of a self-funded plan shall be made to the director, on forms furnished and designed by him for the purpose of eliciting information as to whether the plan is qualified for registration. The application shall be signed and verified by at least one (1) of the employers and one (1) of the trustees. If the employer or trustee is a corporation, the verification shall be by a duly authorized corporate officer.

(2) The application shall be accompanied by all plan documents including:

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(a) A copy of the trust agreement under which the trust fund is to exist and operate;

(b) A copy of the proposed written statement of benefits referred to in *section 41-4004(4), Idaho Code*;

(c) A financial statement of the trust fund, if already in existence and operating at the time of application, certified by an independent certified public accountant. If the trust fund is not in existence at the time of application, a pro forma balance sheet for the start of operation of the plan and a pro forma balance sheet for the end of the first twelve (12) months of operation of the plan shall accompany the application, provided the balance sheets shall include actuarially determined claims liabilities;

(d) A written statement of reasonably projected income and disbursements of the trust fund for the twelve (12) month period commencing with date of application and showing also the amount reserved as of the end of such period for claims incurred and not paid or incurred and not reported, certified by a qualified actuary;

(e) A copy of an actuarial study prepared by a qualified actuary determining adequate rates for the plan. The rates shall not be less than the sum of projected incurred claims for the year plus costs of operation, plus any prior year deficiency, less any excess surplus;

(f) If the plan is domiciled outside this state, a letter or other written evidence of good standing from the plan's regulator in the state of domicile;

(g) A copy of every contract between the plan and any administrator or service company;

(h) A copy of a stop-loss insurance agreement issued by an insurer authorized to do business in this state providing both specific and aggregate coverage in an amount as annually indicated in the actuarial opinion for the plan, provided the director may waive the requirements for aggregate stop-loss coverage if such coverage is not reasonably available or otherwise deemed appropriate;

(i) A copy of the policy, contract, certificate, summary plan description or other evidence of the benefits and coverages provided to beneficiaries, including a table of the rates charged or proposed to be charged for each form of such contract accompanied by a certification of a qualified actuary that:

(i) The rates are neither inadequate nor excessive nor unfairly discriminatory;

(ii) The rates are appropriate for the classes of risks for which they have been computed; and

(iii) An adequate description of the rating methodology has been filed with the director and the methodology follows consistent and equitable actuarial principles; and

(j) Such other relevant documentation and information as the director may reasonably require.

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(3) If the applicant is a multiple employer welfare arrangement, the application shall be signed under oath by the plan sponsor or the trustee of the plan, and the application shall also include:

(a) A copy of any articles of incorporation and bylaws of any entity acting as a plan sponsor;

(b) A list of the names, addresses and official capacities with the plan of the individuals who will be responsible for the management and conduct of the affairs of the plan, including all trustees, officers and directors. Such individuals shall fully disclose the extent and nature of any contracts or arrangements between them and the plan, including any possible conflicts of interest; and

(c) A copy of the articles of incorporation, bylaws or trust agreement that governs the operation of the plan.

(4) At the time of filing the application the applicant shall pay to the director a nonrefundable filing fee as provided for by rule.

(5) The director shall transmit and account for all fees received by him hereunder as provided in *section 41-406, Idaho Code*.

(6) For purposes of this section, a qualified actuary is an actuary having experience in establishing rates for a self-funded plan and the health services being provided, and who is also a fellow of the society of actuaries, a member of the American academy of actuaries, or an enrolled actuary under the employee retirement income security act of 1974.

HISTORY: 1974, ch. 248, § 5, p. 1624; am. 1979, ch. 122, § 8, p. 375; am. 1984, ch. 23, § 12, p. 38; am. 2006, ch. 414, § 5, p. 1257.

NOTES:

COMPILER'S NOTES. Section 1 of S.L. 1979, ch. 122 is compiled as § 41-334, §§ 2-7 have been repealed.

Sections 11 and 13 of S.L. 1984, ch. 23 are compiled as §§ 41-3714 and 41-4011.

The 2006 amendment, by ch. 414, inserted "all plan documents including" at the end of the introductory language of subsection (2); substituted "41-4004(4)" for "41-4004(5)" in subsection (2)(b); rewrote subsection (2)(c), which formerly read: "A financial statement of the trust fund, if already in existence and operating on the effective date [July 1, 1974] of this act, as of a date not more than forty-five (45) days prior to the date of filing the application. The statement shall be certified by an independent accountant, or by an accountant whose certification is acceptable to the director"; inserted "certified by a qualified actuary" at the end of subsection (2)(d); rewrote subsection (2)(e), which formerly read: "A copy of any study made of the proposed self-funded plan by any consultant for the information or guidance of employer or employees; and"; added present subsections (2)(f) to (2)(i)(iii) and redesignated former subsection (2)(f) as present subsection (2)(j); added present subsections (3) to (3)(c) and redesignated former subsections (3) and (4) as present subsections (4) and (5); and added present subsection (6).

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Idaho Code § 41-4006 (2006)

§ 41-4006. Grant or denial of registration

The director shall act upon an application for registration of a self-funded plan with all reasonable promptness, but not less than ninety (90) days from the date of submission of a complete application to the director. Failure to act within the ninety (90) day time period shall be deemed to be the registration of such self-funded plan by the director. In the event the director refuses to register the plan, the applicant shall be entitled to challenge such refusal pursuant to chapter 2, title 41, Idaho Code, and to the contested case and judicial review provisions of chapter 52, title 67, Idaho Code. He may make such investigation of the proposal as he deems advisable. If the director finds that the application is complete and that the plan meets the qualifications stated in *section 41-4004, Idaho Code*, he shall issue and deliver a certificate of registration in appropriate form to the applicant; otherwise, the director shall refuse to register the plan and shall give written notice of such refusal to the applicant, stating the reasons therefor.

HISTORY: 1974, ch. 248, § 6, p. 1624; am. 2006, ch. 414, § 6, p. 1257.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

The 2006 amendment, by ch. 414, inserted "but not less than ninety (90) days from the date of submission of a complete application to the director. Failure to act within the ninety (90) day time period shall be deemed to be the registration of such self-funded plan by the director. In the event the director refuses to register the plan, the applicant shall be entitled to challenge such refusal pursuant to chapter 2, title 41, Idaho Code, and to the contested case and judicial review provisions of chapter 52, title 67, Idaho Code" at the end of the first sentence.

Idaho Code § 41-4007 (2006)

§ 41-4007. Trust fund -- Powers

The trust fund of a self-funded plan shall have power:

- (1) To have and use an appropriate descriptive name;
- (2) To sue and be sued in its own name;
- (3) To contract in its own name. All such contracts shall be in writing and shall be signed by the trustee of the fund, and if there is more than one (1) trustee, the contract may be so executed by one (1) trustee if so authorized by all trustees;
- (4) To borrow money and give security therefor; and
- (5) To engage exclusively in transactions authorized or required by this chapter, or reasonably incidental thereto.

HISTORY: 1974, ch. 248, § 7, p. 1624; am. 2006, ch. 414, § 7, p. 1257.

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NOTES:

COMPILER'S NOTES. The 2006 amendment, by ch. 414, inserted "shall be" in subsection (3) and substituted "this chapter" for "this act" in subsection (5).

Idaho Code § 41-4008 (2006)

§ 41-4008. Trust fund liability

(1) The trust fund of a self-funded plan shall be legally liable for payment of all applicable benefits stated in the statement or schedule of benefits in effect at the time a claim thereunder arises.

(2) Funds in the trust fund are fiduciary funds, and are not liable for any obligation of any employer participant in the plan, nor subject to garnishment or levy for the obligation of any beneficiary. This clause shall not be deemed to prohibit levy upon the trust fund by any provider thereof (or its assignee) for health care services rendered a beneficiary if the trust fund has theretofore agreed in writing to pay for the same direct to such provider.

HISTORY: 1974, ch. 248, § 8, p. 1624.

NOTES:

COMPILER'S NOTES. The words in parentheses so appeared in the law as enacted.

Idaho Code § 41-4009 (2006)

§ 41-4009. Investment of trust fund

(1) The trustee may invest reserves and other funds available for the purpose in the trust fund of a self-funded plan in the following kinds of investments only:

(a) General obligations of the United States government, or of any state, district, commonwealth, or territory of the United States, or of any municipality, county, or other political subdivision or agency thereof.

(b) Obligations the payment of principal and interest of which is guaranteed by any such government or agency.

(c) Corporate bonds and similar obligations meeting the requirements specified for investment of funds of insurers under *section 41-711, Idaho Code*.

(d) Collateral loans payment of principal and interest of which is adequately secured by securities in which the trust fund could lawfully invest direct.

(e) Deposits, savings accounts, and share accounts in established banks and savings and loan associations located in the United States. Such investment as to any one (1) such institution may be in excess of the amount covered by applicable deposit, savings, and share account insurance at the discretion of the director.

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(f) Investments as permitted by *sections 41-714 and 41-716, Idaho Code*, provided the combined amount of such investments shall not exceed ten percent (10%) of the total assets of the trust fund.

(2) In addition to investments excluded under subsection (1) of this section, the trustee is expressly prohibited from investing trust fund moneys in:

(a) Any loan to or security of any employer participating in the plan, or to or of any officer, director, subsidiary or affiliate of any such employer.

(b) The security of any person in which the trustee, administrator, or any consultant of the plan has a direct or indirect material pecuniary interest.

(c) Real estate or loans thereon.

(d) Any personal loan, other than a collateral loan referred to in subsection (1)(d) of this section, but subject to paragraphs (a) and (b) of this subsection (2).

(3) All such investments shall be made and held in the name of the trust fund, and the interest and yield thereon shall inure to the account of the trust fund.

(4) No investment shall be made unless authorized in writing by the trustee and so shown in the records of the trust fund.

(5) Any person who authorizes any investment of trust fund moneys in violation of this section shall, in addition to other penalty therefor, be liable for all loss suffered by the trust fund on account of the investment.

(6) No investment made in violation of this section shall constitute an "asset" in any determination of the financial condition of the trust fund.

HISTORY: 1974, ch. 248, § 9, p. 1624; am. 2006, ch. 414, § 8, p. 1257.

NOTES:

COMPILER'S NOTES. The 2006 amendment, by ch. 414, in subsection (1)(e), substituted "may" for "shall not" and inserted "at the discretion of the director"; and added present subsection (1)(f)

Idaho Code § 41-4010 (2006)

§ 41-4010. Reserves and surplus

(1) A self-funded plan shall establish and maintain in the trust fund the following reserves:

(a) A reserve in an amount as certified by a member of the American academy of actuaries as being necessary for payment of claims against the trust fund for benefits, including both claims reported and not yet paid and claims incurred but not yet reported.

(b) If under the plan periodic contributions of either the employer(s) or employees to the trust fund are payable less frequently than monthly, there shall be a reserve for unearned contributions as computed pro rata on the basis of the unexpired portion of the period for which the contribution has been paid.

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(2) In any determination of the financial condition of the trust fund the claims reserve and reserve for unearned contributions shall constitute liabilities.

(3) In addition to reserves required by this section, a self-funded plan shall establish and maintain in its trust fund surplus equal to at least thirty percent (30%) of the unpaid claims liability of the plan. A newly formed plan with no prior operating history shall maintain surplus of not less than ten percent (10%) of unpaid claims liability during its first year of operation, not less than twenty percent (20%) of unpaid claims liability during its second year of operation and not less than thirty percent (30%) of unpaid claims liability at all times thereafter.

(4) Up to one-third ($1/3$) of the surplus required by this section may be funded by a clean, irrevocable letter of credit, in a form acceptable to the director, issued in favor of the trust fund by a federally or state chartered bank having a branch office in Idaho. Such irrevocable letter of credit cannot be guaranteed by pledge of any of the plan assets.

HISTORY: 1974, ch. 248, § 10, p. 1624; am. 2006, ch. 414, § 9, p. 1257.

NOTES:

COMPILER'S NOTES. The 2006 amendment, by ch. 414, inserted "and surplus" to the end of the section heading; inserted "in the trust fund" in the introductory language of subsection (1); and added subsections (3) and (4).

Idaho Code § 41-4011 (2006)

§ 41-4011. Records and accounts -- Annual statement

(1) The trustees of a self-funded plan shall cause full and accurate records and accounts to be entered and maintained covering all financial transactions and affairs of the trust fund.

(2) Within ninety (90) days after close of a fiscal year of the plan, the trustee shall make an annual statement in writing summarizing the financial transactions of the trust fund for such fiscal year and its financial condition at the end of such year in accordance with this chapter and generally accepted and applicable accounting principles. The statement shall otherwise be in form and require information as prescribed by the director, and the financial information therein shall be certified by the accountant by whom such information was prepared or audited. The trustee shall promptly deliver a copy of the statement to each employer participating in the plan, and keep a copy thereof on file in the business office of the plan where it shall be available at all reasonable times for a period of not less than three (3) years for review by any beneficiary.

(3) On or before expiration of such ninety (90) day period the trustee shall cause an original of the annual statement to be filed with the director. The trustee shall pay a filing fee as provided for by rule. The director may grant a thirty (30) day extension of the time for filing the annual statement.

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(4) The trustee shall also file quarterly supplemental unaudited financial reports in a form and at the times prescribed by the director.

(5) The director shall transmit and account for all fees received by him hereunder as provided in *section 41-406, Idaho Code*.

HISTORY: 1974, ch. 248, § 11, p. 1624; am. 1984, ch. 23, § 13, p. 38; am. 2006, ch. 414, § 10, p. 1257.

NOTES:

COMPILER'S NOTES. Section 12 of S.L. 1984, ch. 23 is compiled as § 41-4005.

The 2006 amendment, by ch. 414, substituted "ninety (90) days" for "sixty (60) days" in subsections (2) and (3); in subsection (2), substituted "this chapter" for "this act" in the first sentence; in subsection (3), substituted "trustee" for "trust fund" and added "The director may grant a thirty (30) day extension of the time for filing the annual statement" and added present subsection (4) and redesignated former subsection (4) as present subsection (5).

SEC. TO SEC. REF. This section is referred to in § 41-4018.

Idaho Code § 41-4012 (2006)

§ 41-4012. Taxes

(1) There is hereby levied upon self-funded plans the tax provided for in this section. Each registered self-funded plan and each formerly registered plan with respect to beneficiaries in this state while so registered, shall coincidentally with the filing of its annual statement with the director pay to the director a tax computed at the rate of four cents (4 cent(s)) per month per beneficiary covered by the plan during the fiscal year of the annual statement with respect to beneficiaries working or resident in this state.

(2) The state of Idaho hereby preempts the field of imposition of excise, privilege, franchise, income, license and similar taxes, licenses and fees upon self-funded plans and on the intangible property of their trust funds; and no county, city, municipality, district, school district, or other political subdivision or agency of Idaho shall levy upon such plans or trust funds any such tax, license or fee additional to such as are levied by the legislature of Idaho in this chapter.

(3) The tax herein levied, together with the fees provided for in this chapter, shall be in lieu of any and all income taxes and other excise taxes, licenses and fees payable to the state of Idaho and no self-funded plan shall be required to file any tax returns or comply with any provisions governing such income taxes and other excise taxes, licenses and fees payable to the state of Idaho.

(4) The director shall promptly remit all such tax payments received by him to the state treasurer for credit to the general fund of the state.

HISTORY: 1974, ch. 248, § 12, p. 1624; am. 1982, ch. 252, § 3, p. 643; am. 2006, ch. 414, § 11, p. 1257.

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NOTES:

COMPILER'S NOTES. Section 2 of S.L. 1982, ch. 252 is compiled as § 41-3922.

The 2006 amendment, by ch. 414, substituted "this chapter" for "this act" in subsections (2) and (3); and added "and no self-funded plan shall be required to file any tax returns or comply with any provisions governing such income taxes and other excise taxes, licenses and fees payable to the state of Idaho" at the end of subsection (3).

SEC. TO SEC. REF. This section is referred to in § 41-4018.

Idaho Code § 41-4013 (2006)

§ 41-4013. Examination of books, records and accounts

(1) The books, records, accounts and affairs of a self-funded plan shall be subject to examination by the director, by competent examiners duly authorized by him in writing, at such times or intervals as the director deems advisable. The purposes of the examination shall be to determine compliance of the plan with applicable laws, financial condition and actuarial adequacy of its trust fund, treatment accorded beneficiaries, and as to other factors materially related to the plan's management and operation.

(2) The trustee shall promptly make the books, records and accounts of the plan and trust fund available in Idaho to the examiner and otherwise facilitate the examination.

(3) The examiner shall conduct the examination expeditiously, make his report of the examination in writing, and deliver a copy thereof to the trustee and the director. The trustee shall have four (4) weeks after receipt of the report within which to recommend to the director such corrections or changes therein as the trustee may deem appropriate. After making such corrections or changes, if any, as he deems proper, the director shall file the report in his office as a document open to public inspection, and deliver to the trustee a copy of the report as so corrected or changed.

(4) At the direction of the director, the costs of the examination shall be borne by the trust fund of the plan, and shall be paid by the trustee in accordance with *section 41-228, Idaho Code*.

HISTORY: 1974, ch. 248, § 13, p. 1624; am. 2001, ch. 85, § 12, p. 211; am. 2006, ch. 414, § 12, p. 1257.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

Sections 11 and 13 of S.L. 2001, ch. 85 are compiled as §§ 41-3911 and 41-4935.

The 2006 amendment, by ch. 414, inserted "promptly" and "in Idaho" in subsection (2) and substituted "four (4) weeks" for "two (2) weeks" in subsection (3).

Idaho Code § 41-4014 (2006)

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§ 41-4014. Trustees -- Administrators -- Bonding

(1) Either an individual or a corporation may be a trustee of the trust fund. Either an individual, firm, or corporation may be an administrator of a plan.

(2) An employer participant in the plan shall be neither a trustee nor the administrator, but this provision shall not be deemed to prohibit an individual who is otherwise an employee of such an employer from being trustee or administrator.

(3) Any administrator that is retained by a self-funded plan must be licensed as an administrator pursuant to chapter 9, title 41, Idaho Code. The trustee shall cause to be issued a fidelity bond, or coverage deemed by the director to be equivalent to a fidelity bond, in the name of the self-funded plan protecting against acts of fraud and dishonesty by its trustees, directors, officers and employees responsible for servicing the plan. Such bond shall be in an amount equal to the greater of ten percent (10%) of the contributions received by the plan or ten percent (10%) of the benefits paid during the preceding calendar year. If the plan was not in operation during the preceding calendar year, the bond shall be in an amount equal to ten percent (10%) of the contributions projected to be received by the plan during its first year of operation. The amount of any bond required under this section shall be not less than twenty-five thousand dollars (\$ 25,000) or more than five hundred thousand dollars (\$ 500,000).

HISTORY: 1974, ch. 248, § 14, p. 1624; am. 2006, ch. 414, § 13, p. 1257.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

The 2006 amendment, by ch. 414, rewrote subsection (3), which formerly read: "The trustee shall cause all individuals handling receipts and disbursements for the trust fund to be bonded at all times under a fidelity bond issued by a surety insurer authorized to transact such insurance in this state. The bond shall be in favor of the trust fund and for such aggregate penalty amount, not less than twenty-five thousand dollars (\$25,000), as the director may deem reasonably advisable in relation to amount of funds to be so handled. The bond shall be noncancellable except upon not less than thirty (30) days advance notice in writing to the trustee and the director. The cost of the bond shall be borne by the trust fund."

Idaho Code § 41-4015 (2006)

§ 41-4015. Prohibited pecuniary interests in plan management

(1) No trustee, administrator, or other person having responsibility for the management of a self-funded plan or the investment or other handling of trust funds shall:

(a) Receive directly or indirectly or be pecuniarily interested in any fee, commission, compensation, or emolument, other than salary or other similar compensation regularly fixed and allowed for services regularly rendered to the plan, arising out of any transaction to which the trust fund is or is to be a party.

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(b) Receive compensation as a consultant to the plan while also acting as a trustee or administrator, or as an employee of either.

(c) Have any direct or indirect material pecuniary interest in any loan or investment of the trust fund.

(2) No consultant to the plan or trust fund shall directly or indirectly receive or be pecuniarily interested in any commission or other compensation arising out of any contract or transaction between the plan or trust fund and any insurer, health care service corporation, health maintenance organization or other provider of health care services or of drugs or other health care needs and supplies.

(3) The director may, after reasonable notice and a hearing, require removal of a trustee or prohibit the trustee from employing or retaining or continuing to employ or retain any person in the administration of the trust fund or plan upon finding that continuation of the trustee or such employment or retention involves a conflict of interest not in the best interests of the plan or adversely affecting interests of beneficiaries.

HISTORY: 1974, ch. 248, § 15, p. 1624; am. 2006, ch. 414, § 14, p. 1257.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

The 2006 amendment, by ch. 414, inserted "plan or" in subsection (2).

Idaho Code § 41-4016 (2006)

§ 41-4016. Political contributions prohibited

No trustee shall make or knowingly permit the making, directly or indirectly, of any political contribution by or from any self-funded plan trust fund.

HISTORY: 1974, ch. 248, § 16, p. 1624.

Idaho Code § 41-4017 (2006)

§ 41-4017. Recovery of depleted funds

If after notice and hearing the director finds that any self-funded plan trust fund has been depleted by reason of any wrongful or negligent act or omission of a trustee or any other person, he shall transmit a copy of his findings to the attorney general of this state, who may bring an action in the name of the people of this state, or intervene in any action brought by or on behalf of an employer or beneficiary, for the recovery of the amount of such depletion, for the benefit of the trust fund.

HISTORY: 1974, ch. 248, § 17, p. 1624.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

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Idaho Code § 41-4018 (2006)

§ 41-4018. Termination of registration

(1) The director shall terminate the registration of a self-funded plan upon written request of the trustee, or if he finds, after an examination, that the trust fund is insolvent. For the purposes of this section, "insolvent" means the plan is unable to pay its obligations when they are due or that its assets do not exceed its liabilities. As used in this section, "assets" means all investments held in the name of the trust as permitted by *section 41-4009, Idaho Code*.

(2) The director may terminate the registration of a plan for violation of this chapter, or failure of the trustee to file the annual statement with the director and pay the tax within the time required under *sections 41-4011 and 41-4012, Idaho Code*, or if he finds, after an examination of the trust fund and the plan:

(a) That the plan no longer meets the qualifications required by *section 41-4004, Idaho Code*, and that the deficiency will not or cannot be remedied within a reasonable time;

(b) That as a matter of frequent practice the benefits promised by the plan are not being fairly and promptly paid;

(c) That the cost of administering the plan is excessive in relation to the character and volume of service being rendered in the administration; or

(d) That the trust fund has been subject to fraudulent or dishonest practices on the part of the trustee, administrator, consultant, any participating employer, or beneficiaries.

(3) The director shall so terminate the registration by his written order given to the trustee last of record and to each employer last of record a participant in the plan. The order shall state the grounds upon which made and its effective date. The order shall be subject to judicial review in the same manner as applies to official orders of the director in general.

HISTORY: 1974, ch. 248, § 18, p. 1624; am. 2006, ch. 414, § 15, p. 1257.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

The 2006 amendment, by ch. 414, added "For the purposes of this section, 'insolvent' means the plan is unable to pay its obligations when they are due or that its assets do not exceed its liabilities. As used in this section, 'assets' means all investments held in the name of the trust as permitted by *section 41-4009, Idaho Code*" at the end of subsection (1); and substituted "this chapter" for "this act" in subsection (2).

Idaho Code § 41-4019 (2006)

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§ 41-4019. Liquidation of trust fund

(1) Upon termination of registration the trust fund of a self-funded plan shall be liquidated.

(2) Liquidation of a solvent self-funded plan shall be conducted by its trustee under a plan of liquidation in writing filed with the director, found by the director to be fair and equitable to all persons having a pecuniary interest in the trust fund, and approved by him. Any balance remaining after payment or adequate provision for all claims and charges against the trust fund shall be disposed of in such manner as is provided for in the plan of liquidation. Unless under the plan of liquidation, liability for all unpaid claims and obligations of the trust fund has been assumed by other financially responsible person or persons, the existence of surplus funds for such disposition shall not be determined prior to expiration of two (2) years after termination of the registration.

(3) The liquidation of an insolvent self-funded plan shall be carried out by the director in accordance with chapter 33, title 41, Idaho Code (rehabilitation and liquidation), and for this purpose the self-funded plan shall be deemed to be an insolvent domestic insurer.

HISTORY: 1974, ch. 248, § 19, p. 1624; am. 2006, ch. 414, § 16, p. 1257.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

The words in parentheses so appeared in the law as enacted.

The 2006 amendment, by ch. 414, substituted "registration" for "administration" in subsection (1); inserted "of a solvent self-funded plan" in subsection (2); rewrote subsection (3), which formerly read: "The plan of liquidation of an insolvent trust fund, after such plan has been approved by the director, shall be binding upon all persons pecuniarily interested in the trust fund. Pending the effectuation of the plan of liquidation of an insolvent trust fund the director may impose such prohibitions or restrictions upon disbursement or use of trust fund moneys as he deems advisable for the protection of all interested persons"; and deleted former subsection (4), which read: "If the trust fund is then insolvent and a plan of liquidation thereof satisfactory to the director as being fair and equitable is not filed with him within sixty (60) days after the effective date of termination of the plan's registration, or if liquidation of a solvent trust fund is not being carried out in accordance with the plan of liquidation theretofore approved by him, the director shall liquidate the trust fund under the applicable provisions of chapter 33, title 41, Idaho Code (rehabilitation and liquidation), and for the purpose the trust fund shall be deemed to be an insolvent domestic insurer."

Idaho Code § 41-4020 (2006)

§ 41-4020. Rules

(1) The director may make reasonable rules necessary for or as an aid to effectuation of any provision of this chapter. No such rule shall extend, modify, or conflict with any provision of this chapter and the reasonable implications thereof.

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(2) Such rules, or any amendment thereof, shall be made by the director in accordance with chapter 52, title 67, Idaho Code.

HISTORY: 1974, ch. 248, § 20, p. 1624; am. 2006, ch. 414, § 17, p. 1257.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

The 2006 amendment, by ch. 414, deleted "and regulations" following "rules" in the section heading and throughout the section; in subsection (1), substituted "this chapter" for "this act" twice in the second sentence; rewrote subsection (2), which formerly read: "Such rules and regulations, or any amendment thereof, shall be made by the director only after a public hearing thereon of which the director has given written notice not less than thirty (30) days in advance to the trustee of each plan then registered with him. If reasonably possible the director shall include with the notice a copy of the proposed rules and regulations or amendment, or a condensed summary of material proposed provisions".

Idaho Code § 41-4021 (2006)

§ 41-4021. Other provisions applicable

Chapter 2, title 41, Idaho Code, (the director of the department of insurance), chapter 13, title 41, Idaho Code, (trade practices and frauds), *sections 41-2141 and 41-2216, Idaho Code*, (coordination with social security benefits), and *section 41-2841, Idaho Code*, (borrowed surplus), to the extent applicable and not in conflict with the express provisions of this chapter, shall also apply with respect to self-funded plans, and for the purpose such plans shall be deemed to be "insurers."

HISTORY: 1974, ch. 248, § 21, p. 1624; am. 1978, ch. 10, § 6, p. 19; am. 2006, ch. 414, § 18, p. 1257.

NOTES:

COMPILER'S NOTES. The words in parentheses so appeared in the law as enacted.

The 2006 amendment, by ch. 414, inserted "and *41-2216, Idaho Code*," and "and *section 41-2841, Idaho Code*, (borrowed surplus)" and changed "this act" to "this chapter".

Idaho Code § 41-4022 (2006)

§ 41-4022. Penalties

(1) Any person who willfully violates or causes or induces violation of any provision of this chapter or any lawful rule of the director issued thereunder, shall be subject to an administrative penalty for each violation of not more than one thousand dollars (\$ 1,000) for an individual and not more than five thousand dollars (\$ 5,000) for any entity.

(2) Any person who makes a false statement or representation of a material fact, knowing it to be false, or who knowingly fails to disclose a material fact in any

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application, examination, or statement required under this chapter or by lawful rule of the director thereunder, shall be subject to penalty as provided in subsection (4) of this section.

(3) Any person who makes a false entry in any book, record, statement, or report required by this chapter or lawful rule of the director thereunder to be kept by him for any self-funded plan, with intent to injure or defraud the trust fund or any beneficiary thereunder, or to deceive anyone authorized or entitled to examine the affairs of the plan, shall be subject to penalty as provided in subsection (4) of this section.

(4) For each such violation, act or omission referred to in subsections (2) and (3) of this section, unless greater penalty is provided therefor under any other applicable law, the offender shall upon conviction thereof be subject to a fine of not more than fifteen thousand dollars (\$ 15,000) and to imprisonment for not more than fifteen (15) years, or to both such fine and imprisonment.

HISTORY: 1974, ch. 248, § 22, p. 1624; am. 2006, ch. 414, § 19, p. 1257.

NOTES:

COMPILER'S NOTES. In this section "commissioner" has been changed to "director" on authority of S.L. 1974, ch. 286, § 1 and S.L. 1974, ch. 11, § 3 (§ 41-203).

Section 23 of S.L. 1974, ch. 248 provided as follows: "The provisions of this act are declared to be severable, and if any provision of this act in the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of the remaining portions of this act."

Section 24 of S.L. 1974, ch. 248 provided the act take effect on and after July 1, 1974.

The 2006 amendment, by ch. 414, rewrote subsection (1), which formerly read: "Any person who wilfully violates or causes or induces violation of any provision of this act or any lawful rule or regulation of the director issued thereunder, shall be subject to penalty as provided in subsection (4) of this section"; substituted "this chapter or by lawful rule" for "this act or by lawful rule or regulation" in subsections (2) and (3); and, in subsection (4), inserted "subsections (2) and (3) of", substituted "fifteen thousand dollars (\$15,000)" for "one thousand dollars (\$1,000)" and "fifteen (15) years" for "one (1) year."

Idaho Code § 41-4023 (2006)

§ 41-4023. Coverage from moment of birth -- Complications of pregnancy

(1) Every self-funded plan issued in this state or providing coverage to any covered family residing within this state, shall contain a provision granting immediate accident and sickness coverage, from and after the moment of birth, to each newborn child or infant of any covered family covered, including a newborn child placed with the adoptive covered family within sixty (60) days of the adopted child's date of birth. Coverage under the self-funded plan for an adopted newborn child placed with the adoptive covered family more than sixty (60) days after the birth of the adopted child shall be from and after the date the child is so placed. Coverage provided in accordance with this section shall include, but not be limited to, coverage for congenital anomalies. For the purposes of this section, "child" means an individual who has not reached eighteen (18) years of

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age as of the date of the adoption or placement for adoption. For the purposes of this section, "placed" shall mean physical placement in the care of the adoptive covered family, or in those circumstances in which such physical placement is prevented due to the medical needs of the child requiring placement in a medical facility, it shall mean when the adoptive covered family signs an agreement for adoption of such child and signs an agreement assuming financial responsibility for such child. Prior to legal finalization of adoption, the coverage required under the provisions of this subsection (1) as to a child placed for adoption with a covered family continues in the same manner as it would with respect to a naturally born child of the covered family until the first to occur of the following events:

(a) Date the child is removed permanently from that placement and the legal obligation terminates; or

(b) The date the covered family rescinds, in writing, the agreement of adoption or agreement assuming financial responsibility. No such plan may be issued or amended if it contains any disclaimer, waiver, or other limitation of coverage relative to the coverage or insurability of newborn or adopted children or infants of a covered family covered from and after the moment of birth that is inconsistent with the provisions of this section.

(2) Neither the plan trustee or employer nor an insurer shall restrict coverage under a self-funded plan of any dependent child adopted by a participant or beneficiary, or placed with a participant or beneficiary for adoption, solely on the basis of a preexisting condition of the child at the time the child would otherwise become eligible for coverage under the plan, if the adoption or placement for adoption occurs while the participant or beneficiary is eligible for coverage under the plan.

(3) No self-funded plan which provides maternity benefits for a person covered continuously from conception shall be issued, amended, delivered, or renewed in this state on or after January 1, 1977, if it contains any exclusion, reduction, or other limitations as to coverage, deductibles, or coinsurance provisions as to involuntary complications of pregnancy, unless such provisions apply generally to all benefits paid under the plan. If a fixed amount is specified in such plan for surgery, the fixed amounts for surgical procedures involving involuntary complications of pregnancy shall be commensurate with other fixed amounts payable for procedures of comparable difficulty and severity. In a case where a fixed amount is payable for maternity benefits, involuntary complications of pregnancy shall be deemed an illness and entitled to benefits otherwise provided by the plan. Where the plan contains a maternity deductible, the maternity deductible shall apply only to expenses resulting from normal delivery and cesarean section delivery; however, expenses for cesarean section delivery in excess of the deductible shall be treated as expenses for any other illness under the plan. This subsection shall apply to all self-funded plans except any such plan made subject to an applicable collective-bargaining agreement in effect before January 1, 1977.

For purposes of this subsection, involuntary complications of pregnancy shall include, but not be limited to, puerperal infection, eclampsia, cesarean section delivery, ectopic pregnancy, and toxemia.

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All plans subject to this subsection and issued, amended, delivered, or renewed in this state on or after January 1, 1977, shall be construed to be in compliance with this section, and any provision in any such plan which is in conflict with this section shall be of no force or effect.

(4) From and after January 1, 1998, no self-funded plan that provides maternity benefits shall restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child in a manner that would be in conflict with the newborns' and mothers' health protection act of 1996.

HISTORY: I.C., § 41-4023, as added by 1976, ch. 113, § 5, p. 443; am. 1993, ch. 305, § 5, p. 1129; am. 1994, ch. 365, § 10, p. 1144; am. 2006, ch. 414, § 20, p. 1257.

NOTES:

COMPILER'S NOTES. Section 4 of S.L. 1976, ch. 113 is compiled as § 41-3923.

Section 4 of S.L. 1993, ch. 305 is compiled as § 41-3923.

Sections 9 and 11 of S.L. 1994, ch. 365 are compiled as §§ 41-3929 and 41-4026, respectively.

Section 6 of S.L. 1976, ch. 113 provided that the act should take effect on and after January 1, 1977.

The 2006 amendment, by ch. 414, added "Neither the plan trustee or employer nor" at the beginning of subsection (2); and added subsection (4).

Idaho Code § 41-4024 (2006)

§ 41-4024. Services provided by governmental entities

(1) From and after July 1, 1990, no self-funded plan shall be issued in Idaho which excludes from coverage services rendered the subscriber while a resident in an Idaho state institution, provided the services to the subscriber would be covered by the contract if rendered to him outside an Idaho state institution.

(2) From and after July 1, 1990, no self-funded plan may contain any provision denying or reducing benefits otherwise provided under the policy for the reason that the person insured is receiving health or mental health care or developmental services provided by the department of health and welfare, whether or not the department of health and welfare bases its charges for such services on the recipient's ability to pay. Provided, nothing in this section shall prevent the issuance of a contract which excludes or reduces benefits where the charge level or amount of the charge levied by a governmental entity for such services would vary or be affected in any way by the existence of coverage under a self-funded plan.

HISTORY: I.C., § 41-4024, as added by 1990, ch. 300, § 5, p. 827.

NOTES:

COMPILER'S NOTES. Section 4 of S.L. 1990, ch. 300 is compiled as § 41-3925.

Idaho Code § 41-4025 (2006)

§ 41-4025. Mammography coverage

(1) From and after July 1, 1992, all self-funded plans which provide coverage for the surgical procedure known as a mastectomy which are delivered, issued for delivery, continued or renewed in this state shall provide minimum mammography examination or equivalent examination coverage. Such coverage shall include at least the following benefits:

(a) One (1) baseline mammogram for any woman who is thirty-five (35) through thirty-nine (39) years of age.

(b) A mammogram every two (2) years for any woman who is forty (40) through forty-nine (49) years of age, or more frequently if recommended by the woman's physician.

(c) A mammogram every year for any woman who is fifty (50) years of age or older.

(d) A mammogram for any woman desiring a mammogram for medical cause.

Such coverage shall not exceed the cost of the examination.

(2) As used in this section, "mastectomy" means the removal of all or part of the breast for medically necessary reasons as determined by a licensed physician.

(3) Nothing in this section shall apply to specified accident, specified disease, hospital indemnity, medicare supplement, long-term care or other limited benefit health insurance policies.

HISTORY: I.C., § 41-4025, as added by 1992, ch. 132, § 5, p. 413; am. 1993, ch. 113, § 5, p. 288.

NOTES:

COMPILER'S NOTES. Section 4 of S.L. 1992, ch. 132 is compiled as § 41-3926.

Section 4 of S.L. 1993, ch. 113 is compiled as § 41-3936.

Section 6 of S.L. 1993, ch. 113 provided that the act shall be in full force and effect on July 1, 1993.

Idaho Code § 41-4026 (2006)

§ 41-4026. Health insurance coverage for dependent children. [Repealed.]

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SUBJECT

Discussion of proposed amendment to State Board of Education policy governing Grants and Contracts.

REFERENCE

| | |
|-------------------|--|
| June 15-16, 2005 | Board motion directing staff to report regarding federal funds and to recommend a plan of action and delegation of authority. |
| April 20-21, 2006 | Staff report and recommendations considered by Board. Board motion to draft a policy relating to oversight and administration of federal education funds in Idaho. |

APPLICABLE STATUTE, RULE, OR POLICY

Section 33-110, Idaho Code

BACKGROUND

As the State Education Agency for Idaho, the State Board of Education (Board) has the responsibility to receive Federal funds and to monitor how these funds are used. There are methods of tracking formula grants, but additional discretionary grants for which the Agencies apply are more difficult to track because they go directly to the Agencies and not through the Board. There is an existing policy regarding notification about such grants, but the notification occurs after the grant has been received. The result has been a lack of coordination and, in some instances, a duplication of effort and misunderstanding.

Additionally, the Board needs to be better positioned to monitor Federal grants/contracts in the event that an agency or institution encounters difficulty in the administration of the Federally-funded program.

DISCUSSION

A sub paragraph is inserted at the beginning of Section V. Financial Affairs paragraph 1 to require early notification regarding an interest in applying for a discretionary grant. The requirement is added that the agency or school also file the required grant approval form with the Division of Financial Management. The list of required information is taken from the existing policy with the addition of the grant identification number from the Catalog of Federal Domestic Assistance (CFDA).

The sub paragraph about approval remains substantially the same with the addition of the reference to discretionary grants and a reference to the list of information required.

Paragraph 2 is amended to include notification of acceptance of both formula and discretionary grants. A requirement is inserted for quarterly financial reports after

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the initial notification. The list of required information is amended to include the CFDA number for the grants.

A new paragraph entitled "Annual Reports and Program Reviews/Audits" is inserted and the remaining paragraphs are renumbered. The first sub paragraph requires major and annual reports be submitted in advance of deadline to the executive director for review and a final draft at time of submittal. The second sub paragraph requires a school or agency notify the executive director about any program review by a federal agency. It also requires information be provided to enable the executive director to appropriately participate in the review. The third sub paragraph requires that copies of federal documents describing the results of the review be provided to the executive director. The fourth and final sub paragraph requires responses prepared by the state school or agency be provided in advance of deadline to the executive director for review and a final copy at the time of submittal.

Remaining amendments correct spelling errors.

IMPACT

The proposed amendments to current Idaho State Board of Education Governing Policies & Procedures would provide information to the executive director that would allow tracking the spend down of grants, knowing and understanding the current status of various grants with the opportunity to evaluate for compatibility with Board priorities and strategic plans, providing input and intervention during program reviews, and giving informed account to the Board.

ATTACHMENTS

| | | |
|--------------------|--|--------|
| Proposed Amendment | Idaho State Board of Education Governing Policies & Procedures, Section V.N. | Page 3 |
|--------------------|--|--------|

STAFF COMMENTS AND RECOMMENDATIONS

This is an information item for Board consideration.

It is planned that first reading will be at the June meeting and second reading at the August meeting. Approval of the proposed amendment would provide more information and opportunity for the Board to fulfill its federal education grant responsibilities that are assigned by both state and federal law. While some responsibility is delegated to others in order to carry out necessary business, ultimate responsibility continues to rest in the Board.

BOARD ACTION

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

PROPOSED AMENDMENT

Idaho State Board of Education
GOVERNING POLICIES AND PROCEDURES

SECTION: V. FINANCIAL AFFAIRS
Subsection: N. Grants and Contracts

~~April 2002~~ June 2007

Section V Financial Affairs

N. Grants and Contracts

1. Approval of Discretionary Grant and Contract Applications

a. Notificaton

Within five days after an {institution}, school or agency identifies an interest in applying for any discretionary grant, an initial notification of that interest must be made to the executive director. If no objection is noted after a reasonable period for review, the institution, school, or agency must proceed where required to file the grant approval form with the division of financial management. Notifications should include the following information:

1. Agency to which application is made, including CFDA number for grants.
2. Amount of the proposal.
3. Period of the grant or contract.
4. Purpose of the grant or contract.
5. Nature of obligations including amount of funds involved or facilities to be committed.

b. Approval

When there is no dedicated funding or facilities obligation, the application may be approved by the chief executive officer of the institution, school or agency or his or her designee. All applications for discretionary grants and contracts that require the institution, school or agency to dedicate current funds or facilities or will obligate the institution, school or agency or state to dedicate future funding or significant facilities require approval by the executive director. ~~Cost sharing or other types of in-kind matching requirements are not considered as dedicated commitments. If there is no dedicated funding or facilities obligation, the application shall be approved by the chief executive officer of the institution, school or agency or his or her designee.~~ When requests for approval of such applications are presented to the executive director, the ~~the following~~ information in section a. 1-5 must be included:

- ~~a. Agency to which application is made.~~
- ~~b. Amount of the proposal.~~

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~~c. Period of the grant or contract.~~

~~d. Purpose of the grant or contract.~~

~~2.e. Nature of obligations including amount of funds involved or facilities to be committed.~~

~~2.~~ 2. Acceptance of Grants and Contracts

Grants, both formula and discretionary, and contracts accepted by the institution, school or agency must be reported to the executive director ~~quarterly~~ by the institution, school or agency of official notification, when the amount of the grant or contract award exceeds one hundred thousand dollars (\$100,000). Thereafter, quarterly financial reports in a form provided by the executive director are required. When grant or contract awards are initially presented to the executive director, the following information must be provided:

a. Name of grantor or contract, including CFDA number for grants.

b. Amount of the grant or contract.

c. Grant or contract period.

d. Purpose of the grant or contract.

e. Indicate nature of institution, school or agency's obligations in the form of dedicated funding or dedication of significant facilities. If there is none, the following statement should be included: "No future state obligation will be incurred with the acceptance of this grant or contract."

3. Annual Reports and Program Reviews/Audits

a. Major reports, including annual reports made to federal agencies, must be provided to the executive director at least one week in advance of submittal. A draft nearing completion is acceptable for this submission, and a final copy must be provided to the executive director at the same time as the final version is submitted to the awarding agency.

b. Upon notification from a federal agency that a program review is scheduled, an institution, school or agency must notify the executive director. Information to be provided includes name of program to be reviewed, a copy of any documents provided by the federal agency, time and place of the opening meeting, and a schedule of the events of the review. The executive director or designee will participate in at least opening and close out sessions.

c. Upon receipt, an institution, school or agency must provide to the executive director copies of federal documents describing the results of reviews as well as the cover letter outlining state obligations.

d. Responses of an institution, school or agency must be submitted to the executive director for review and comment at least one week before the responses are due to the federal agency. A copy of the final response should be provided to the executive director at the same time the document is submitted to the federal agency.

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3.4. Facilities and Administrative Cost Recovery

a. The following cost recovery rates will be used by institutions, school and agencies under the governance of the Board for grant and contract services:

(1) For grants and contracts with the federal government, the cost recovery rates are those negotiated between the institution, school or agency and the federal government. The indirect cost rate may vary from one class of contract services to another, but institutions, school and agencies are encouraged to maximize indirect cost reimbursement rates.

(2) For grants and contracts with other state of Idaho departments, the cost recovery rate is twenty percent (20%) of the total direct cost.

(3) For grants and contracts with Idaho municipal, county, health district, joint planning, and other public non-profit agencies, the cost recovery rate is not less than twenty percent (20%) of total direct cost.

(4) For grants and contracts with private entities, whether profit or non-profit, cost ~~recoverys~~recoveries are charged at either the negotiated federal indirect cost rate for research projects or twenty-five percent (25%) of total direct costs, whichever rate will generate the greater amount of revenue for the institution, school or the agency.

b. Reduction or Waiver of Cost ~~Recoverys~~Recoveries

(1) For good cause, the chief executive officer or his or her designee of the institution, school or agency is authorized to reduce or waive cost ~~recoverys~~recoveries.

(2) Where cost ~~recoverys~~recoveries are anticipated to total more than ten thousand dollars (\$10,000) over the life of the contract, reduction, or waiver of indirect costs must be reported to the executive director on a quarterly basis.

4.5. Restrictions on Contract Services

a. Prior to the consideration of any contract for services that is required to be submitted to the Board for approval, all institutions, school or agencies shall include in the Business Affairs and Human Resources agenda an opinion from legal counsel stating the proposed contract obligation is consistent with applicable rules and policies of the State Board of Education. The opinion statement shall include the name, address, and phone number of legal counsel. Contracts presented to the Board for consideration which do not contain this information shall be determined disapproved. Grants and those educational agreements designed for articulation or affiliation shall not be construed to be within the jurisdiction of this subsection unless a fiscal liability is created for the Board, its agencies, school or institutions.

b. Research or consultant entities of agencies, institutions and the school under the governance of the Board may not bid on contract services when it appears that the contract services are reasonably available from the private sector.

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c. If the product of contract work is to be privileged or its dissemination restricted, the agency, school or institution may not undertake the contract work without the written approval of the chief executive officer of the agency, school or institution. The chief executive officer must report all such approvals to the Board at its next scheduled meeting.

REFERENCE – APPLICABLE STATUTE, RULE OR POLICY

IDAHO STATUTES
TITLE 33
EDUCATION
CHAPTER 1
STATE BOARD OF EDUCATION

Section 33-110, Idaho Code. AGENCY TO NEGOTIATE, AND ACCEPT, FEDERAL ASSISTANCE. The state board is designated as the state educational agency which is authorized to negotiate, and contract with, the federal government, and to accept financial or other assistance from the federal government or any agency thereof, under such terms and conditions as may be prescribed by congressional enactment designed to further the cause of education.

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INSTITUTION / AGENCY AGENDA
LEWIS-CLARK STATE COLLEGE

SUBJECT

Request Board approval to submit an application to acquire the Federal Building in Coeur d'Alene

APPLICABLE STATUTE, RULE, OR POLICY

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

BACKGROUND

A new Federal Building will be constructed in Coeur d'Alene, and the current facility will become surplus property, to be allocated to another potential user by the General Services Administration (GSA). Lewis-Clark State College (LCSC) has submitted inquiries to the GSA and other relevant departments in the U.S. government regarding procedures for the eventual transfer of the property. The current facility appears to be well-suited for an immediate walk-in by LCSC and its higher education partners. The facility would provide additional classroom, office, and conference space that would help meet the demand for higher education programs and support services in the area. Acquisition cost for the facility would be zero, and there appear to be no major construction costs needed to put the facility into immediate use to augment/complement current educational facilities in the area.

DISCUSSION

The Federal Building in Coeur d'Alene, located at 205 N. 4th Street, is a 24,490 square foot facility (three stories, plus basement) that was built in 1928. With a distinctive red brick and terra cotta exterior, it is one of only two federal buildings in Idaho listed on the National Register of Historic Places. It is comprised of typical offices, classrooms, and storage rooms, as well as a courtroom—all of which could be immediately utilized for delivery and support of college-level courses and support services.

The GSA is responsible for disposal of surplus federal government buildings, and in response to LCSC's inquiries on the feasibility of acquiring this facility, has provided the College with instructions on how to apply for the building. This is a competitive process, and other organizations have expressed interest in the Federal Building. Facilities that are taken over for educational purposes normally are conveyed free of cost, based on the acquiring agency's commitment to provide specified programs upon taking ownership of the facility.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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LEWIS-CLARK STATE COLLEGE - continued

The appraised value for Federal Building (as of 2006) is \$659,522. If, within the next 30 years, the facility were no longer needed or useable by LCSC and its sister institutions, the building would revert to the GSA. If retained for 30 years, the facility could be sold by LCSC. There are no known major structural problems or pending repairs for the facility (an inspection would be conducted as a standard part of the application process, per GSA procedures). Operating costs for the facility are expected to be typical for a building of this size. The current (federal) tenants of the facilities utilize a dedicated custodian and a half-time maintenance person. Alteration or reconfiguration of the interior of the building is permissible, and would require coordination with the Idaho State Historic Preservation Office.

IMPACT

LCSC has been pressed to find additional office and classroom space to accommodate its growing programs since it began operation in the Coeur d'Alene area more than 25 years ago. LCSC operations currently take place at Harbor Center, with additional space rented across the street at the Harbor Plaza building. The College has been working with its partners (the University of Idaho, North Idaho College et. al.) to address current space needs and projected future growth, and has explored other opportunities to lease additional space to complement its current facilities—these reconnaissance efforts led to the discovery of the potential Federal Building option, which appears to offer dramatic cost advantages over other purchase or lease options.

If LCSC were successful in acquiring the Federal Building, some staff members would be relocated to provide more suitable office space for staff and permanent and transient faculty at that building as well as at LCSC's current location. Classrooms and meeting spaces in the new facility would be available for all current LCSC programs as well as for sister institutions. LCSC would consult closely with its educational partners before developing a joint plan for submission to the Board on proposed utilization of the new building and any cost-sharing arrangements.

LCSC envisions that, if the Board were to approve submission of an application, and if the GSA subsequently were to convey the Federal Building to the College at no cost, the facility would be shared with LCSC's sister institutions, on behalf of the Board, to support the Board's higher education mission in the area. The College does not envision that acquisition of the building would obviate the need for other facilities currently in operation, nor would it, in isolation, suffice to accommodate all future higher education space needs in the area. LCSC believes that the present configuration of the building (virtually a "turn key"

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operation) and the acquisition cost (essentially zero) warrant submission of an application that could eventually result in this asset being provided for the use of the Board's institutions, as one component of its mid- and long-term infrastructure plans for the Coeur d'Alene area.

ATTACHMENTS

| | |
|------------------------------------|---------|
| Attachment 1 – External Photos | Page 5 |
| Attachment 2 – Satellite Imagery | Page 7 |
| Attachment 3 – Floor Plans | Page 9 |
| Attachment 4 – Application Package | Page 15 |
| Attachment 5 – Resolution | Page 43 |

STAFF COMMENTS AND RECOMMENDATIONS

Staff has reviewed the material provided by Lewis-Clark State College and recommends approval for the College to proceed with submitting an application, as requested.

BOARD ACTION

A motion to approve the request by Lewis-Clark State College to submit an application to the federal General Services Administration for the intention of acquiring the Federal Building in Coeur d'Alene.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

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Blackwell Island

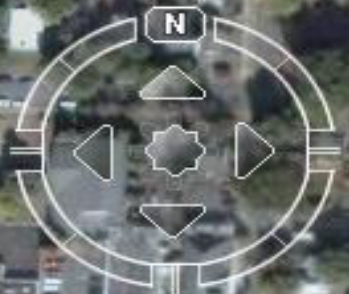
Coeur d'Alene

United States Government: Public Building Service



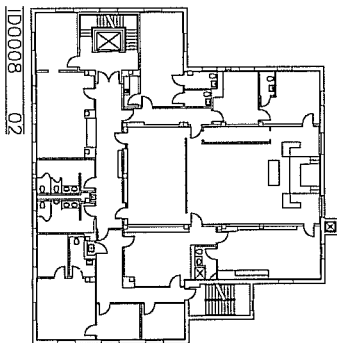
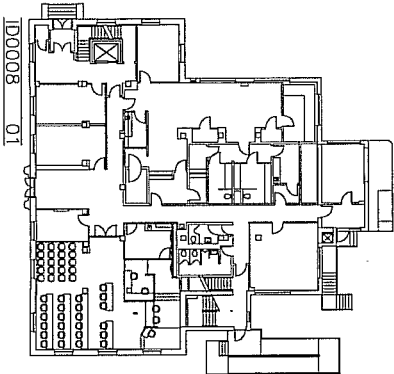
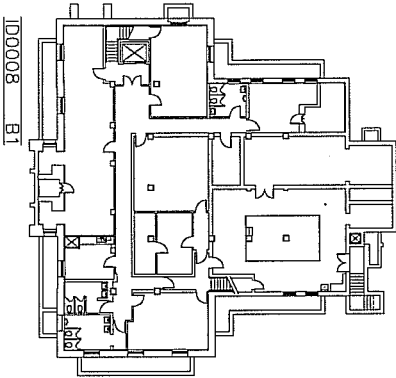
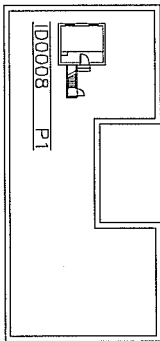
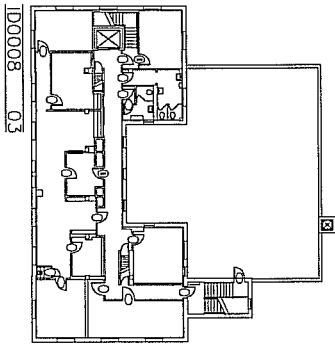
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United States Government: Public Building Service



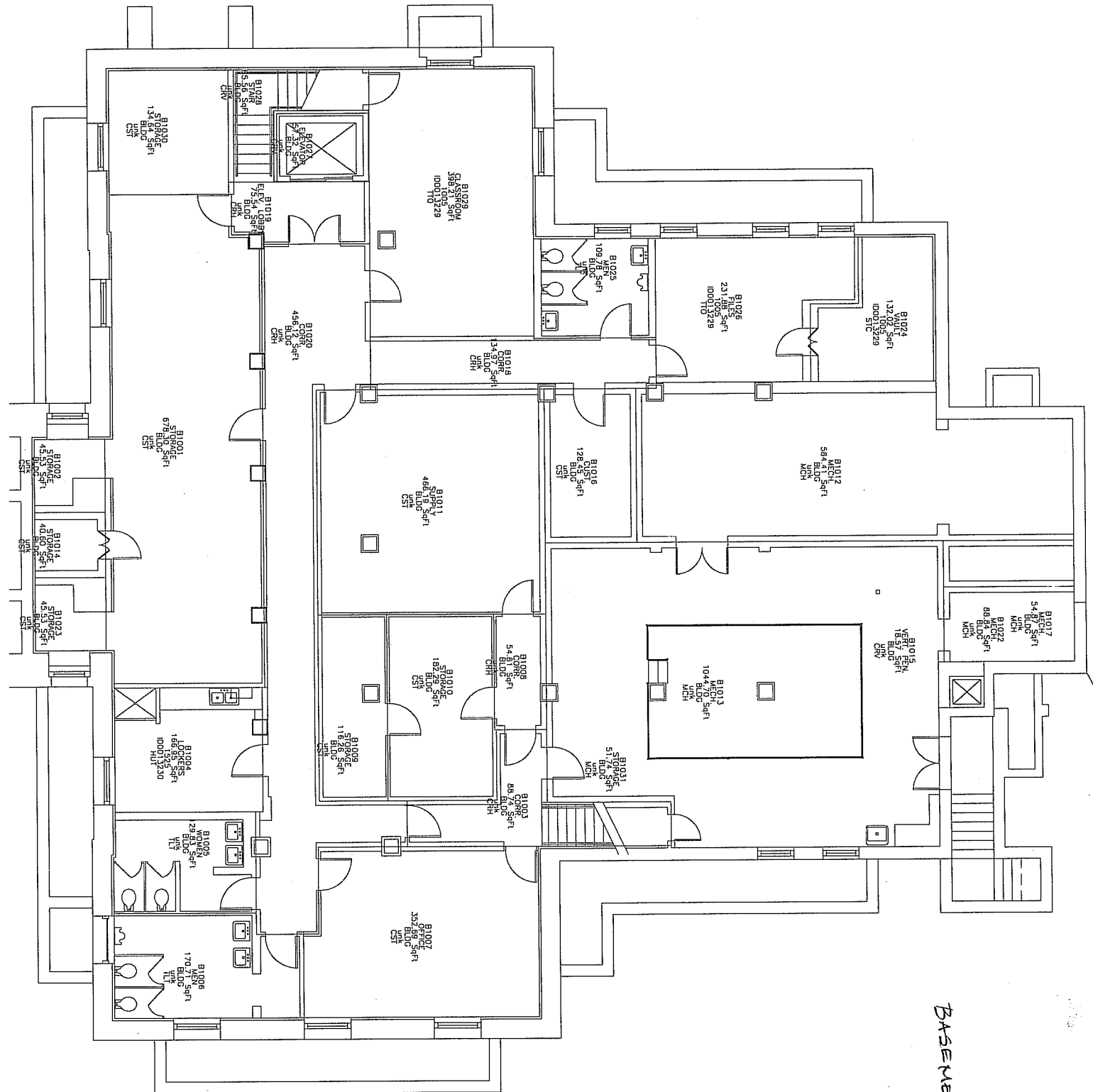
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LEGEND



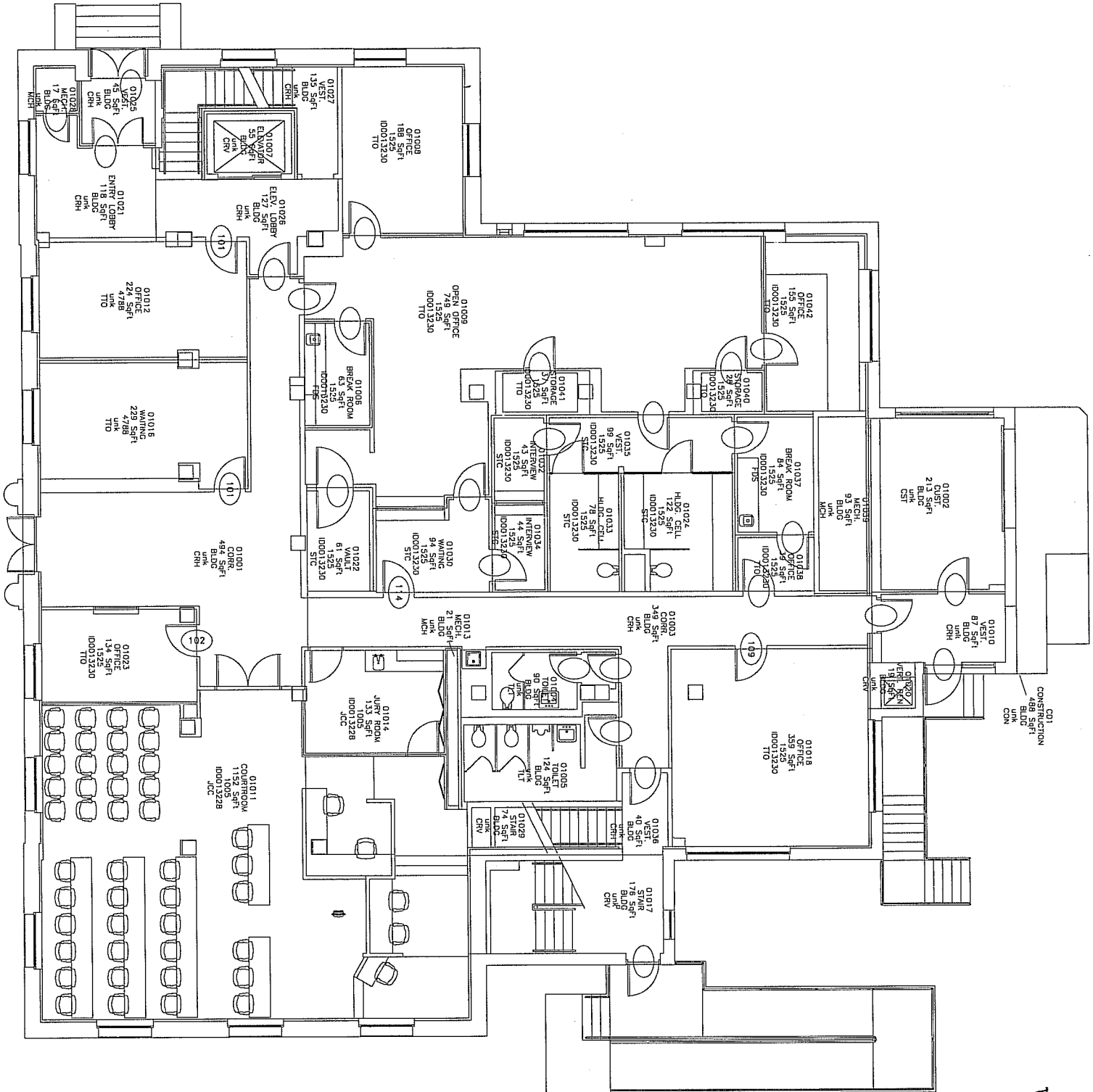
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Federal Building
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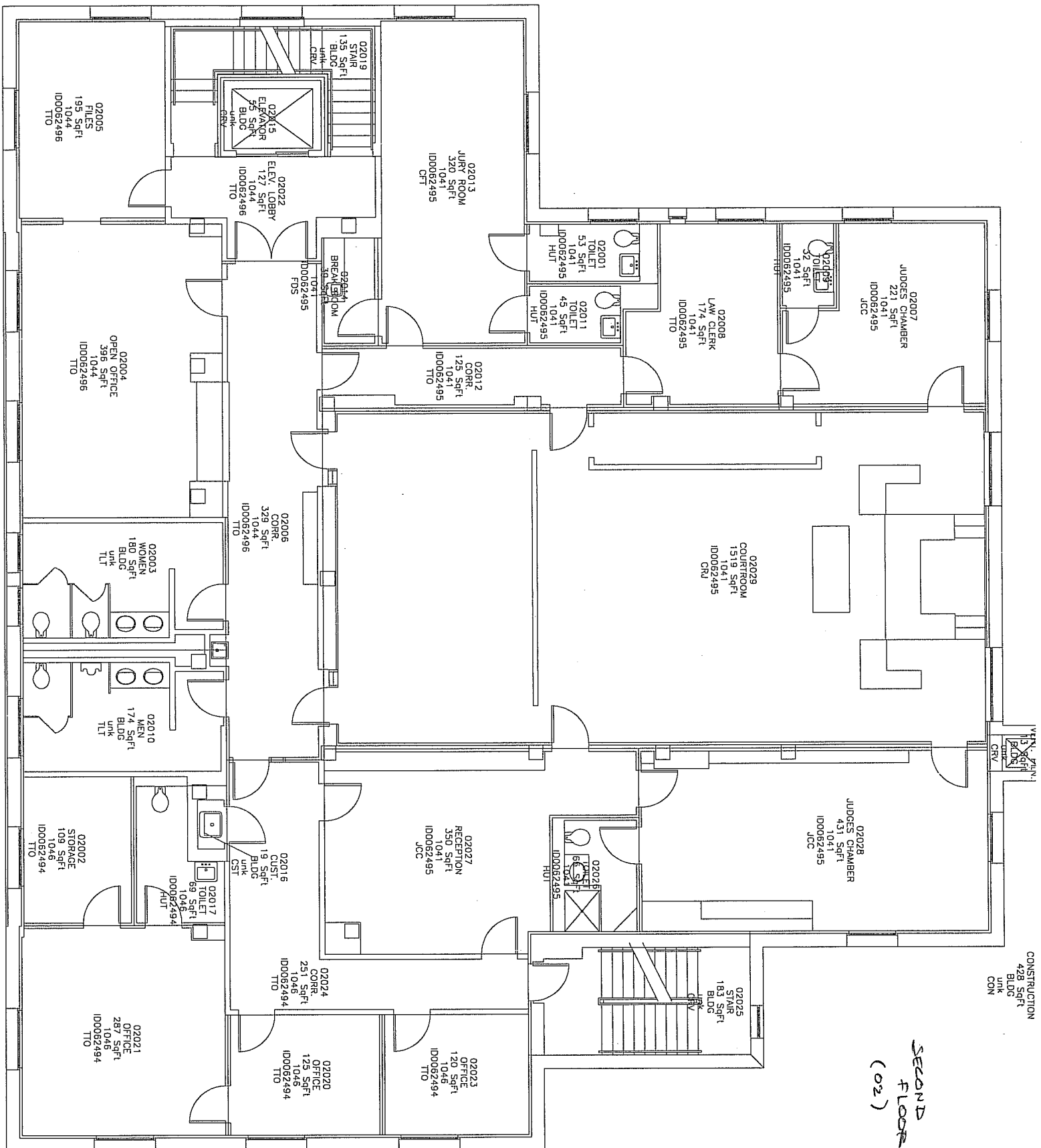


BASEMENT

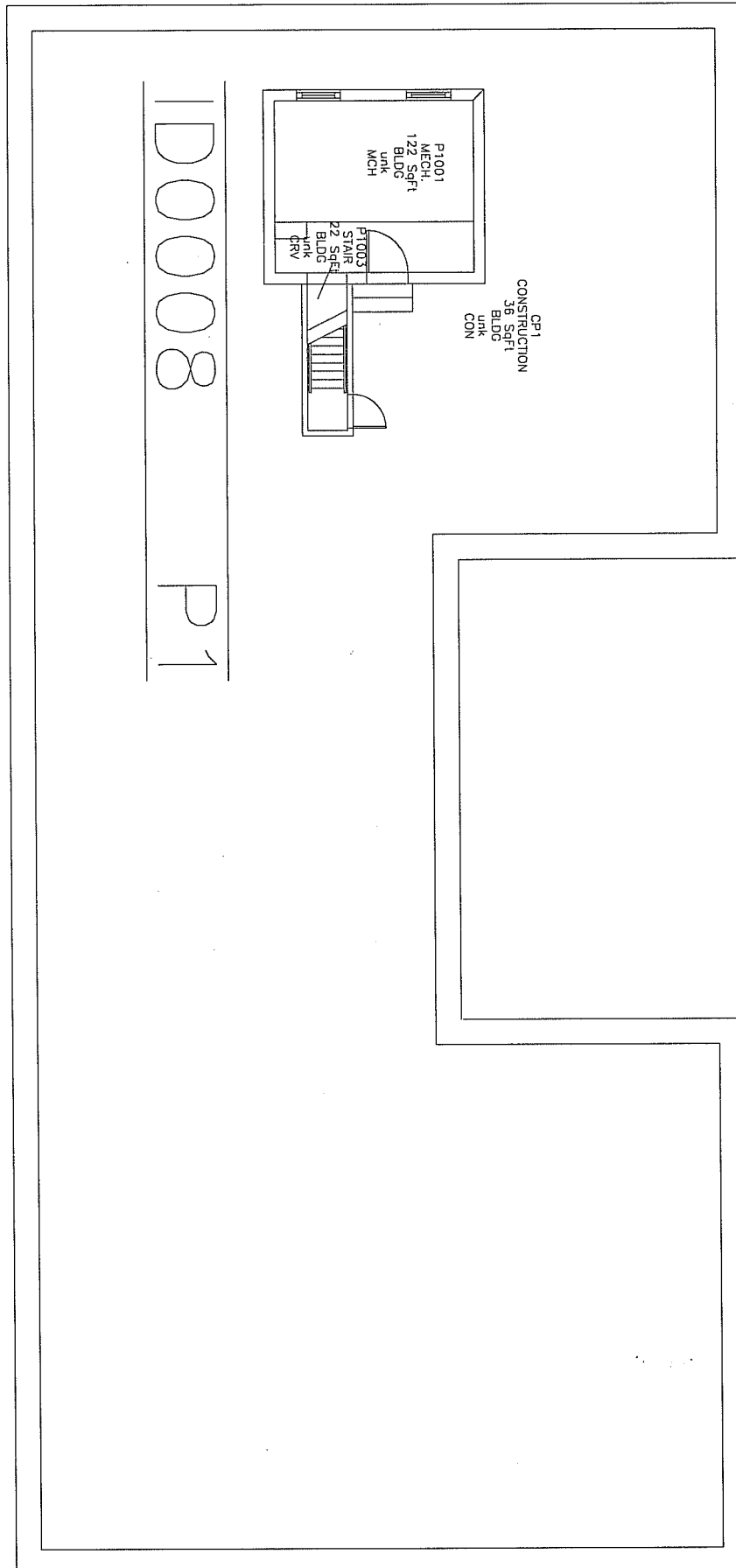
256



First Floor
(01)







PENTHOUSE ()

**UNITED STATES DEPARTMENT OF EDUCATION**

OFFICE OF MANAGEMENT

E-mail: Barbara.Shawyer@ed.gov

March 16, 2007

Cyndie Hammond, Ph.D.
Coeur d'Alene Regional Director
Lewis-Clark State College
1000 W. Hubbard, Suite 144
Coeur d'Alene, ID 83814

Dear Dr. Hammond:

Thank you for advising me of Lewis-Clark State College's possible interest in acquiring the former Coeur d'Alene Federal Building property in Coeur d'Alene, Idaho.

Enclosed are copies of the materials that will be required to prepare an application to acquire the former Coeur d'Alene Federal Building property at Public Benefit Allowance discount for educational purposes through the U.S. Department of Education.

Please recognize that the application process is competitive in nature. Other organizations may also have expressed interest in acquiring this property through the U.S. Department of Education or through similar programs conducted by other Federal government agencies. Your proposal must therefore convincingly demonstrate that the highest and best use of the former Coeur d'Alene Federal Building property will be achieved through implementation of the educational programs set forth in your application.

If your application is approved, it will comprise a contractual obligation that will be binding upon Lewis-Clark State College for a period of thirty (30) years. In order to avoid the possibility of future misunderstanding, your proposed program of use should be as specific as possible and provide a clear, unambiguous commitment to conduct certain education programs throughout the entire facility and should demonstrate that you have an immediate need and ability to use all of the property requested.

It would be advisable to additionally note that the nature and content of the programs proposed in your application determine the exact amount of the Public Benefit Allowance discount. Instructional programs are usually eligible for a full 100 percent discount while other activities may qualify at lesser discounts; thereby requiring that the applicant pay at least some percentage of the acquisition price of the property. It should be noted that outdoor education programs qualify for a maximum 70 percent discount under educational Public Benefit Conveyance regulations.

Page 2 – Cyndie Hammond, Ph.D.

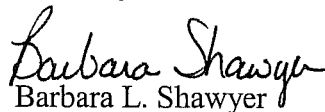
Since the application process is governed by fairly stringent time limitations that have been established under Federal regulations, ***your completed application must be received by 5 p.m. ET on Monday, April 23, 2007, at the Washington, D.C. office.*** I realize that this deadline may be difficult to meet, but I encourage you to try to submit an application within the time allotted under Federal regulations if you remain interested in the property.

If you have not already done so, I'd like to suggest that you make arrangements to tour the property prior to submitting your application. Please contact Mr. Fred Zderic with the General Services Administration at (253) 931-7541 to make those arrangements.

Please note that this building has been determined suitable for use for facilities to assist the homeless. Please understand that homeless organizations have priority to acquire surplus Federal property under Federal law. If an application is submitted and approved by the U.S. Department of Health and Human Services, it will have priority over other public benefit uses, including education. This building is currently listed on the National Register of Historic Places and it is likely that preservation restrictions will be included in any property conveyance. Additionally, it is our understanding that the existing tenants will continue to occupy 100 percent of the building for up to two (2) years until their new facility is constructed.

If you have any questions regarding the application process or would like electronic files of the application, or have questions about the former Coeur d'Alene Federal Building property, I encourage you to feel free to contact me at your convenience. I look forward to receiving your application by April 23rd.

Sincerely,



Barbara L. Shawyer
Federal Real Property Assistance Program

Enclosures

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**GENERAL INFORMATION REGARDING TERMS AND CONDITIONS IMPOSED UPON THE
CONVEYANCE OF SUPPLUS FEDERAL REAL PROPERTY FOR EDUCATIONAL PURPOSES**

Although Federal real property may be owned or held by many government agencies, only the United States Department of Education has authority under Federal law to award real property to educational institutions and organizations at substantial public benefit allowance discounts. In essence, the United States Department of Education acts as an agent and advocate for educational organizations in assisting them to acquire surplus Federal real property which is held by other federal agencies.

Approval of an application by the United States Department of Education to acquire property for educational purposes does not constitute the final decision of the Federal government since that authority by law is vested with the Federal agency which holds title to the property. In most cases, the General Services Administration makes final decisions. Under the military base closure acts, final decision-making authority rests with the Department of Defense agency which holds title to the military installation (i.e., Army, Navy or Air Force). Please note, however, that Federal holding agencies do not have authority to award property to educational organizations at public benefit allowance discounts themselves.

Since grants of Federal government real estate are legally accomplished in the form of a sale in return for the contractual commitment of the applicant to deliver educational programs and services upon the property rather than pay for acquisition with monetary consideration, all conveyances are made by deed subject to the following conditions to assure that the promised educational programs are in fact delivered:

1. The property must be utilized solely and continuously for a period of 30 years from the date of the deed for the educational programs set forth and approved in the application and for no other purposes.
2. The grantee may not sell, lease, mortgage, encumber or otherwise dispose of, or grant any right or interest in, the property to other parties without the advance written consent of the United States Department of Education.
3. The grantee must submit biennial utilization reports on its use of the property demonstrating that the terms and conditions of the deed are being fulfilled and that the agreed upon educational programs are being delivered.
4. The grantee must comply at all times with non-discrimination acts which govern its ownership of the property including Title VI of the Civil Rights Act of 1964 (P.L. 88-352), Title IX of the Education Amendments of 1972 (P.L. 92-318), Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112), and all requirements imposed by or pursuant to the regulations (34 C.F.R. Parts 12, 100, 104, and 106) issued pursuant to the Acts and now in effect; to the end that no person in the United States shall, on the ground of race, color, national origin, sex or handicap, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the educational program and plan set forth and approved in the application of the grantee.
5. During the 30 year period of restrictions required under the first condition of the deed, the grantee will at all times be and remain either a public, tax supported institution or organization or a private, non-profit organization held to be tax exempt under Section 501(c)(3) of the Internal Revenue Code.

Upon breach of the aforementioned terms and conditions, the United States Department of Education may revert ownership of the property to the Federal government. Other penalties are also provided in the deed for breach of conditions including the remittance of all revenues or benefits received directly or indirectly from any unauthorized arrangement, use or activity.

**APPLICATION FOR PUBLIC BENEFIT ALLOWANCE ACQUISITION OF SURPLUS
FEDERAL REAL PROPERTY FOR EDUCATIONAL PURPOSES**

Public Law 81-152

(Date of Application)

1) Identification of applicant

A. Legal name, address, telephone and facsimile numbers, and email address of the applicant organization.

B. Authorized representative – Name and title of the individual who has been authorized by resolution of your governing authority in the exhibit attached to this application to negotiate and accept acquisition of the requested Federal real property at public benefit allowance discount.

C. The applicant must be fully authorized under state statute or its operating charter to acquire and hold title to real property. Please cite and attach appropriate references confirming the specific authority of the applicant organization to acquire and hold title to real property.

Private, non-profit organizations must additionally provide copies of the Internal Revenue Service's tax-exempt status determination letter.

2) Description of property requested

A. Describe the property that is the subject of this application including details as to the approximate acreage, identity of buildings or improvements located thereon, and any easements that may also be necessary. Specific Federal building numbers and/or names should be used when available to identify improvements. A surveyor's description of the boundaries of the requested property is NOT necessary at this time but may be required later. Plot maps may be furnished as exhibits to your application.

B. The application must certify that the proposed program of usage will comply with all state and local planning and zoning regulations and building codes after acquisition of title since the property will pass out of Federal ownership during the acquisition process.

C. If related personal property is requested in conjunction with the real property, a detailed list of the requested personalty by item and number should be attached as an exhibit to your application together with a statement under this section confirming your desire to acquire the related personal property and agreement to utilize such property only upon the requested real property.

3) **Applicant's current facilities**

Please describe or summarize your present landholdings including the total acreage, location of different sites and number of buildings currently owned by your organization. Please identify any facilities that are leased to other organizations or not entirely used by your own organization.

4) **Proposed program and plan of use**

A. Describe in narrative form your proposed program and plan for utilization of the requested property after acquisition of title. Your description should contain a clear, unambiguous commitment to utilize the requested property for specific educational purposes.

(Please note: Since the application will be referenced in your deed, your proposed program and plan will comprise a contractually-binding obligation to utilize the requested property solely and continuously for the purposes described under this section. Care should be taken to assure that all components of the proposed program and plan of use are feasible and will actually be delivered or your organization may be subject to compliance penalties later; including but not limited to reversion of title to the Federal government.)

B. Estimate the approximate number of staff and students who will actually participate in programs upon the requested property on a regular basis.

C. Explain how frequently the property will be utilized in the proposed program and plan of use.

D. Indicate the time that will be required to bring the property into full educational utilization. *(Please note: Federal regulations require that the property be placed into utilization in the proposed program and plan within twelve (12) months from the date of acquisition of title unless approval has been granted in the application for major construction or renovation. If major construction or renovation has been approved, Federal regulations provide the applicant thirty-six (36) months in which to place the property into utilization in the proposed program and plan.)*

E. Describe any buildings proposed for demolition.

F. List the buildings and structures that will be required to implement your proposed program and plan and furnish the information indicated below in the manner illustrated in the following example:

| <u>Bldg. #</u> | <u>Name/Description</u> | <u>Proposed Use</u> | <u>Date Use to Begin</u> | <u>Approximate Cost</u> |
|----------------|-------------------------|---------------------|--------------------------|-------------------------|
| T-200 | Admin Bldg. | Classrooms | Within 12 mos. | \$75,000 |
| New | Gymnasium | Physical Ed. | Within 36 mos. | \$2.5 million |

(Also describe major capital improvement projects proposed in the foreseeable future if they are to be considered in approval of your application.)

G. Fully describe the proposed utilization of all land requested. If any land will be utilized for research or experimentation purposes, your response to this section must include description of the proposed research projects, the number of staff and students who will actually visit the property in the performance of such studies, and the frequency of visitations to the site.

H. Sketches, floor plans, or plot maps may be attached as exhibits to clearly demonstrate how the requested property will be utilized or developed in your proposed program and plan.

I. Public benefit allowance regulations contain a formula which is utilized to rank competing applications and calculate the amount of discount to which your proposed program and plan is entitled. The following information must be provided to determine the discount applicable to your proposal:

(1) Is your organization accredited by any Federal, state or other oversight authority? If so, please identify the accrediting authority.

(2) Does your organization receive Federal financial assistance as the result of certain Federal activities upon the community (such as impact aid under Public Law 81-874)? Describe the sources of that assistance and the causes of the Federal impact.

(3) Will the property be utilized for public service training for ROTC or other personnel training contracts for Federal or state governments?

(4) Does the need for this property arise from a significant hardship such as fire, flood, disaster, condemnation or serious economic factors such as isolation or remote location?

(5) Will the property be utilized to introduce new instructional programs, which cannot be provided with existing facilities; such as vocational education, physical education, libraries, or other programs?

(6) Will the property be utilized to improve the health and welfare of students through such programs as cafeterias, clinics, infirmaries, bus loading shelters for students, or other activities which provide for the elimination of health or safety hazards?

(7) Will the property ***predominantly*** be used for research purposes?

(8) Is the property ***primarily*** being requested to develop, establish or improve facilities or programs for special education purposes or for the physically or mentally handicapped?

5) **Proof of need**

- A.** Under this section, your application should fully explain why additional property is needed. Your response should address both the need for additional property as well as the need to add to your existing programs.
- B.** Describe any inadequacies in your existing facilities that may limit your ability to provide necessary services or comply with minimum standards for funding, accreditation, licensing or Federal, state and local laws.
- C.** Specific data should be provided to demonstrate the inadequacy of existing facilities including such information as the maximum enrollment which can be accommodated in present facilities under state standards without double or night sessions, or the number of students who cannot be accepted because of inadequate facilities. Please provide such data for the past three years.
- D.** Federal regulations require that your application only request so much property as is immediately needed and can be placed into utilization within the time limits described under section 4.D. Full justification should be provided to demonstrate your need for all land requested.
- E.** Explain why the requested property is deemed to be particularly suitable for your proposed program and plan. Indicate whether other property is owned by your organization, which could meet the same needs described above.

6) **Financial information demonstrating the ability to implement the proposed program**

- A.** Estimate the total cost required to initially renovate or prepare the property for your proposed program and plan and the amount required thereafter to operate and maintain the property on an annual basis.
- B.** Before applications for surplus Federal property can be approved, Federal regulations require that applicants demonstrate that they have the necessary funding to carry out their proposed program and plan or have the ability to obtain such funds. Explain where the funding will be obtained to implement your approved program and plan. Copies of your most recent balance sheets and income statements should be attached as exhibits to the application.
- C.** If funding is to be obtained in part through bonds or loans, a letter of commitment should be provided from the prospective financing sources confirming that they are prepared to lend the sums needed.

(Please note: Mortgage financing or the granting of rights in the requested property to secure repayment of bonds or loans must be separately authorized after acquisition of title by special agreement.)

D. Please identify any income or revenues, which may be received or generated as a result of your proposed program and plan.

7) Period of use

The applicant must certify that the requested property is needed at the time of the application for the educational purposes described in its proposed program and plan and will be utilized for such purposes for a period of thirty (30) years. (The applicant may not modify its proposed program and plan during the thirty-year period without the prior written consent of the United States Department of Education.)

8) Assurance of compliance with nondiscrimination requirements

The applicant must state and agree that it will not discriminate because of race, color, national origin, sex or disability in the use of the property, in keeping with Section 606 of the Federal Property and Administrative Services Act of 1949, Title VI of the Civil Rights Act of 1964 (P.L. 88-352), Title IX of the Education Amendments of 1972 (P.L. 92-318), and section 844 of the Education Amendments of 1974 (P.L. 93-380) (in relation to education), and Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112), Title II of the Americans with Disabilities Act of 1990, and the Department's Regulations issued pursuant to such Acts (34 CFR Parts 12, 80, 84, 86, 100, 104, and 106).

9) Insurance provision

If there are any buildings, structures, or improvements located upon the requested property which will be utilized in the proposed program and plan, the applicant shall protect the residual financial interest of the United States of America by insurance and must state the following:

"The applicant agrees, for itself, its successors and assigns, that if any conveyed improvements are insured against loss, damage, or destruction and if such loss, damage or destruction should occur during the period the grantee holds title to the requested property while under the period of restricted usage specified in the deed of transfer, said insurance and all moneys received therefrom by the Grantee, its successors or assigns shall be held in trust by the Grantee, its successor or assigns, and shall be promptly utilized by the Grantee for the purpose of repairing such improvements and restoring the same to their former condition and use, or for the purpose of replacing said improvements with equivalent or more suitable facilities; or, if not so used, shall be paid over to the Treasurer of the United States in an amount equal to the unamortized public benefit allowance of the buildings, structures, or improvements lost, damaged or destroyed."

10) Environmental analysis

Public benefit allowance transfers of Federal real property are subject to the requirements of the National Environmental Policy Act of 1969 (P.L. 91-190) and related environmental acts. Please analyze the environmental impact of your proposed program and plan by answering the questions in the enclosed Environmental Questionnaire. Identify the

Environmental Questionnaire and your responses as an exhibit to your application and provide the exhibit number here.

11) Protection and maintenance of the property

The applicant must state and agree for itself, its successors and assigns, that in the event Grantor exercises its option to revert all right, title and interest in the requested property to the Grantor, or the Grantee voluntarily returns title to the requested property in lieu of reverter, then the Grantee shall provide protection to and maintenance of the requested property at all times until such as the title is actually reverted and returned to and accepted by the Grantor. Such protection and maintenance shall, at a minimum, conform to the standards prescribed by the General Services Administration in Appendix A of the "GSA Customer Guide to Real Property Disposal" as referenced at 41 CFR 102-75.965, a copy of which is summarized and attached to the application and labeled as an exhibit to said application.

12) Exhibits

The applicant must list and identify all exhibits under this section and state that the exhibits are a part of this application. Please attach this application as one of the exhibits to your application to fully explain the questions that are being answered under each section.

13) Certification of signing official

The following statement should be inserted under this section and signed by the authorized representative of the applicant's organization:

"I/We certify by signature hereto, that I/we am/are duly authorized by the Governing body of this organization or institution to act on behalf of the governing body to do any and all things necessary to acquire the Federal surplus real property identified and requested herein, including the preparation of this application and payment of such sums as may be necessary toward the purchase price of the requested property, and that all information given herein, and in exhibits hereto, are true and correct to the best of my/our knowledge."

By: _____

Title: _____

Date: _____

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RESOLUTION

WHEREAS, certain real property owned by the United States of America, located in the County of _____, State of _____, has been declared surplus to the needs of the Federal government and is subject to assignment for disposal for educational purposes by the Secretary of Education, under the provisions of Section 203(k)(1)(a) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377) (Act), as amended, and rules and regulations promulgated pursuant thereto, more particularly described as follows:

(PLEASE INSERT A BRIEF DESCRIPTION OF THE PROPERTY REQUESTED)

WHEREAS, (insert legal name of applicant organization) needs and can utilize said property for educational purposes in accordance with the requirements of said Act and the rules and regulations promulgated thereunder of which this Board is fully informed, including commitments regarding use and time within such use shall commence.

NOW, THEREFORE, BE IT RESOLVED, that (insert legal name of applicant organization), shall make application to the Secretary of Education for, and secure the transfer to it of, the above-mentioned property for said use upon and subject to such exceptions, reservations, terms, covenants, agreements, conditions and restrictions as the Secretary of Education, or his authorized representative may require in connection with the disposal of said property under said Act and rules and regulations issued thereto; and

BE IT FURTHER RESOLVED, that (insert legal name of applicant organization) has legal authority and is willing and is in a position financially and otherwise to assume immediate care and maintenance of the property, and that (name of official(s) legally authorized herein), (title of authorized official(s)), is/are hereby authorized, for and on behalf of the (insert legal name of applicant organization) to do and perform any and all acts and things which may be necessary to carry out the foregoing resolution including the preparing, making and filing of plans, applications, reports and other documents; the execution, acceptance, delivery and recordation of agreements, deeds and other instruments pertaining to the transfer of said property; and the payment of any and all sums necessary on account of the purchase price

thereof including fees or costs incurred in connection with the transfer of said property for surveys, title searches, real estate appraisals, recordation of instruments or costs associated with escrow arrangements; together with any payments necessary by virtue of nonuse or deferral of use of the property. If the applicant is unable to place the property into use (or determines that a deferral of use should occur), IT IS UNDERSTOOD AND AGREED that (insert legal name of applicant organization) will pay to the United States Department of Education for each month of nonuse beginning twelve (12) months after the date of the deed, or thirty-six (36) months where construction or major renovation is contemplated, the sum of $1/360^{\text{th}}$ of the then current fair market value of the property for each month of nonuse.

If submission of the Application for Public Benefit Allowance Acquisition of Surplus Federal Real Property for Educational Purposes is approved, a copy of the application and standard deed conditions will be filed with the permanent minutes of the Board.

(Legal name of governing body of applicant)

(Street address of governing body of applicant)

(City, state, zip code of governing body of applicant)

I, (insert name of certifying officer), hereby certify that I am the (title of certifying officer), of the (legal name of the governing body of applicant) and that the foregoing resolution is a true and correct copy of the resolution adopted by the vote of a majority of the members of said (legal name of the governing body of applicant) present at a meeting of said Board of the _____ day of _____, 19____, at which a quorum was present.

(Signature of certifying officer)



(Please note: The official certifying and attesting to the action taken by the governing board in this resolution must NOT be the same individual designated and authorized to represent the applicant organization in the body of the resolution.)

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ENVIRONMENTAL QUESTIONNAIRE**I. Purpose of Applicant's Analysis**

The Federal assistance, which you have requested, is of a nature that requires submission of an analysis of the probable environmental effects of the proposed project. Authority for such action is derived from the National Environmental Policy Act (NEPA) of 1969 (P.L. 91-190). This analysis should conform in format with the outline described below as may be most applicable to the circumstances of your particular project. The analysis will be separately bound and accompany the applicant's formal request for assistance. Since required ED/NEPA assessment of the environmental impact of any particular project cannot be initiated without prior submission of such data by the applicant, the processing of such applications will be deferred by ED pending receipt of such an analysis.

In the event that the Department determines that preparation of an Environmental Impact Statement will be necessary, the applicant may be requested to furnish additional materials to facilitate the development of such a document by Regional Office officials.

Applicants are further cautioned that conformance with ED/NEPA procedures shall not obviate the need for applicant compliance with applicable state and local environmental use and review requirements.

Should you have any questions regarding the preparation of your analysis, contact your Federal program officer.

II. Suggested Outline for Applicant's Analysis**A. Objective of the Proposed Action**

Please describe the objective(s) of the proposed action as to what needs will such action attempt to meet, and the nature of the project (i.e., briefly identify the project as being an alteration or expansion to an existing facility, a new or additional facility by itself, or an initial or planned component part of a complex or facilities) and what will be the estimated duration and financial costs for construction of the planned facility.

B. Description of the Environment to be Affected

The environment should be considered as being that area which the proposed project would both impact upon and serve. The greatest detail should concern the probable environmental impact of the project on the particular site of construction and its surrounding community, both in the short and long term. This section should broadly and briefly discuss the geography of the area, wildlife, water and air quality, area population and potential users of the service to be provided, the economy of the area, and any present environmental concerns.

C. Probable Environmental Effects of the Proposed Action

Please provide a narrative explanation of the probable environmental effects occurring in each of the following 42 areas of importance:

1. Describe the property that will be directly affected by the construction. Is it in a rural, urban or suburban area? Is it directly associated with current facilities operated by the applicant? Please describe the specific piece of land upon which the construction will occur in terms of its current use by man. If the land is in a natural state, please provide a brief description with respect to plant and animal life.
2. Describe the surrounding area. Is it primarily residential, industrial, agricultural, etc.? Has the area been formally zoned for specific uses? Please provide a map of the immediate area covering approximately one square mile. (Street maps or line drawings for urban projects are sufficient.)
3. Will the construction occur in a flood plain, wetland area, desert, tundra, or some other type of unique geological/meteorological interest?
4. Will existing underground service systems (sewage, water, telephone cables, etc.) require more than alterations associated with routing connections or hookups? If so, please describe.
5. Please describe the composition of the sub-surface area. Are there mineral deposits? (Applicable only for all new complexes as well as new facilities in rural and suburban areas.)
6. Will the facility obtain water from a natural source, such as wells, rivers, lakes, catchment basins, etc.?
7. How high will the facility be from ground level? Are there any aircraft approach or departure patterns, TV or radio transmission facilities within three horizontal miles of the facility? If so, please describe.
8. Describe any new air pollution sources that will be introduced as part of the facility (heating, cooling, incineration, etc.) together with the emission rates expected. Provide the percent increase of emissions from the usage of existing sources. Please classify such sources as to short-term (construction) and long-term (operation) and describe methods for minimizing such effects if such remedies are known.
9. Approximately, how many vehicles will be introduced into the area on a daily basis as a result of the operation of the facility? What is the approximate percentage increase in daily traffic in the area?
10. How much additional water (runoff or otherwise) will be diverted into natural water systems? (Not applicable for modifications or alterations.) Through what channels will the water flow into such a system? Will the additional flow of water introduce or

increase the number of annual occurrences of flood conditions? (As necessary, describe steps that will be taken to prevent this.)

11. Will an identifiable increase in sedimentation occur in any natural water system during construction and/or operation?

12. Will the facility introduce or increase the occurrence of water systems, including sewage lines, outside the facility? If so, please describe in general terms. If traps, etc., are to be installed in the facility, please identify. Also, identify the ultimate fate of such wastes, including a sewage treatment plant or natural water system.

13. Describe the sound created by the facility which will be audible in the immediate area (external to the building) other than sounds associated with the normal functioning of a human population.

14. Describe the new electromagnetic wave sources that will be used in the facility and identify the extent to which they may be identifiable external to the structure. (Exclude light sources.)

15. Describe external light sources that will be introduced, if any, above and beyond street lighting.

16. To what extent will the facility alter existing wind patterns? (Generally applicable only in rural areas or highly developed urban areas when a wind tunnel would be created or the current wind velocity increased considerably.)

17. During the operation of the facility, will any materials be recycled and/or discarded which could reasonably be recycled? If so, please describe.

18. Will contaminants be stored at the facility? If so, please describe physical safeguards that will be used to guard against their introduction to the natural environment should they be accidentally released (fuel oil, large amounts of chemicals, etc.).

19. Approximately how many people now live in the immediate area? How many people can be expected to live in the immediate area as a result of the operation of the facility (or complex)?

20. Approximately how many temporary residents will be introduced to the area during construction? (Generally applicable only to rural projects.)

21. Approximately how many temporary residents will normally be associated with the operation of the facility (or complex)?

22. Approximately how many additional transients will be introduced to the area on a daily basis during operation (e.g., staff, students, etc.)?

- 23.** If the project will use agricultural land, parks, woods, forests, prairies, etc., list the types of animals that currently inhabit the area. Generally describe the site in terms of flora which will be destroyed or altered.
- 24.** Will the construction of the facility disrupt any of the following services to a human population for more than 24 hours (water, electrical power, natural gas, or sewage)?
- 25.** How much electricity will the facility (complex) utilize (peak load)? Provide the name and address of the source supplying the electricity.
- 26.** How much water will the facility (complex) use in a normal day? What is the system that provides the water (name and address of system)? What is the immediate source (reservoir, pumping station, water tower, etc.)?
- 27.** How much sewage will the facility generate on a daily basis? Will the sewage be handled by a sewage treatment facility? If so, provide the name and address of the system and identify the particular facility by name. What level of treatment (primary, secondary, tertiary) does the plant provide? What is the remaining capacity of the plant?
- 28.** How much solid waste will be generated by the facility (complex) on a daily basis? What is the ultimate disposal of this waste (landfill, incineration, recycle)? Please provide the name and address of any service organization that will be associated with the removal of wastes.
- 29.** Will any residences, hotels, rooming houses, etc., be destroyed or temporarily vacated as a result of the project? If so, please describe the facilities and the people that will be affected.
- 30.** Will any of the following existing services be altered through the construction of the facility: mentally retarded or handicapped, educational or day care? If so, please describe.
- 31.** Will the new facility contain (or increase the capacity) of any of the services listed above. If so, please describe.
- 32.** Please briefly identify those existing streets, freeways, etc., in the immediate area that will receive the increased traffic as a result of the operation of the facility and describe their ability to handle the increase.
- 33.** Will any other transportation system (e.g., subways, bus lines) be directly affected by the operation of the facility (new service lines, equipment, etc.)? Is there an identifiable percentage increase in the volume of traffic? If so, please describe its geographic relationship to the project.
- 34.** Is there a site in the area which is listed or proposed for listing on the national Register of Historic Places, the National Landmarks Registry or any state or local variation thereof? If so, please describe its geographic relationship to the project.

35. Did any historic activity of significance occur on the site or will a facility that is more than 50 years old be altered or destroyed? If so, please describe.

36. Will the activity destroy or decrease access to any known or potential archaeological sites? If so, please describe.

37. Are there any members of an endangered species in the immediate area (as defined by the Department of Interior's endangered species list or any state or local variation thereof)? If so, please identify.

38. Will the construction or operation of the facility violate or require a variance from any federal, state or local laws pertaining to the visual environment, odors, noise? If so, please identify.

39. Will the construction or operation of the facility violate or require a variance from any federal, state, or local laws pertaining to land, air or water pollution or land use? If so, please describe.

40. Will construction of the facility disrupt the cultural harmony of the community or neighborhood? Include any pertinent information as to the opinions of residents regarding the project impact on their life styles.

41. What are the dimensions (number of levels, gross square footage, net usable square footage) and architectural design features (e.g., brick, stucco, etc.) of the facility proposed for renovation or construction?

42. What is the planned disposition (e.g., demolition, renovation for other public use, etc.) of any facility(ies) being vacated as a result of the proposed project?

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Guidelines for Protection and Maintenance

(Pursuant to 41 CFR §102-75.965: GSA Customer Guide to Real Property Disposal)

Outline for Protection and Maintenance of Excess and Surplus Real Property.

A. General. In protecting and maintaining excess and surplus properties, the adoption of the principle of "calculated risk" is considered to be essential. In taking what is termed a "calculated risk," the expected losses and deteriorations in terms of realizable values are anticipated to be less in the overall than expenditures to minimize the risks. In determining the amount of protection to be supplied under this procedure, a number of factors should be considered; such as, the availability of, and the distance to, local, public, or private protection facilities; the size and value of the facility; general characteristics of structures; physical protection involving fencing, number of gates, etc.; the location and availability of communication facilities; and the amount and type of activity at the facility. Conditions at the various excess and surplus properties are so diverse that it is impracticable to establish a definite or fixed formula for determining the extent of protection and maintenance that should be applied. The standards or criteria set forth in B and C, below, are furnished as a guide in making such determinations.

B. Protection Standards. The following standards are furnished as a guide in determining the amount and limits of protection.

1. Properties not Requiring Protection Personnel. Fire protection or security personnel are not needed at:
 - (a) Facilities where there are no structures or related personal property;
 - (b) Facilities where the realizable or recoverable value of the improvements and related personal property subject to loss is less than the estimated cost of protection for a one-year period;
 - (c) Facilities of little value located within public fire and police department limits, which can be locked or boarded up;
 - (d) Facilities where the major buildings are equipped with automatic sprinklers, supervised by American District Telegraph Company or other central station service, which do not contain large quantities of readily removable personal property, and which are in an area patrolled regularly by local police; and
 - (e) Facilities where agreements can be made with a lessee of a portion of the property to protect the remaining portions at nominal, or without additional cost.
2. Properties Requiring a Resident Custodian. A resident custodian or guard only is required at facilities of the following classes:
 - (a) Facilities containing little removable personal property but having a considerable number of buildings to be sold for off-site use when (a) the buildings are of low realizable value and so spaced that loss of more than a few buildings in a single fire is improbable, or (b) the buildings are so located that water for firefighting purposes is available and municipal or other fire department services will respond promptly;
 - (b) Small, inactive industrial and commercial facilities which must be kept open for inspection and which are so located that public fire and police protection can be secured by telephone;
 - (c) Facilities where the highest and best use has been determined to be salvage; and
 - (d) Facilities of little, or salvage, value but potentially dangerous and attractive to children and curiosity seekers where the posting of signs is not sufficient to protect the public.
3. Properties Requiring Continuous Guard Service. One guard on duty at all times (a total of 5 guards required) is required at facilities of high market value which are fenced; require only one open gate which can be locked during patrols; all buildings of which can be locked; and where local police and fire protection can be secured by telephone.
4. Properties Requiring High Degree of Protection. More than one firefighter-guard will be required to be on duty at all times at facilities of the classes listed below. The number, and the assignment, of firefighter-guards in such cases should be determined by taking into consideration all pertinent factors.
 - (a) Facilities of high market value, which are distant from public assistance and require an on-the-site firefighting force adequate to hold fires in check until outside assistance can be obtained.
 - (b) Facilities of high market value, which can obtain no outside assistance and require an on-the-site firefighting force adequate to extinguish fires.
 - (c) Facilities of high market value at which the patrolling of large areas is necessary.
 - (d) Facilities of high market value not fenced and containing large quantities of personal property of a nature inviting pilferage.
 - (e) Facilities of high market value at which several gates must be kept open for operating purposes.

5. Standards for All Protected Properties.

- (a) All facilities within the range of municipal or other public protection, but outside the geographic limits of such public body, should be covered by advance arrangements with appropriate authorities for police and fire protection service, at a monthly or other service fee if necessary.
- (b) Patrolling of all facilities with large areas to be protected should be accomplished by use of automotive vehicles.
- (c) At fenced facilities, a minimum number of gates should be kept open.

6. Firefighter-Guards. Firefighters and guards are the normal means for carrying out the fire protection and security programs at excess and surplus real properties where both such programs are required. The duties of firefighters and guards should be combined to the maximum extent possible in the interest of both economy and efficiency. Such personnel would also be available in many cases for other miscellaneous services, such as, removing grass and weeds or other fire hazards, servicing fire extinguishers, and other activities related to general protection of property.

7. Operating Requirements of Protection Units. Firefighter-guards or guards, should be required to make periodic rounds of facilities requiring protection. The frequency of these rounds would be based upon a number of factors; such as, location and size of the facility, type of structures and physical barriers, and the amount and type of activity at the facility. There may be instances where some form of central station supervision, such as American District Telegraph Company, will effect reduction in costs by reducing the number of firefighter-guards, or guards, required to adequately protect the premises.

8. Watchman's Clock. To insure adequate coverage of the entire property by the guards, or firefighter-guards, an approved watchman's clock should be provided, with key stations strategically located so that, in passing from one to the other, the guards will cover all portions of the property.

9. Protection Alarm Equipment. Automatic fire detection devices and allied equipment and services may materially assist in minimizing protection costs. However, use of devices of this type, like guards, are purely secondary fire protection and are primarily a means of obtaining fire and police protection facilities at the property in an emergency. There are various types of devices, each of which can be considered separately or in combination as supplementing guard patrols, which may assist in reduction of costs and, in some instances, it may be possible to eliminate all guards.

10. Sentry Dogs. Frequently there are facilities of high market value, or which cover large areas, or are so isolated that they invite intrusion by curiosity seekers, hunters, vagrants, etc., which require extra or special protection measures. This has usually been taken care of by staffing with additional guards so that the "buddy system" of patrolling may be used. In such cases, the use of sentry dogs should be considered in arriving at the appropriate method of offsetting the need for additional guards, as well as possible reductions in personnel. If it is determined to be in the Government's interest to use this type of protection, advice should be obtained as to acquisition (lease, purchase, or donation), training, use, and care, from the nearest police department using sentry dogs. When sentry dogs are used, the property should be clearly posted "Warning—This Government Property Patrolled by Sentry Dogs."

C. Maintenance Standards. The following standards or criteria are furnished as a guide in connection with the upkeep of excess and surplus real properties:

1. Temporary Type Buildings and Structures. Temporary buildings housing personal property, which cannot be readily removed to permanent type storage, should be maintained only to the extent necessary to protect the personal property. Vacant temporary structures should not be maintained except in unusual circumstances.

2. Permanent Type Buildings and Structures.

- (a) No interior painting should be done. Where exterior wood or metal surfaces require treatment to prevent serious deterioration, spot painting only should be done when practicable.
- (b) Carpentry and glazing should be limited to: work necessary to close openings against weather and pilferage; making necessary repairs to floors, roofs, and sidewalls as a protection against further damage; shoring and bracing of structures to preclude structural failures; and similar operations.
- (c) Any necessary roofing and sheet metal repairs should, as a rule, be on a patch basis.
- (d) Masonry repairs, including brick, tile, and concrete construction, should be undertaken only to prevent leakage or disintegration, or to protect against imminent structural failure.
- (e) No buildings should be heated for maintenance purposes except in unusual circumstances.

3. Mechanical and Electrical Installations. These include plumbing, heating, ventilating, air conditioning, sprinkler systems, fire alarm systems, electrical equipment, elevators, and similar items.

(a) At facilities in inactive status, maintenance of mechanical and electrical installations should be limited to that which is necessary to prevent or arrest serious deterioration. In most cases, personnel should not be employed for this work except on a temporary basis at periodic intervals when it is determined by inspections that the work is necessary. Wherever possible electrical systems should be deenergized, water drained from all fixtures, heat turned off, and buildings secured against unauthorized entry. Sprinkler systems should be drained during freezing weather and reactivated when danger of freezing has passed.

(b) At facilities in active status, such as multiple-tenancy operations, equipment should be kept in reasonable operating condition. Operation of equipment to furnish services to private tenants, as well as the procurement of utility services for distribution to tenants, should be carried on only to the extent necessary to comply with lease or permit conditions, or in cases where it is impracticable for tenants to obtain such services directly from utility companies or other sources.

(c) At facilities where elevators and/or high-pressure boilers and related equipment are in operation, arrangements should be made for periodic inspections by qualified and licensed inspectors to insure that injury to personnel, loss of life, or damage to property does not occur.

(d) Individual heaters should be used, when practicable, in lieu of operating heating plants.

4. Grounds, Roads, Railroads, and Fencing.

(a) Maintenance of grounds should be confined largely to removal of vegetation where necessary to avoid fire hazards and to control poisonous and noxious plant growth in accordance with local and State laws and regulations; plowing of fire lanes where needed; and removal of snow from roads and other areas only to the extent necessary to provide access for maintenance, fire protection, and similar activities. Wherever practicable, hay crops should be sold to the highest bidders with the purchaser performing all labor in connection with cutting and removal. Also, agricultural and/or grazing leases may be resorted to, if practicable, as other means of reducing the cost of grounds maintenance. Any such leases shall be subject to the provisions of §101-47.203-9 or §101- 47.312.

(b) Only that portion of the road network necessary for fire truck and other minimum traffic should be maintained. The degree to which such roads are to be maintained should be only that necessary to permit safe passage at a reasonable speed.

(c) Railroads should not be maintained except as might be required for protection and maintenance operations, or as required under the provisions of a lease or permit.

(d) Ditches and other drainage facilities should be kept sufficiently clear to permit surface water to run off.

(e) Fencing, or other physical barrier, should be kept in repair sufficiently to afford protection against unauthorized entry.

5. Utilities.

(a) At inactive properties, water systems, sewage disposal systems, electrical distribution systems, etc., should be maintained only to the extent necessary to provide the minimum services required. Buildings or areas not requiring electrical service or water should be deenergized electrically and the water valved off. Utilities not in use, or which are serving dismantled or abandoned structures, should not be maintained.

(b) At active properties, water supply, electrical power, and sewage disposal facilities frequently must be operated at rates much below designed capacities. Engineering studies should determine the structural and operating changes necessary for maximum economy. Where leakage is found in water distribution lines, such lines may be valved off rather than repaired, unless necessary for fire protection or other purposes.

(c) Where utilities are purchased by contract, such contracts should be reviewed to determine if costs can be reduced by revision of the contracts.

6. Properties to be Disposed of as Salvage. No funds should be expended for maintenance on properties where the highest and best use has been determined to be salvage.

D. Repairs. Repairs should be limited to those additions or changes that are necessary for the preservation and maintenance of the property to deter or prevent excessive, rapid, or dangerous deterioration or obsolescence and to restore property damaged by storm, flood, fire, accident, or earthquake only where it has been determined that restoration is required.

E. Improvements. No costs should be incurred to increase the sales value of a property, and no costs should be incurred to make a property disposable without the prior approval of GSA.

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(2) Request that the demand be stayed pending the employee's receipt of the Secretary's instructions.

(e) If the court or other authority declines the request for a stay, or rules that the employee must comply with the demand regardless of the Secretary's instructions, the employee or counsel for the employee shall respectfully decline to comply with the demand, citing *United States ex rel. Touhy v. Ragen*, 340 U.S. 462 (1951), and the regulations in this part.

(Authority: 5 U.S.C. 301; 5 U.S.C. 552; 20 U.S.C. 3474)

PART 12—DISPOSAL AND UTILIZATION OF SURPLUS FEDERAL REAL PROPERTY FOR EDUCATIONAL PURPOSES

Subpart A—General

Sec.

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APPENDIX A TO PART 12—PUBLIC BENEFIT ALLOWANCE FOR TRANSFER OF SURPLUS FEDERAL REAL PROPERTY FOR EDUCATIONAL PURPOSES

AUTHORITY: 40 U.S.C. 471-488; 20 U.S.C. 3401 *et seq.*; 42 U.S.C. 2000d (1) *et seq.*; 20 U.S.C. 1681 *et seq.*; 29 U.S.C. 794 *et seq.*; 42 U.S.C. 4332.

SOURCE: 57 FR 60394, Dec. 18, 1992, unless otherwise noted.

Subpart A—General

§ 12.1 What is the scope of this part?

This part is applicable to surplus Federal real property located within any State that is appropriate for assignment to, or that has been assigned to, the Secretary by the Administrator for transfer for educational purposes, as provided for in section 203(k) of the Federal Property and Administrative Services Act of 1949, as amended, 63 Stat. 377 (40 U.S.C. 471 *et seq.*).

(Authority: 40 U.S.C. 484(k))

§ 12.2 What definitions apply?

(a) *Definitions in the Act.* The following terms used in this part are defined in section 472 of the Act:

Administrator
Surplus property

(b) *Definitions in the Education Department General Administrative Regulations (EDGAR).* The following terms used in this part are defined in 34 CFR 77.1:

Department
Secretary
State

(c) *Other definitions:* The following definitions also apply to this part:

Abrogation means the procedure the Secretary may use to release the transferee of surplus Federal real property from the covenants, conditions, reservations, and restrictions contained in

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the conveyance instrument before the term of the instrument expires.

Act means the Federal Property and Administrative Services Act of 1949, as amended, 63 Stat. 377 (40 U.S.C. 471 *et seq.*).

Applicant means an eligible entity as described in §12.5 that formally applies to be a transferee or lessee of surplus Federal real property, using a public benefit allowance (PBA) under the Act.

Lessee, except as used in §12.14(a)(5), means an entity that is given temporary possession, but not title, to surplus Federal real property by the Secretary for educational purposes.

Nonprofit institution means any institution, organization, or association, whether incorporated or unincorporated—

(1) The net earnings of which do not inure or may not lawfully inure to the benefit of any private shareholder or individual; and

(2) That has been determined by the Internal Revenue Service to be tax-exempt under section 501(c)(3) of title 26.

Off-site property means surplus buildings and improvements—including any related personal property—that are capable of being removed from the underlying land and that are transferred by the Secretary without transferring the underlying real property.

On-site property means surplus Federal real property, including any related personal property—other than off-site property.

Period of restriction means that period during which the surplus Federal real property transferred for educational purposes must be used by the transferee or lessee in accordance with covenants, conditions, and any other restrictions contained in the conveyance instrument.

Program and plan of use means the educational activities to be conducted by the transferee or lessee using the surplus Federal real property, as described in the application for that property.

Public benefit allowance ("PBA") means the credit, calculated in accordance with appendix A to this part, given to a transferee or lessee which is applied against the fair market value of the surplus Federal real property at the time of the transfer or lease of such

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property in exchange for the proposed educational use of the property by the transferee or lessee.

Related personal property means any personal property—

(1) That is located on and is an integral part of, or incidental to the operation of, the surplus Federal real property; or

(2) That is determined by the Administrator to be otherwise related to the surplus Federal real property.

Surplus Federal real property means the property assigned or suitable for assignment to the Secretary by the Administrator for disposal under the Act.

Transfer means to sell and convey title to surplus Federal real property for educational purposes as described in this part.

Transferee means that entity which has purchased and acquired title to the surplus Federal real property for educational purposes pursuant to section 203(k) of the Act.

(Authority: 40 U.S.C. 472 and 20 U.S.C. 3401 *et seq.*)

§ 12.3 What other regulations apply to this program?

The following regulations apply to this program:

- (a) 34 CFR parts 100, 104, and 106.
- (b) 41 CFR part 101-47.
- (c) 34 CFR part 85.

(Authority: 40 U.S.C. 484(k); 42 U.S.C. 2000d-1 *et seq.*; 29 U.S.C. 794 *et seq.*; 20 U.S.C. 1681 *et seq.*; Executive Order 12549; and 20 U.S.C. 3474)

Subpart B—Distribution of Surplus Federal Real Property

§ 12.4 How does the Secretary provide notice of availability of surplus Federal real property?

The Secretary notifies potential applicants of the availability of surplus Federal real property for transfer for educational uses in accordance with 41 CFR 101-47.308-4.

(Authority: 40 U.S.C. 484(k)(1))

§ 12.5 Who may apply for surplus Federal real property?

The following entities may apply for surplus Federal real property:

- (a) A State.

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- (b) A political subdivision or instrumentality of a State.
- (c) A tax-supported institution.
- (d) A nonprofit institution.
- (e) Any combination of these entities.

(Authority: 40 U.S.C. 484(k)(1)(A))

§ 12.6 What must an application for surplus Federal real property contain?

An application for surplus Federal real property must—

- (a) Contain a program and plan of use;
- (b) Contain a certification from the applicant that the proposed program is not in conflict with State or local zoning restrictions, building codes, or similar limitations;
- (c) Demonstrate that the proposed program and plan of use of the surplus Federal real property is for a purpose that the applicant is authorized to carry out;
- (d) Demonstrate that the applicant is able, willing, and authorized to assume immediate custody, use, care, and maintenance of the surplus Federal real property;
- (e) Demonstrate that the applicant is able, willing, and authorized to pay the administrative expenses incident to the transfer or lease;
- (f) Demonstrate that the applicant has the necessary funds, or the ability to obtain those funds immediately upon transfer or lease, to carry out the proposed program and plan of use for the surplus Federal real property;
- (g) Demonstrate that the applicant has an immediate need and ability to use all of the surplus Federal real property for which it is applying;
- (h) Demonstrate that the surplus Federal real property is needed for educational purposes at the time of application and that it is so needed for the duration of the period of restriction;
- (i) Demonstrate that the surplus Federal real property is suitable or adaptable to the proposed program and plan of use; and
- (j) Provide information requested by the Secretary in the notice of availability, including information of the

effect of the proposed program and plan of use on the environment.

(Approved by the Office of Management and Budget under control number 1880-0524)

(Authority: 40 U.S.C. 484(k))

§ 12.7 How is surplus Federal real property disposed of when there is more than one applicant?

(a) If there is more than one applicant for the same surplus Federal real property, the Secretary transfers or leases the property to the applicant whose proposed program and plan of use the Secretary determines provides the greatest public benefit, using the criteria contained in appendix A to this part that broadly address the weight given to each type of entity applying and its proposed program and plan of use. (See example in § 12.10(d)).

(b) If, after applying the criteria described in paragraph (a) of this section, two or more applicants are rated equally, the Secretary transfers or leases the property to one of the applicants after—

(1) Determining the need for each applicant's proposed educational use at the site of the surplus Federal real property;

(2) Considering the quality of each applicant's proposed program and plan of use; and

(3) Considering each applicant's ability to carry out its proposed program and plan of use.

(c) If the Secretary determines that the surplus Federal real property is capable of serving more than one applicant, the Secretary may apportion it to fit the needs of as many applicants as is practicable.

(d)(1) The Secretary generally transfers surplus Federal real property to a selected applicant that meets the requirements of this part.

(2) Alternatively, the Secretary may lease surplus Federal real property to a selected applicant that meets the requirements of this part if the Secretary determines that a lease will promote the most effective use of the property consistent with the purposes of this part or if having a lease is otherwise in the best interest of the United States, as determined by the Secretary.

(Authority: 40 U.S.C. 484(k))

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§ 12.8 What transfer or lease instruments does the Secretary use?

(a) The Secretary transfers or leases surplus Federal real property using transfer or lease instruments that the Secretary prescribes.

(b) The transfer or lease instrument contains the applicable terms and conditions described in this part and any other terms and conditions the Secretary or Administrator determines are appropriate or necessary.

(Authority: 40 U.S.C. 484(c))

§ 12.9 What warranties does the Secretary give?

The Secretary transfers or leases surplus Federal real property on an "as is, where is," basis without warranty of any kind.

(Authority: 40 U.S.C. 484(k)(1))

§ 12.10 How is a Public Benefit Allowance (PBA) calculated?

(a) The Secretary calculates a PBA in accordance with the provisions of appendix A to this part taking into account the nature of the applicant, and the need for, impact of, and type of program and plan of use for the property, as described in that appendix.

(b) The following are illustrative examples of how a PBA would be calculated and applied under appendix A:

(1) Entity A is a specialized school that has had a building destroyed by fire, and that has existing facilities determined by the Secretary to be between 26 and 50% inadequate. It is proposing to use the surplus Federal real property to add a new physical education program. Entity A would receive a basic PBA of 70%, a 10% hardship organization allowance, a 20% allowance for inadequacy of existing school plant facilities, and a 10% utilization allowance for introduction of new instructional programs. Entity A would have a total PBA of 110%. If Entity A is awarded the surplus Federal real property, it would not be required to pay any cash for the surplus Federal real property, since the total PBA exceeds 100%.

(2) Entity B proposes to use the surplus Federal real property for nature walks. Because this qualifies as an outdoor educational program, Entity B

would receive a basic PBA of 40%. If Entity B is awarded the surplus Federal real property, it would be required to pay 60% of the fair market value of the surplus Federal real property in cash at the time of the transfer.

(3) Entity C is an accredited university, has an ROTC unit, and proposes to use the surplus Federal real property for a school health clinic and for special education of the physically handicapped. Entity C would receive a basic PBA of 50% (as a college or university), a 20% accreditation organization allowance (accredited college or university), a 10% public service training organization allowance (ROTC), a 10% student health and welfare utilization allowance (school health clinic), and a 10% service to the handicapped utilization allowance (education of the physically handicapped). Entity C would have a total PBA of 100%. If Entity C is awarded the surplus Federal real property, it would not be required to pay any cash for the surplus Federal real property, since the total PBA is 100%.

(4) Entities A, B, and C all submit applications for the same surplus Federal real property. Unless the Secretary decides to apportion it, the Secretary transfers or leases the surplus Federal real property to Entity A, since its proposed program and plan of use has the highest total PBA.

(Authority: 40 U.S.C. 484(k)(1)(c))

Subpart C—Conditions Applicable to Transfers or Leases**§ 12.11 What statutory provisions and Executive Orders apply to transfers of surplus Federal real property?**

The Secretary directs the transferee or lessee to comply with applicable provisions of the following statutes and Executive Orders prior to, or immediately upon, transfer or lease, as applicable:

(a) National Environmental Policy Act of 1969, 42 U.S.C. 4332.

(b) National Historic Preservation Act of 1966, 16 U.S.C. 470.

(c) National Flood Insurance Act of 1968, 42 U.S.C. 4001 *et seq.*

(d) Floodplain Management, Exec. Order No. 11988, 42 FR 26951 (May 25, 1977).

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(e) Protection of Wetlands, Exec. Order No. 11990, 42 FR 26961 (May 25, 1977).

(f) Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d)(1) *et seq.*

(g) Title IX of the Education Amendments of 1972, 20 U.S.C. 1681 *et seq.*

(h) Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 *et seq.*

(i) Age Discrimination Act of 1975, 42 U.S.C. 1601 *et seq.*

(j) Any other applicable Federal or State laws and Executive Orders.

(Authority: 40 U.S.C. 484(k))

(Approved by the Office of Management and Budget under control number 1880-0524)

§ 12.12 What are the terms and conditions of transfers or leases of surplus Federal real property?

(a) *General terms and conditions for transfers and leases.* The following general terms and conditions apply to transfers and leases of surplus Federal real property under this part:

(1) For the period provided in the transfer or lease instrument, the transferee or lessee shall use all of the surplus Federal real property it receives solely and continuously for its approved program and plan of use, in accordance with the Act and these regulations, except that—

(i) The transferee or lessee has twelve (12) months from the date of transfer to place this surplus Federal real property into use, if the Secretary did not, at the time of transfer, approve in writing construction of major new facilities or major renovation of the property;

(ii) The transferee or lessee has thirty-six (36) months from the date of transfer to place the surplus Federal real property into use, if the transferee or lessee proposes construction of major new facilities or major renovation of the property and the Secretary approves it in writing at the time of transfer; and

(iii) The Secretary may permit use of the surplus Federal real property at any time during the period of restriction by an entity other than the transferee or lessee in accordance with § 12.13.

(2) The transferee or lessee may not modify its approved program and plan of use without the prior written consent of the Secretary.

(3) The transferee or lessee may not sell, lease or sublease, rent, mortgage, encumber, or otherwise dispose of all or a portion of the surplus Federal real property or any interest therein without the prior written consent of the Secretary.

(4) A transferee or lessee shall pay all administrative costs incidental to the transfer or lease including, but not limited to—

- (i) Transfer taxes;
- (ii) Surveys;
- (iii) Appraisals;
- (iv) Inventory costs;
- (v) Legal fees;
- (vi) Title search;
- (vii) Certificate or abstract expenses;
- (viii) Decontamination costs;
- (ix) Moving costs;
- (x) Recordation expenses;
- (xi) Other closing costs; and
- (xii) Service charges, if any, provided for by an agreement between the Secretary and the applicable State agency for Federal Property Assistance.

(5) The transferee or lessee shall protect the residual financial interest of the United States in the surplus Federal real property by insurance or such other means as the Secretary directs.

(6) The transferee or lessee shall file with the Secretary reports on its maintenance and use of the surplus Federal real property and any other reports required by the Secretary in accordance with the transfer or lease instrument.

(7) Any other term or condition that the Secretary determines appropriate or necessary.

(b) *Additional terms and conditions for on-site transfers.* The terms and conditions in the transfer, including those in paragraph (a) of this section, apply for a period not to exceed thirty (30) years.

(c) *Additional terms and conditions for off-site transfers.* (1) The terms and conditions in the transfer, including those in paragraph (a) of this section, apply for a period equivalent to the estimated economic life of the property conveyed for a transfer of off-site surplus Federal real property.

(2) In addition to the terms and conditions contained in paragraph (c) of this section, the Secretary may also require the transferee of off-site surplus Federal real property—

- (i) To post performance bonds;

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- (ii) To post performance guarantee deposits; or
- (iii) To give such other assurances as may be required by the Secretary or the holding agency to ensure adequate site clearance.

(d) *Additional terms and conditions for leases.* In addition to the terms and conditions contained in paragraph (a) of this section, the Secretary requires, for leases of surplus Federal real property, that all terms and conditions apply to the initial lease agreement, and any renewal periods, unless specifically excluded in writing by the Secretary.

(Authority: 40 U.S.C. 484(k)(1))

(Approved by the Office of Management and Budget under control number 1880-0524)

§ 12.13 When is use of the transferred surplus Federal real property by entities other than the transferee or lessee permissible?

(a) *By eligible entities.* A transferee or lessee may permit the use of all or a portion of the surplus Federal real property by another eligible entity as described in § 12.5, only upon those terms and conditions the Secretary determines appropriate if—

(1) The Secretary determines that the proposed use would not substantially limit the program and plan of use by the transferee or lessee and that the use will not unduly burden the Department;

(2) The Secretary's written consent is obtained by the transferee or lessee in advance; and

(3) The Secretary approves the use instrument in advance and in writing.

(b) *By ineligible entities.* A transferee or lessee may permit the use of a portion of the surplus Federal real property by an ineligible entity, one not described in § 12.5, only upon those terms and conditions the Secretary determines appropriate if—

(1) In accordance with paragraph (a) of this section, the Secretary makes the required determination and approves both the use and the use instrument;

(2) The use is confined to a portion of the surplus Federal real property;

(3) The use does not interfere with the approved program and plan of use

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for which the surplus Federal real property was conveyed; and

(4) Any rental fees or other compensation for use are either remitted directly to the Secretary or are applied to purposes expressly approved in writing in advance by the Secretary.

(Authority: 40 U.S.C. 484(k)(4))

Subpart D—Enforcement

§ 12.14 What are the sanctions for non-compliance with a term or condition of a transfer or lease of surplus Federal real property?

(a) *General sanctions for noncompliance.* The Secretary imposes any or all of the following sanctions, as applicable, to all transfers or leases of surplus Federal real property:

(1) If all or a portion of, or any interest in, the transferred or leased surplus Federal real property is not used or is sold, leased or subleased, encumbered, disposed of, or used for purposes other than those in the approved program and plan of use, without the prior written consent of the Secretary, the Secretary may require that—

(i) All revenues and the reasonable value of other benefits received by the transferee or lessee directly or indirectly from that use, as determined by the Secretary, be held in trust by the transferee or lessee for the United States subject to the direction and control of the Secretary;

(ii) Title or possession to the transferred or leased surplus Federal real property and the right to immediate possession revert to the United States;

(iii) The surplus Federal real property be transferred or leased to another eligible entity as the Secretary directs;

(iv) The transferee or lessee abrogate the conditions and restrictions in the transfer or lease instrument in accordance with the provisions of § 12.15;

(v) The transferee or lessee place the surplus Federal real property into immediate use for an approved purpose and extend the period of restriction in the transfer or lease instrument for a term equivalent to the period during which the property was not fully and solely used for an approved use; or

(vi) The transferee or lessee comply with any combination of the sanctions

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described in paragraph (a)(1) or (a)(3) of this section.

(2) If title or possession reverts to the United States for noncompliance or is voluntarily reconveyed, the Secretary may require the transferee or lessee—

(i) To reimburse the United States for the decrease in value of the transferred or leased surplus Federal real property not due to—

(A) Reasonable wear and tear;

(B) Acts of God; or

(C) Reasonable alterations made by the transferee or lessee to adapt the surplus Federal real property to the approved program and plan of use for which it was transferred or leased;

(ii) To reimburse the United States for any costs incurred in reverting title or possession;

(iii) To forfeit any cash payments made by the transferee or lessee against the purchase or lease price of surplus Federal real property transferred;

(iv) To take any other action directed by the Secretary; or

(v) To comply with any combination of the provisions of paragraph (a)(3) of this section.

(3) If the transferee or lessee does not put the surplus Federal real property into use within the applicable time limitation in §12.12(a), the Secretary may require the transferee or lessee to make cash payments to the Secretary equivalent to the current fair market rental value of the surplus Federal real property for each month during which the program and plan of use has not been implemented.

(Authority: 40 U.S.C. 484(k)(4))

(4) If the Secretary determines that a lessee of a transferee or a sublessee of a lessee is not complying with a term or condition of the lease, or if the lessee voluntarily surrenders the premises, the Secretary may require termination of the lease.

(Authority: 40 U.S.C. 484(k)(4)(A))

(b) *Additional sanction for noncompliance with off-site transfer.* In addition to the sanctions in paragraph (a) of this section, if the Secretary determines that a transferee is not complying with a term or condition of a transfer of off-site surplus Federal real property, the Secretary may require that the unearned PBA become immediately due and payable in cash to the United States.

(Authority: 40 U.S.C. 484(k)(4)(A))

Subpart E—Abrogation

§ 12.15 What are the procedures for securing an abrogation of the conditions and restrictions contained in the conveyance instrument?

(a) The Secretary may, in the Secretary's sole discretion, abrogate the conditions and restrictions in the transfer or lease instrument if—

(1) The transferee or lessee submits to the Secretary a written request that the Secretary abrogate the conditions and restrictions in the conveyance instrument as to all or any portion of the surplus Federal real property;

(2) The Secretary determines that the proposed abrogation is in the best interests of the United States;

(3) The Secretary determines the terms and conditions under which the Secretary will consent to the proposed abrogation; and

(4) The Secretary transmits the abrogation to the Administrator and there is no disapproval by the Administrator within thirty (30) days after notice to the Administrator.

(b) The Secretary abrogates the conditions and restrictions in the transfer or lease instrument upon a cash payment to the Secretary based on the formula contained in the transfer or lease instrument and any other terms and conditions the Secretary deems appropriate to protect the interest of the United States.

(Authority: 40 U.S.C. 484(k)(4)(A)(iii))

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APPENDIX A TO PART 12—PUBLIC BENEFIT ALLOWANCE FOR TRANSFER OF SURPLUS
FEDERAL REAL PROPERTY FOR EDUCATIONAL PURPOSES¹

| Classification | Percent allowed | | | | | | | | | | | | |
|---|--------------------------------|-------------------------|----------------|-------------------------|----------|--|--------|---------|--|----------------------------|----------|------------------------|---|
| | Basic public benefit allowance | Organization allowances | | | | | | | Utilization allowances | | | | Maximum public benefit allowance ⁴ |
| | | Ac-creditation | Federal impact | Public service training | Hardship | Inadequacy of existing school plant facilities | | | Introduction of new instructional programs | Student health and welfare | Research | Service to handicapped | |
| | | | | | | 10—25% | 26—50% | 51—100% | | | | | |
| Elementary or high schools | 70 | ..... | 10 | 10 | 10 | 10 | 20 | 30 | 10 | 10 | 10 | 10 | 100 |
| Colleges or Universities | 50 | 20 | ..... | 10 | 10 | 10 | 20 | 30 | 10 | 10 | 10 | 10 | 100 |
| Specialized schools | 70 | ..... |  | 10 | 10 | 10 | 20 | 30 | 10 | 10 | 10 | 10 | 100 |
| Public libraries or educational museums .. | ² 100 | ..... |  |  |  |  |  |  |  |  |  |  | ² 100 |
| School outdoor education | 40 | ..... |  |  |  |  |  |  | 10 | ³ 10 | 10 | | 70 |
| Central administrative and/or service centers | 80 | ..... |  |  |  |  |  |  |  |  |  |  | 80 |
| Non-profit educational research organizations | 50 | 20 | ..... | 10 | ..... | ..... | ..... | ..... | 10 | 10 | ..... | 10 | 100 |

² Applicable when this is the primary use to be made of the property. The public benefit allowance for the overall program is applicable when such facilities are conveyed as a minor component of other facilities.

³ This 10% may include an approvable recreation program which will be accessible to the public and entirely compatible with, but subordinate to, the educational program.

⁴ This column establishes the maximum discount from the fair market value for payment due from the transferee at the time of the transfer. This column does not apply for purposes of ranking applicants to determine to which applicant the property will be transferred. Competitive rankings are based on the absolute total of public benefit allowance points and are not limited to the 100% ceiling.

DESCRIPTION OF TERMS USED IN THIS
APPENDIX

Elementary or High School means an elementary school (including a kindergarten), high school, junior high school, junior-senior high school or elementary or secondary school system, that provides elementary or secondary education as determined under State law. However, it does not include a nursery school even though it may operate as part of a school system.

College or University means a non-profit or public university or college, including a junior college, that provides postsecondary education.

Specialized School means a vocational school, area trade school, school for the blind, or similar school.

Public Library means a public library or public library service system, not a school library or library operated by non-profit, private organizations or institutions that may be open to the general public. School libraries receive the public benefit allowance in the appropriate school classification.

Educational Museum means a museum that conducts courses on a continuing, not *ad hoc*, basis for students who receive credits from accredited postsecondary education institutions or school systems.

School Outdoor Education means a separate facility for outdoor education as distinguished from components of a basic school. Components of a school such as playgrounds and athletic fields receive the basic allowance applicable for that type of school. The

¹ This Appendix applies to transfers of both on-site and off-site surplus property.

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outdoor education must be located reasonably near the school system and may be open to and used by the general public, but only if the educational program for which the property is conveyed is given priority of use. This category does not include components of the school such as playgrounds and athletic fields, that are utilized during the normal school year, and are available to all students.

Central Administrative and/or Service Center means administrative office space, equipment storage areas, and similar facilities.

DESCRIPTION OF ALLOWANCES

Basic Public Benefit Allowance means an allowance that is earned by an applicant that satisfies the requirements of § 12.10 of this part.

ORGANIZATION ALLOWANCE

Accreditation means an allowance that is earned by any postsecondary educational institution, including a vocational or trade school, that is accredited by an accrediting agency recognized by the Secretary under 34 CFR part 602.

Federal Impact means an allowance that is earned by any local educational agency (LEA) qualifying for Federal financial assistance as the result of the impact of certain Federal activities upon a community, such as the following under Public Law 81-874 and Public Law 81-815: to any LEA charged by law with responsibility for education of children who reside on, or whose parents are employed on, Federal property, or both; to any LEA to which the Federal Government has caused a substantial and continuing financial burden as the result of the acquisition of a certain amount of Federal property since 1938; or to any LEA that urgently needs minimum school facilities due to a substantial increase in school membership as the result of new or increased Federal activities.

Public Services Training means an allowance that is earned if the applicant has cadet or ROTC units or other personnel training contracts for the Federal or State governments. This is given to a school system only if the particular school receiving the property furnishes that training.

Hardship means an allowance earned by an applicant that has suffered a significant facility loss because of fire, storm, flood, other disaster, or condemnation. This allowance is also earned if unusual conditions exist such as isolation or economic factors that require special consideration.

Inadequacies of Existing Facilities means an allowance that is earned on a percentage basis depending on the degree of inadequacy considering both public and nonpublic facilities. Overall plant requirements are determined based on the relationship between the maximum enrollment accommodated in the

present facilities, excluding double and night sessions and the anticipated enrollment if the facilities are transferred. Inadequacies may be computed for a component school unit such as a school farm, athletic field, facility for home economics, round-out school site, cafeteria, auditorium, teacherages, faculty housing, etc., only if the component is required to meet State standards. In that event, the State Department of Education will be required to provide a certification of the need. Component school unit inadequacies may only be related to a particular school and not to the entire school system.

UTILIZATION ALLOWANCES

Introduction of New Instructional Programs means an allowance that is earned if the proposed use of the property indicates that new programs will be added at a particular school. Examples of these new programs include those for vocational education, physical education, libraries, and similar programs.

Student Health and Welfare means an allowance that is earned if the proposed program and plan of use of the property provides for cafeteria, clinic, infirmary, bus loading shelters, or other uses providing for the well-being and health of students and eliminating safety and health hazards.

Research means an allowance that is earned if the proposed use of the property will be predominantly for research by faculty or graduate students under school auspices, or other primary educational research.

Service to Handicapped means an allowance that is earned if the proposed program and plan of use for the property will be for special education for the physically or mentally handicapped.

PART 15—UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION FOR FEDERAL AND FEDERALLY ASSISTED PROGRAMS

AUTHORITY: Section 213, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Pub. L. 91-646, 84 Stat. 1894 (42 U.S.C. 4601) as amended by the Surface Transportation and Uniform Relocation Assistance Act of 1987, Title IV of Pub. L. 100-17, 101 Stat. 246-256 (42 U.S.C. 4601 note).

§ 15.1 Uniform relocation assistance and real property acquisition.

Regulations and procedures for complying with the Uniform Relocation Assistance Act of 1970 (Pub. L. 91-646, 84 Stat. 1894, 42 U.S.C. 4601) as amended

RESOLUTION

WHEREAS, certain real property owned by the United States of America, located in the County of Kootenai, State of Idaho, has been declared surplus to the needs of the Federal government and is subject to assignment for disposal for educational purposes by the Secretary of Education, under the provisions of Section 203(k)(1)(a) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377) (Act), as amended, and rules and regulations promulgated pursuant thereto, more particularly described as follows:

The Coeur d'Alene Federal Building

WHEREAS, Lewis-Clark State College needs and can utilize said property for educational purposes in accordance with the requirements of said Act and the rules and regulations promulgated thereunder of which this Board is fully informed, including commitments regarding use and time within such use shall commence

NOW, THEREFORE, BE IT RESOLVED, that Lewis-Clark State College shall make application to the Secretary of Education for, and secure the transfer to it of, the above-mentioned property for said use upon and subject to such exceptions, reservations, terms, covenants, agreements, conditions and restrictions as the Secretary of Education, or his authorized representative may require in connection with the disposal of said property under said Act and rules and regulations issued thereto; and

BE IT FURTHER RESOLVED, that Lewis-Clark State College has legal authority and is willing and is in a position financially and otherwise to assume immediate care and maintenance of the property, and that Dr. Chet Herbst, Vice President for Administrative Services, is hereby authorized, for and on behalf of Lewis-Clark State College to do and perform any and all acts and things which may be necessary to carry out the foregoing resolution including the preparing, making and filing of plans, applications, reports and other documents; the execution, acceptance, delivery and recordation of agreements, deeds and other instruments pertaining to the transfer of said property; and the payment of any and all sums necessary on account of the

purchase price thereof including fees or costs incurred in connection with the transfer of said property for surveys, title searches, real estate appraisals, recordation of instruments or costs associated with escrow arrangements; together with any payments necessary by virtue of nonuse or deferral of use of the property. If the applicant is unable to place the property into use (or determines that a deferral of use should occur), IT IS UNDERSTOOD AND AGREED Lewis-Clark State College will pay to the United States Department of Education for each month of nonuse beginning twelve (12) months after the date of the deed, or thirty-six (36) months where construction or major renovation is contemplated, the sum of $1/360^{\text{th}}$ of the then current fair market value of the property for each month of nonuse

If submission of the Application for Public Benefit Allowance Acquisition of Surplus Federal Real Property for Educational Purposes is approved, a copy of the application and standard deed conditions will be filed with the permanent minutes of the Board

Idaho State Board of Education

650 W. State Street

Boise, ID 83720

I, Laird Stone, hereby certify that I am the President of the Idaho State Board of Education and that the foregoing resolution is a true and correct copy of the resolution adopted by the vote of a majority of the members of said State Board of Education present at a meeting of said Board of the ____ day of _____, 20__ at which a quorum was present.

(Signature of certifying officer)

(Please note: The official certifying and attesting to the action taken by the governing board in this resolution must NOT be the same individual designated and authorized to represent the applicant organization in the body of the resolution

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REFERENCE – APPLICABLE STATUTE, RULE, OR POLICY - continued

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.

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- 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.

BUSINESS AFFAIRS & HUMAN RESOURCES
APRIL 18-20, 2007

SUBJECT

First reading of amendment to Board Policy I.E Executive Officers.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Sections I.A.4. & 5.

BACKGROUND

The Board's policy regarding Executive Officers has not been updated since April 2002. The proposed changes would bring the policy more in line with the State of Idaho practices in regards to agency heads; update the policy in respect to the institutional president's compensation in regards to foundation supports; and the current structure at the Idaho School for the Deaf and Blind (ISDB).

IMPACT

Approval of the policy changes would bring the policy in line with current business practice. While agency heads would still go through the annual evaluation process, they would no longer receive an annual letter of agreement. Institutional presidents' compensation would no longer include foundation supports and the reference to the superintendent of ISDB would be changed to Director.

ATTACHMENTS

Attachment 1 - Board Policy I.E – Executive Officers (redline) page 3

STAFF COMMENTS AND RECOMMENDATIONS

Staff recommends approval of the first reading of the amendment to Board Policy I.E Executive Officers.

BOARD ACTION

A motion to approve the first reading of the amendment to Board Policy I.E. – Executive Officers.

Moved _____ Seconded _____ Carried Yes _____ No _____

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FIRST READING

ATTACHMENT 1

Idaho State Board of Education

GOVERNING POLICIES AND PROCEDURES

SECTION: I. GENERAL GOVERNING POLICIES AND PROCEDURES

Subsection: E. Executive Officers

~~April June 2002~~27

E. Executive Officers

1. Executive Director

The Executive Director serves as the administrative ~~extension of the board director of the Board's staff~~. The Executive Director is charged with ensuring the effective articulation and coordination of the institutions, ~~school~~, agency, ~~school~~, and statewide concerns and is advisor to the Board and the ~~p~~Presidents/~~a~~Agency ~~h~~Heads on all appropriate matters.

2. Presidents/Agency Heads/~~Superintendent~~ (also referred to as *chief executive officers*)

a. Responsibilities

The President/Agency Head/~~Superintendent~~ is the chief program and administrative officer of the institution, agency or school. The President/Agency Head/~~Superintendent~~ has full power and responsibility within the framework of the Board's Governing Policies and Procedures for the organization, management, direction, and supervision of the institution, agency or school and is held accountable by the Board for the successful functioning of the institution, agency or school in all of its units, divisions, and services. ~~The President/Agency Head/Superintendent is employed by and serves at the pleasure of the Board unless the contract of employment specifies otherwise.~~

For the higher education institutions, the Board expects the ~~p~~Presidents to obtain the necessary input from the faculty, classified and exempt employees, and students, but it holds the ~~p~~Presidents ultimately responsible for the well-being of the institutions, and final decisions at the institutional level rest with the ~~p~~Presidents.

b. The chief executive officer is held accountable to the Board for performing the following duties within his or her designated areas of responsibility:

(1) Relations with the Board

- (a) Conduct of the institution, agency, or school ~~or agency~~ in accordance with the Governing Policies and Procedures of the Board and applicable state and federal laws.

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- (b) Effective communication among the Board, the Board office, and the institution, ~~school or~~ agency, or school.
 - (c) Preparation of such budgets as may be necessary for proper reporting and planning.
 - (d) Transmittal to the Board of recommendations initiated within the institution, ~~school or~~ agency, or school.
 - (e) Participation and cooperation with the office of the Board in the development, coordination, and implementation of policies, programs, and all other matters of statewide concern.
 - (f) Notification to the Board President or Executive Director of any out-of-state absence exceeding one week.
- (2) Leadership of the Institution, ~~School or~~ Agency, or School
- (a) Recruitment and retention of employees.
 - (b) Development of programs, in accordance with an evolving plan for the institution, ~~school or~~ agency, or school.
 - (c) In cooperation with appropriate parties, the promotion of the effective and efficient functioning of the institution, ~~school or~~ agency, or school.
 - (d) Development of methods that will encourage responsible and effective contributions by various parties associated with the institution, ~~school or~~ agency, or school in the achievement of the goals of the institution, ~~school or~~ agency, or school.
- (3) Relations with the Public
- (a) Development of rapport between the institution, ~~school or~~ agency, or school and the public that ~~it~~ each serves.
 - (b) Official representation of the institution, ~~school or~~ agency, or school and its Board approved role and mission to the public.
 - ~~(c) The agency heads and superintendent are evaluated by the Executive Director, who makes the recommendations to the Board with respect to future contracts and compensation. The Presidents are evaluated by the Board. The performance evaluation is based upon the duties outlined in the policy and mutually agreed upon goals. Final decisions with respect to future contracts are made by the Board.~~

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c. Appointment Terms and Conditions

Each chief executive officer is employed by and serves at the pleasure of the Board as an at-will employee. Appointments to the position of President of the higher educational institutions and Executive Director of the Board are made by the Board. The Executive Director shall have authority to appoint the Agency Heads. The Board and each chief ~~executive officer~~ institutional President shall sign an annual letter of agreement that documents the period of appointment, salary, and any additional terms. The Agency Heads shall not serve under annual appointment agreements ~~The Board shall evaluate the performance of each chief executive officer pursuant to the Board's evaluation policy.~~ The Board's Policies Regarding Non-classified Employees, Section II, Subsection F, do not apply to the Board's chief executive officers.

d. Evaluations

The Agency Heads are evaluated by the Executive Director annually, who makes recommendations to the Board with respect to compensation and employment actions. The Presidents and Executive Director are evaluated by the Board annually. The performance evaluation is based upon the duties outlined in the policy and mutually agreed upon goals. Final decisions with respect to any employment actions with regard to chief executive officers are made by the Board.

e. Compensation and Benefits.

~~The~~ Each chief executive officer's annual salary shall be set and approved by the Board. The chief executive officers shall not receive personal supplemental salary or benefits or supplements compensation from an affiliated institutional foundations or from any other affiliated organizations source, except ~~as allowed for that~~ institutional pPresidents may receive perquisites or benefits as permitted by pursuant to topic 3, subtopic E, below and as such is specifically approved by the Board in each instance. ~~Additionally, the chief executive officer may not receive personal salary or benefits or supplements from other outside sources without prior Board approval.~~

In addition to the salary referred to above, ~~the~~ each chief executive officer shall receive the usual and ordinary medical, retirement, leave, educational, and other benefits available to all institutional, ~~school and~~ agency, and school employees.

e.f. ~~The~~ Each chief executive officer shall receive reasonable and adequate liability insurance coverage under the state's risk management program. ~~In addition, the institutional foundations and other affiliates shall provide the necessary directors and officers insurance for the Chief Executive Officer.~~

f.g. Relocation and moving expenses incurred by ~~the~~ each chief executive officer will be paid in accordance with the policies and rates established by the State Board of Examiners.

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h. Each chief executive officer earns annual leave at a rate of two (2) days per month or major fraction thereof of credited state service.

3. Institutional Presidents: Housing, Automobile, Expense Reimbursement, and Termination Policy

- a. The institutional pPresidents are responsible for hosting official functions to promote their respective institutions. ~~Three (3) institutions~~ The University of Idaho, Idaho State University and Lewis and Clark State College each own homes that are the most suitable facilities available for this purpose. At these institutions, the pPresidents of such institutions are required to live in the official residences provided.

To preserve the image of the institutions and to provide adequate maintenance of state-owned property, the institutions shall provide support services for these residences. This support shall include maintenance and repairs, utilities, and grounds keeping.

In the event that the institution does not own an official residence, a housing allowance will be provided that is similar in value to living in ~~the~~ an official residence. In addition, this allowance shall cover reasonable maintenance and repair expenses related to the use of this home as the pPresident's official residence.

- b. Each institutional pPresident shall be provided an automobile. Maintenance, repairs, gas for business use, and insurance shall be provided for this vehicle.

If ~~a~~ an institutional pPresident does not elect to use a vehicle provided by the institution, the institution will provide the pPresident a vehicle allowance in lieu of the cost of leasing, automobile maintenance, and insurance. Documented business travel will be reimbursed to compensate for gasoline costs.

- c. The institutional pPresidents shall receive reimbursement for official entertainment expense. Public relations and other out-of-pocket expenses may be reimbursed if they are directly related to the function of the institution as determined by the pPresident. (See fiscal policy for entertainment and related expenses.)

d. Terminations

In the event ~~the~~ an institutional pPresident's appointment is terminated by Board action (for or without cause), the pPresident shall be paid all compensation and benefits under the terms of his or her employment annual letter of agreement until the ~~termination of said end of such annual period of~~ appointment. A President with tenure privileges may return to the college in the institution in which tenure was granted as an academic faculty member.

- e. Foundation Provided ~~Supplemental Compensation and Perquisites or~~ Benefits

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~~(1) Supplemental compensation~~ Perquisites or benefits for the institutional pPresident, such as country club or dining club memberships, may be provided by the institution's affiliated foundation meeting all requirements of Section V, Subsection E of the Board's Governing Policies and Procedures, if approved by the Board on a case-by-case basis. ~~Any such supplemental compensation or benefit must meet all requirements of this subtopic.~~

~~(2) The funding for such supplemental compensation or benefits must be provided by the institution's related foundation meeting all requirements of Section V, Subsection E of the Board's Governing, Policies and Procedures.~~

~~(3) The presidents shall, at the first knowledge of any proposed supplemental compensation or benefits, refer the foundation representatives to the Board President and the Executive Board President and the Executive Director. The Board President and the Chairman of the Board's Business Affairs and Human Resources Committee, or their designee, shall direct the conduct of any and all negotiations with the foundations regarding any supplemental compensation or benefits agreements.~~

~~(4) An agreement between the foundation, the President, and the Board must be created that details the nature and scope of the supplemental compensation and benefits. The agreement must contain a provision in which the foundation and president each agree to indemnify the institution and the Board from and against all claims arising from any supplemental compensation and benefits agreement.~~

~~(5) Specific and prior Board approval is required for any supplemental compensation and benefits agreement and for any amendment thereto.~~

4. Superintendent Agency Head for the Idaho School for the Deaf and the Blind (ISDB):
Housing and Automobile policy

- a. The superintendent director for the ISDB is responsible for hosting official functions to promote the school. The ISDB owns a home that is the most suitable facility available for this purpose. The superintendent for the ISDB is required to live in this official residence.

To preserve the image of the ISDB and to provide adequate maintenance of state-owned property, the ISDB shall provide support services for this residence. This support shall include maintenance, utilities, custodial, and grounds keeping.

- b. The superintendent director for the ISDB shall be provided an automobile. Maintenance, repairs, gas for business use, and insurance shall be provided for this vehicle.

5. President Emeritus/Emerita Designation

The Board may choose to grant President Emeritus/Emerita status to a retiring pPresident. President Emeritus/Ermerita status should be reserved to honor, in retirement, a pPresident who has made distinguished professional contributions to

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the institution and who has also served a significant portion of his/her career at the institution. The intent of conferring President Emeritus/Emerita status is to bestow an honorary title in recognition of successful tenure in the pPresidential role.

a. Appointment Procedure

An institution may forward a recommendation to the Board that this honorary title be conferred upon a pPresident that is retiring or has retired from the institution. Each institution shall provide for input into the recommendation from the campus community.

b. Rights, Privileges and Responsibilities

Rights and privileges of such a distinction shall be, insofar as resources will allow, similar to those of active institutional staff, including such privileges as:

- (1) staff privileges for activities, events and campus facilities;
- (2) receipt of institutional newspaper and other major institutional publications and receipt of employee/spouse fee privilege (see Section V.R.).

REFERENCE – APPLICABLE STATUTE, RULE OR POLICY

Idaho State Board of Education

GOVERNING POLICIES AND PROCEDURES

SECTION: I. GENERAL GOVERNING POLICIES AND PROCEDURES

SUBSECTION: A. Policy Making Authority

August 2006

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.

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