



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

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**APPROVED MINUTES  
STATE BOARD OF EDUCATION  
August 9-10, 2007  
College of Southern Idaho  
Herrett Center  
Rick Allen Community Room  
Twin Falls, Idaho**

A regular meeting of the State Board of Education was held August 9-10, 2007 at the College of Southern Idaho in Twin Falls, Idaho. Board Vice President Paul Agidius chaired the meeting. Members present were:

Present:

Paul Agidius, Vice President  
Rod Lewis  
Richard Westerberg

Sue Thilo, Secretary  
Laird Stone  
Tom Luna, State Superintendent

Absent: Milford Terrell and Blake Hall

**EXECUTIVE SESSION**

**M/S (Thilo/Stone): To move into Executive Session, pursuant to Idaho Code Section 67-2345(1), on August 9, 2007 at 10:00 a.m. A roll call vote was taken; motion carried unanimously.**

**M/S (Stone/Luna): To go out of Executive Session at 12:30 p.m. Motion carried unanimously.**

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

## OPEN SESSION

Board Vice President Paul Agidius called the Open Session portion of the meeting to order at 1:00 p.m. on August 9, 2007 and started by thanking the College of Southern Idaho for their hospitality. Senator Shawn Keogh, Representative Wendy Jacquet, Senator Clint Stennett, and Representative Donna Pence, were recognized in the audience. The Board took a few moments to recognize Teacher-in-Space Barbara Morgan, who was currently in space, for her dedication, commitment, and contributions to the students and teachers of Idaho, and of the United States.

## BOARDWORK

### 1. Rolling Calendar

**M/S (Stone, Westerberg): To approve August 21-22, 2008 and North Idaho College in Coeur d'Alene as the location for the August 2008 regularly scheduled Board meeting.**

**Substitute M/S (Luna/Thilo): To look at another time and date for the August 2008 meeting.** Motion carried unanimously.

### 2. Minutes Approval

**M/S (Thilo/Lewis): To approve the minutes from June 13-14, 2007, July 9, 2007, and July 16, 2007, as submitted.** Motion carried unanimously.

### 3. Agenda

**By unanimous consent the Board agreed to pull item 5 of the Department of Education's agenda.**

**By unanimous consent the Board agreed to move Tab 2 of Section II of the Business Affairs and Human Resources Agenda to the beginning of the agenda, ahead of the open forum in order to meet a timeline.**

**By unanimous consent, the Board approved the agenda as modified.**

## BUSINESS AFFAIRS AND HUMAN RESOURCES – Section II

### 2. Idaho State University – Authorization to Issue General Revenue Bonds

**M/S (Stone/Westerberg ): To approve a Supplemental Resolution authorizing the issuance and sale of \$16,120,000 in General Revenue Bonds, Series 2007, of the Board of Trustees of Idaho State University; authorizing the execution and delivery of a bond purchase agreement and providing for other matters relating to the authorization, issuance, sale, and payment of the Series 2007 Bonds. The Vice President for Financial Affairs of Idaho State University is authorized by the Board to sign all documents related to these transactions.** A roll call vote was taken; motion carried unanimously.

It was clarified that the amount should read \$16,120,000.

At this time, President Art Vailas of Idaho State University introduced Jim Fletcher, the new Vice President for Financial Affairs for Idaho State University. The Board joined Dr. Vailas in welcoming Mr. Fletcher.

On another note, Interim Executive Director Karen McGee indicated the need for the Board to hold a special meeting within the next few weeks related to the math and science standards in order to meet the legislative deadlines for submitting rules. She will work with Tom Luna to find a date and time for that meeting.

## **OPEN FORUM**

A number of people appeared to present written and/or oral comments to the Board regarding the proposed changes for the education of deaf and blind students in Idaho. The following appeared in person:

1. Representative Wendy Jacquet expressed concerns and urged the Board to take more time to consider the impact of the changes they are considering.
2. Representative Donna Pence expressed concerns and pointed out that the proposal does not indicate what alternatives will be provided for students not successful under the proposed approach.
3. Senator Clint Stennett expressed concerns and asked the Board to do the following before proceeding: first, to interview the students in their residential setting at the Idaho School for the Deaf and the Blind, and second, to engage the superintendents and local school boards in discussions to find out about the true cost savings of this proposal.
4. Ruth Anna Spooner discussed her personal experiences and viewpoints as a deaf student who has successfully navigated through the education system. She talked about the need to have support, options, and a place to fit in. She has recently earned her bachelor's degree out of state and is planning to return to Idaho to work.
5. Ramona Walhoff suggested that the Board is not ready or equipped to make the changes or to run the program for the Blind. She noted that the number of people needing services far outnumber the staff trying to serve them.
6. Susan Bradley discussed the challenges of losing her vision as an adult. She expressed concerns about recruiting and retaining qualified teachers.
7. Elizabeth Cram discussed the situation with her two sons who are deaf, and explained that the Gooding School for the Deaf and the Blind has been the best they have been able to find. She indicated that if the School is disbanded her family is without a least restrictive environment. She noted that the public school environment is not equipped to meet her son's special needs due to a lack of qualified staff and services for students with multiple impairments.
8. Elsie Lamb spoke about her experiences as a blind student and emphasized that people who have sensory disabilities face many challenges. She noted she had concerns about the proposal being considered, in particular the disparity between what is funded for the deaf and what is being funded for the blind.

9. Kathy Sanders spoke about her son who is deaf and a senior at the Gooding School. She described his experiences of being transported many miles to and from school each day in an effort to be mainstreamed into the public school system. The family ultimately moved to Gooding so that the family could stay together while he received the specialized education he needed.
10. Raymond Lockery, representing the Idaho Association of the Deaf, noted that the association is not supportive of the proposed models. He indicated that if the School is closed, Idaho will become only the fourth state without a set-aside facility.
11. Jan Galwaithe spoke in opposition to the proposal because it does not include a residential component. She reminded the Board that some students can only succeed in that kind of environment.
12. Sara Symms spoke about her two visually impaired preschoolers. She noted they both received services through ISDB to the age of three. They currently attend a special preschool that is geared for visually impaired students, with a goal to have them proficient in Braille before kindergarten. She urged the Board members to remember they are talking about real kids who need incredible support.
13. Jerry Wilding discussed his experiences as a deaf person and as a former teacher at ISDB. He is a member of Deaf Education Advocacy First. He expressed concern that there is not a deaf person serving on the Board, so there isn't anyone who really understands what it is like to be deaf. He suggested that only the deaf community really knows who the kids are, what it is like for them, how they are impacted, and what they need. The deaf community wants to keep the residential school open.
14. Maria Alvarez is the President of Idaho Parents of Blind Students. Her son is blind and the first blind student in his school. Their experience has been that there is a lack of trained teachers and that transportation services are not available to blind students in the same way as they are to deaf students. She is currently looking for services out of the state because Idaho doesn't provide what her son needs.
15. Mary Dunn of the Idaho School for the Deaf and the Blind discussed the economic development activities underway between ISDB, the community, and various businesses and organizations. She noted that the School is looking at ways to optimize resources while providing the necessary services. She highlighted some of the joint uses and coordination efforts that are underway. She noted that the community is very supportive of the students and the school.

## **CONSENT AGENDA**

**M/S (Thilo/Lewis): To approve the consent agenda as submitted with the exception of item 9.** *Motion carried unanimously.*

**M/S (Lewis/Westerberg): To remove item 9 from the Consent agenda and review it more thoroughly.** *Motion carried unanimously.*

Related to Tab 9, Board member Lewis raised questions about the flow chart included in the materials. He asked about the process as well as the economic impact and the financial

analysis associated with this policy change. Dr. Mike Rush of the Division of Professional-Technical Education indicated that this policy change is strictly a reflection of who is responsible for professional-technical education programs. He noted that the concerns of Board member Lewis went beyond the changes being recommended in this particular policy change. He noted that the Board has final approval for all program changes. Board member Stone expressed satisfaction with Dr. Rush's explanation. Interim Executive Director McGee verified that this policy change did conform to existing policy. Karen Echeverria, of the Board office, noted that the flow chart is not part of the policy; it simply provides a visual demonstration of the flow of documents. Board member Lewis thanked the Board staff for that confirmation.

**M/S (Lewis/Thilo): To approve the second reading of Proposed Amendment to Idaho State Board of Education Governing Policies and procedures, Section III.G.5. -- Approval Procedures, as detailed on Attachment 1 of this request. Motion carried unanimously.**

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

**By unanimous consent, the Board agreed to approve the request by Boise State University for nineteen (19) new positions supported by appropriated and local funds; title, term, salary and FTE changes to five (5) positions.**

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

**By unanimous consent, the Board agreed to approve the request by Idaho State University for six (6) new positions (5.5 FTE); to increase the term on two (2) positions (2.0 FTE) to 12 month; and increase the FTE on one (1) position (1.0 FTE).**

3. BAHR – Section I – University of Idaho – New Positions & Reactivated Positions

**By unanimous consent, the Board agreed to approve the request by the University of Idaho to establish fourteen (14) new positions supported by appropriated and non-appropriated funds and to reactivate three (3) deleted PCN's supported by appropriated and non-appropriated funds.**

4. BAHR – Section I – Lewis-Clark State College – New Positions

**By unanimous consent, the Board agreed to approve the request by Lewis-Clark State College for seven (7) new positions.**

5. BAHR – Section I – Eastern Idaho Technical College – New Positions

**By unanimous consent, the Board agreed to approve the request by Eastern Idaho Technical College to created two (2) new positions supported by State Appropriation and local sources as detailed on the Human Resources agenda.**

6. BAHR – Section I – Mike Rush – Honorarium Request

**By unanimous consent, the Board agreed to approve the request by Mike Rush, Administrator of the Idaho Division of Professional-Technical Education, to accept the \$1,000 honorarium provided to him, for service on a Technical Review Panel for the**

**National Center for Education Statistics, for purposes of donating it to the Professional-Technical Education Foundation.**

7. PPGAC – Alcohol Permits Issued by University Presidents

This is an information item only.

8. IRSA – Second Reading, Amendment to Idaho State Board of Education Governing Policies and Procedures, Section II.G.6.B.2, Acquisition of Tenure

**By unanimous consent, the Board agreed to approve the second reading of amendments to Idaho State Board of Education Governing Policies & Procedures, Section II.G.6.b.2, Acquisition of Tenure as presented.**

9. Note: This item was pulled from the Consent Agenda and considered separately.

10. IRSA – Appointment of Idaho Council for Technology in Learning (ICTL) members

**By unanimous consent, the Board agreed to approve the reappointment of Milford Terrell to the Idaho Council for Technology and Learning, and to appoint Jerry Beck as the member serving as a President of an Idaho Public College or University.**

**PLANNING, POLICY & GOVERNMENTAL AFFAIRS**

1. Presidents' Council Report

President Art Vailas reported on the various items discussed by the Presidents at their recent retreat. One of their future efforts will be to work with the Board on a strategy to make professional-technical education more accessible and affordable, and to address the complexities of that issue. Dr. Vailas noted that the universities, in partnership with various companies, are committed to Idaho being globally competitive as an energy corridor.

2. College of Southern Idaho Progress Report

Dr. Claudeen Buettner, Executive Vice President of the College of Southern Idaho, presented the CSI progress report to the Board on behalf of Dr. Jerry Beck. She discussed CSI's goals, and noted that the most recent accreditation report included six commendations and no recommendations. Dr. Buettner reported that CSI delivers over a quarter of their classes electronically; this is the fastest growing segment of CSI instruction. CSI is also placing a heavy emphasis on the recruitment and retention of students.

3. Idaho Commission for Libraries Progress Report

Ann Joslin from the Idaho Commission for Libraries presented a progress report to the Board. She noted that the Commission has been operating under their new statute, name, and strategic plan for a year. She pointed out that their strategic plan includes: providing services to digital natives, meeting future needs, strengthening the library's identity, and managing the changing library infrastructure in the face of rapid change.

4. 2008 Proposed Legislation

Board staff provided input on the process for submitting legislative ideas and for carrying actual legislation in 2008. Jane McClaran of the Division of Financial Management (DFM) indicated that the due date for legislative idea forms to be turned into DFM was August 3<sup>rd</sup>. She noted that these ideas have already been submitted and DFM is reviewing them. Several Board members expressed serious concerns about the process and the fact that the full Board had not been involved in the creation of the ideas. It was further noted that some of the items had insufficient detail as to the full intent, purpose, or impact of the legislation that was being proposed. Interim Executive Director McGee explained how the timelines had worked this year, and noted that next year the process will start in June. Board staff reported that there will be an opportunity in October to review any drafted legislation that comes out of the idea process to decide whether or not to forward it.

The Board discussed, at length, the various legislative ideas submitted in the Board agenda. It was determined that the legislative idea related to the deaf and blind education models needed to be set aside until that issue is resolved.

**By unanimous consent, the Board agreed to delay considering the legislative idea for the Deaf/Hard of Hearing and Blind/Visually Impaired Education Services at this time.**

The Board took up the remainder of the legislative ideas with the following outcome.

Moving the Idaho Reading Indicator (IRI) Assessment to the SBOE

**M/S (Luna/Westerberg): To postpone action on item 2 -- moving the Idaho Reading Indicator (IRI) Assessment to the SBOE -- to a time definite.** Motion carried unanimously.

Clarify Procedures the Board Takes After Approving Consolidation, Deconsolidation, and Boundary Change Requests

**M/S (Stone/ Agidius): To approve item number 3 -- Clarify Procedures the Board Takes After Approving Consolidation, Deconsolidation, and Boundary Change Requests -- as submitted, and to direct staff to continue with the Governor's legislative process; and to direct staff to bring the legislative language and amendments to the Board at their October Board meeting for final approval.** Motion carried unanimously.

Higher Education Residency Requirements

**M/S (Stone/Lewis): To approve item number 4 -- Higher Education Residency Requirements -- as submitted, and to direct staff to continue with the Governor's legislative process; and to direct staff to bring the legislative language and amendments to the Board at their October Board meeting for final approval.** Motion carried 5-0 (Agidius absent during vote).

Educator Stipend Program

**M/S (Thilo/Luna): To approve item number 5 -- Educator Stipend Program -- as submitted, and to direct staff to continue with the Governor's legislative process; and to direct staff to bring the legislative language and amendments to the Board at their October Board meeting for final approval.** Motion carried unanimously.

Student Vision Screening

**M/S (Thilo/Agidius): To approve item number 6 -- Student Vision Screening -- as submitted, and to direct staff to continue with the Governor's legislative process; and to direct staff to bring the legislative language and amendments to the Board at their October Board meeting for final approval. Motion carried 5-1 (Lewis voted Nay).**

Pure State Kidney Program

**M/S (Stone/Agidius): To approve item number 7 -- Pure State Kidney Program -- as submitted, and to direct staff to continue with the Governor's legislative process; and to direct staff to bring the legislative language and amendments to the Board at their October Board meeting for final approval. Motion carried unanimously.**

State Requirements for Colleges and Universities

**M/S (Lewis/Agidius): To approve item number 8 -- State Requirements for Colleges and Universities -- as submitted, and to direct staff to continue with the Governor's legislative process; and to direct staff to bring the legislative language and amendments to the Board at their October Board meeting for final approval. Motion carried unanimously.**

Postsecondary Education Projects

**M/S (Agidius/): To approve item number 9 -- Postsecondary Education Projects -- as submitted, and to direct staff to continue with the Governor's legislative process; and to direct staff to bring the legislative language and amendments to the Board at their October Board meeting for final approval.**

**Substitute (Lewis/Agidius): To approve the concept without reference to the appropriated amount. Motion carried unanimously.**

Board member Lewis asked Board staff to develop more information on this idea and bring it back for further consideration.

Idaho Center for Livestock and Environment Studies

**M/S (Agidius/Thilo): To approve item number 10 -- Idaho Center for Livestock and Environment Studies -- as submitted, and to direct staff to continue with the Governor's legislative process; and to direct staff to bring the legislative language and amendments to the Board at their October Board meeting for final approval. Motion carried unanimously.**

Tuition at the Community Colleges

**M/S (Agidius/Stone): To approve item number 11 -- Tuition at the Community Colleges -- as submitted, and to direct staff to continue with the Governor's legislative process; and to direct staff to bring the legislative language and amendments to the Board at their October Board meeting for final approval. Motion carried unanimously.**

5. Approval of State Board of Education 2008 Strategic Plan

**M/S (Agidius/Lewis): To approve the State Board of Education's Strategic Plan FY 2009 as presented. Motion carried 5-0 (Luna absent during the vote).**

Board member Stone thanked Chet Herbst of Lewis-Clark State College for his help in the strategic planning effort. He noted that the plan will be reviewed in May each year and revised

as the Board continues its work. Board member Westerberg pointed out that the plan still needs work in terms of performance measures. Board member Stone concurred, and noted that the Board will be addressing that issue.

6. Approval of Institution and Agency Profiles

**M/S (Stone/Agidius): To approve the agency and institution profiles and performance measurement reports as submitted.** Motion carried unanimously.

Board member Stone noted that work needs to be done related to benchmarks.

**M/S (Stone/Agidius): To direct Board staff to work with the institutions regarding benchmarks.** Motion carried unanimously.

Board member Westerberg asked that the Board make sure at least one of the benchmarks addresses efficiency.

**M/S (Stone/Thilo): To direct staff to annually prepare an agenda item for the April Board meeting that will include review and possible amendments to the Board's strategic plan.** Motion carried unanimously.

7. Approval of University of Idaho Alcohol Waiver Request for 2007 Home Football Games

**M/S (Stone/Agidius): To approve the request by the University of Idaho to establish secure areas for the purpose of allowing the above specified pre-game activities (Vandal Game Day, Corporate Tent Area, and President's Circle Pre-Game Function) for the 2007 home football season, such events to be in compliance with Board policy Section I.J., and the following conditions:**

1. The service area shall be secure, surrounded by a fence to control access to and from the area.
2. The pre-game events shall be limited to four hours, ending at kick-off.
3. Alcohol making or distributing companies may not sponsor the activities or tents.
4. UI shall use color-coded wrist band or pass admission system to identify attendees and invited guests.
5. UI shall send companies sponsoring a corporate tent a letter outlining the Board's alcohol policy and further conditions set by the Board. The letter will state that the minimum drinking age in Idaho is 21 and that at no time may they allow any underage drinking and/or serving of alcohol to visibly intoxicated patrons.
6. There must be two entry points manned by security personnel for the secure area.
7. Security personnel shall be located throughout the secure service area to monitor use of wristbands, patron behavior, and entrance and exit.
8. No person may exit the secure area with alcoholic beverages.
9. Tent sponsors shall insure and indemnify the State of Idaho, the State Board of Education and Board of Regents of the University of Idaho and the University of Idaho for a minimum of \$2,000,000, and shall obtain the proper permits and licenses.
10. The area is for sponsors to entertain clients/guests for the fall of 2007 home football games, including the sales and service of alcohol.
11. This exception is only for the 2007 football season; the University shall bring the matter back to the Board after the conclusion of the 2007 football season for reconsideration for 2008.

**12. UI will abide by all terms and conditions of the Board's existing alcohol policy.**

Motion carried unanimously.

8. Approval of Boise State University Alcohol Waiver Request for 2007 Home Football Games

**M/S (Stone/Luna): To approve the request by the Boise State University to establish secure areas under the conditions set forth in this request for the purpose of allowing pre-game activities for the 2007 home football season, such events to be in compliance with Board policy Section I.J. The conditions are as follows:**

- 1. A secured area surrounded by a fence to control access to and from the area.**
- 2. Four-hour duration, ending at kick-off.**
- 3. No alcohol making or distributing companies may be allowed to sponsor the activities or tents.**
- 4. A color-coded wrist band or pass admission system that would identify attendees and invited guests.**
- 5. Companies involved in the tent village would be sent a letter outlining the tent village/SBOE alcohol policy. The letter will state the minimum drinking age in Idaho is 21 and that at no time should they allow any underage drinking and/or serving of alcohol to visibly intoxicated patrons.**
- 6. Two entry points manned by security personnel.**
- 7. Security personnel located throughout the controlled area will be monitoring the alcohol wristband policy and patron behavior.**
- 8. Security personnel will not allow patrons to exit the area with alcoholic beverages.**
- 9. Tent sponsors will be required to insure and indemnify the State of Idaho, the State Board of Education and Boise State University for a minimum of \$2,000,000; and, to make sure that the proper permits and licenses are obtained.**
- 10. The area is for sponsors to entertain clients/guests for the fall of 2007 home football games, including the sales and service of alcohol.**
- 11. It be brought back after the conclusion of the 2007 football season to the Board for reconsideration for 2008.**
- 12. BSU will abide by all terms and conditions of the Board's existing policy.**

Motion carried unanimously.

9. College of Western Idaho Update

Board member Stone reported that the Interim Executive Director of the Board had released \$300,000 to the College of Western Idaho in compliance with Board policy. This action was approved by the Executive Committee first. It was noted that the amount which can be distributed at one time, by the Interim Executive Director, is \$500,000; any amount more than that has to come to the full Board first.

**INSTRUCTION, RESEARCH, AND STUDENT AFFAIRS**

**By unanimous consent, the Board agreed to take up items number 7 and 8 of the Instruction, Research, and Student Affairs agenda at this time.**

Board member Thilo introduced the recommendations for the new models under consideration and noted that they have a decentralized delivery approach. She briefly summarized the process up to this point, and noted it had taken over two years.

#### 7. Approval of Service Delivery Model for the Education of Blind or Visually Impaired Students

Aylee Schaefer, Transition Coordinator for Blind Education from the Board office, introduced herself to the Board. Ms. Schaefer described the proposed delivery model and stressed that it is specifically designed for students who are blind or visually impaired. The Board discussed the proposed delivery model in great detail and expressed a number of concerns regarding the transition period, the future of students who preferred to stay in Gooding, the alternatives for students who could not be successfully mainstreamed, funding issues, and the actual oversight of the services.

It was noted that if the model was approved by the Board, legislation could be presented in 2008 with an effective date of 2009. This would allow for additional time for hearings and public comment, as well as legislative review. It was confirmed that implementation of this model would mean the Idaho School for the Deaf and the Blind in Gooding would be closed July 2009, at the same time the new Boise facility opened.

Board member Lewis agreed that while the concept of regional access was good, the idea of eliminating a full-time residential option for those who would choose that approach concerned him. Board member Stone referred to the standards and reminded the Board that the transition will be governed by those standards. Tom Luna asked about plans to ensure that the new model will be more successful in meeting the standards than the present delivery model. He pointed out that recruiting and retaining qualified teachers and staff would still be a challenge.

**M/S (Thilo/Lewis): To postpone agenda items 7 and 8 until the October Board meeting.**  
Motion carried unanimously.

For the October meeting, Board member Stone asked that the link between the plans and the standards be provided, particularly those that speak to maintaining new and existing facilities. Board member Lewis asked that a perspective on the number of students at ISDB who want to, or need to, stay there be included. He also would like there to be a true transition plan that ensures all students throughout the state are provided for.

State Superintendent Luna asked that a financial analysis for phasing out one program while phasing in the new one be provided in a timely manner to the Board, prior to the October Board meeting, so that there is sufficient time for the Board to review it. In addition, he encouraged that more input from superintendents and administrators who may be affected by the closing of the school be brought to the table.

#### 1. Idaho Class of 2007 ACT College Readiness Review

Stacy Elmore, a senior consultant with ACT, made a brief presentation to the Board. Ms. Elmore pointed out that the data for the class of 2007 will be released on August 15, 2007. She agreed to provide the Board with information about other states that use the ACT test as a performance measure to meet their graduation requirements.

#### 2. Approval of Amendments to the University of Idaho's Mission Statement

**M/S (Thilo/Agidius): To approve the proposed amendments to the University of Idaho's mission statement as presented.** Motion carried unanimously.

Board member Lewis raised a question about a reference to the statewide mission. There was brief discussion to clarify this point.

3. Approval of the Temporary and Proposed Rules Governing the Idaho Promise Scholarship Program, IDAPA 08.01.05

**M/S (Thilo/Stone): To approve the Temporary and Proposed Rules Governing the Promise Scholarship Program, IDAPA 08.01.05.** Motion carried unanimously.

It was noted that eligible students can apply for both Promise A and Promise B scholarships. Board staff will get more information to the Board as to why. Staff will also be invited to report to the Board at a future meeting on scholarships overall.

4. Round III – Idaho Technology Grant Program FY 2008 Grant Funding Recommendations

**M/S (Thilo/Agidius): To approve funding for the proposed projects as exhibited, in the amount of \$171,200.** Motion carried unanimously.

5. Final Progress Report on the FY 2005 Center for Research on Invasive Species and Small Populations

This was an item of information.

6. Idaho GEAR-UP Update

Decker Sanders of the Board office reported that while individual school districts have agreed to provide a one-for-one match, the state is spending federal funds for which it does not have a match for. If sufficient matching funds are not obtained, students will be left without scholarships. The Board needs to decide whether or not to pursue the GEAR UP program.

9. Approval of Proposed Rules Governing Thoroughness IDAPA 08.02.03

**M/S (Thilo/Agidius): To approve the Proposed Rules Governing Thoroughness IDAPA 08.02.03.**

**Substitute M/S (Westerberg/Agidius): To exclude that part of the Board rule change requiring approval of the plans by the SBOE, and to also make the changes noted by Board staff on page 12 of Tab 9 regarding language, and on page 20 of Tab 9, item number 200.** Motion carried unanimously.

Board member Westerberg asked for clarification. Karen Echeverria of the Board office explained that while the Board rules currently require districts to submit a draft of their alternate plans to the Board, the Board is not required to approve those plans. Board approval of the plans will ensure that they meet Board standards.

State Superintendent Luna noted that, as a former chairman of a local board, he could not support extending the arm of the state into what should be a local decision. Board member Westerberg noted that he had previously been involved in writing an alternate plan and, unless there were gross problems throughout the state, he could not support this rule change. Mr. Luna reiterated that the local patrons have the option of replacing their local board members if they don't like how they operate. Board member Westerberg noted that if this were to be approved, it would require increased staff to review each plan and to enforce the change.

Board member Lewis raised a number of points and asked for clarification related to questions he had, and identified several changes. The changes were so noted by Board staff.

#### 10. Approval of Temporary and Proposed Rules Governing Public Charter Schools

**M/S (Thilo/Stone): To approve the proposed rule change to IDAPA 08.02.04.205, Rules Governing Public Charter Schools, requiring written response to the initial review of a proposed draft charter petition.** Motion carried unanimously.

#### **BUSINESS AFFAIRS AND HUMAN RESOURCES – SECTION I**

##### 1. University of Idaho – Employment Agreement – Co-Head Coach, Track and Cross Country Teams

**M/S (Stone/Agidius): To approve the request by University of Idaho to offer a multi-year contract for Wayne Phipps, in the form presented to the Board.** Motion carried unanimously.

##### 2. University of Idaho – Multi-Year Contract Addendum – Director of Athletics

**M/S (Stone/Westerberg): To approve the request by University of Idaho to offer a multi-year contract addendum for Robert Spear, Athletics Director, in the form presented to the Board.** Motion carried unanimously.

#### **BUSINESS AFFAIRS AND HUMAN RESOURCES – SECTION II**

##### 1. Idaho State University – Purchase and Finance Enterprise Resource Planning (ERP) System

**M/S (Stone/Agidius): To approve the request by Idaho State University to purchase and finance an Enterprise Resource Planning system at a total cost not to exceed \$15,400,000. This includes the software package, maintenance, and services from SunGard Higher Education, to be funded by institutional sources in an amount not to exceed \$6,300,000, and financing through a commercial lender for an amount not to exceed \$9,100,000.** Motion carried unanimously.

It was pointed out that the Board had been notified on several occasions, starting two years ago, of the problems with the existing system and the need to replace it. It was also noted that this is part of ISU's accreditation compliance.

##### 3. University of Idaho – Selection of Bond Counsel and Investment Banker

This was an information item.

4. University of Idaho – Revisions to Employee Health Plan

**M/S (Stone/Agidius): To approve the request by the University of Idaho to include, within its cafeteria style benefits program, certain limited cash-back payments to University employees in lieu of benefits, and certain limited and capped matching payments to University employee health savings accounts, in the matter described in the materials presented to the Board. Motion carried unanimously.**

5. University of Idaho – Ground Lease Assignment and Assumption

**M/S (Stone/Agidius): To authorize the Vice President for Finance and Administration at the University of Idaho to consent to the assignment and assumption of the previously executed ground lease in substantial consistency with the draft submitted as part of this request. Motion carried unanimously.**

6. University of Idaho – Sandpoint Facilities Project

**M/S (Stone/Agidius): To approve the Development Agreement in substantially the same form as the version attached hereto, and all of the included and underlying initial transactions including:**

**AUTHORIZATION of the sale of the approximate 77 acre parcel and approval to direct the sale proceeds to the University of Idaho Foundation to establish an endowment for the purpose of funding programmatic and operation costs of the Sandpoint campus, and to provide \$500,000 for start up efforts in Sandpoint; ACCEPTANCE of the gift of the 18 acre Research Parcel, subject to a satisfactory environmental assessment; and, APPROVAL of the build out of Phase 1 of the Sandpoint Project consistent with the Master Plan and Program Planning Guide.**

**The Vice President for Finance and Administration at the University of Idaho is authorized to execute the Development Agreement, and all other transaction documents necessary for the above described transactions. The University shall provide an update of construction status at the March 2008 Board meeting, and every six months thereafter until construction is complete, and Phase 1 is presented to the Board for acceptance of delivery of the buildings, building footprint, and associated real property. Motion carried 5-1 (Lewis voted Nay).**

There was lengthy discussion of this item. Board member Lewis noted that while this is a beneficial program for Idaho, and a generous offer, it would be helpful to have more detail and more time to consider the proposal. Lloyd Mues reviewed the budget and the process taken so far to provide the Board with details regarding this project. Senator Shawn Keogh was invited to speak and she explained this proposal has been in the works for fourteen months. She pointed out that the community support and the anticipated growth for Northern Idaho were two of the positive aspects of this project.

7. University of Idaho – Irrigation Canal Easement

**M/S (Stone/Thilo): To authorize the Vice President for Finance and Administration at the University of Idaho to execute a non-exclusive easement in substantial consistency with the draft submitted as part of this request. Motion carried unanimously.**

8. University of Idaho – Service Agreement Extension – RuffaloCODY

**M/S (Stone/Agidius): To approve the request by the University of Idaho for a one year extension of the RuffaloCODY service agreement at a cost of \$239,200, for FY 2008. Funding for the existing and proposed agreement is local funds.** Motion carried unanimously.

9. This item was pulled at the request of Lewis-Clark State College

The Board adjourned at 8:50 p.m. and reconvened at 8:45 a.m. on Friday, August 10, 2007. Board Chair Agidius directed the Board to the Department of Education agenda, noting that item 10 of Section II of the BAHR agenda would be taken up later in the morning.

**STATE DEPARTMENT OF EDUCATION AGENDA**

1. Superintendent's Update

State Superintendent Tom Luna commented on developments, initiatives, and efforts underway in the Department. He discussed the NCLB requirements and noted that Idaho has implemented its plan. Results have identified some things that are working well and other things that may need to be changed. He asked the Board to direct staff to begin reviewing the accountability plan Idaho submitted, and determine what needs to be changed. Interim Executive Director McGee indicated that the Board staff had already set a date in September for the first meeting. Mr. Luna asked that the study take in the entire plan, and that it be a formal process. Ms. McGee asked Mr. Luna to help with the agenda topics for that study. Mr. Luna indicated that SDE will provide staff support and expertise. Board Chair Agidius directed the Board staff to do so.

Mr. Luna noted that SDE had been in discussion with the Deans of the Colleges of Education related to new teachers being prepared to teach in the 21<sup>st</sup> century classroom. Their dialogue will continue, and will include input from local superintendents and administrators.

Mr. Luna reported that the latest round of ISAT testing was complete. He reminded the Board that the bar had been raised and so, as was expected, the number of schools not meeting AYP was up this first year of using the new test.

Mr. Luna reported that SDE is completing a total remodel of their offices. With the exception of the staff handling data, the entire staff will be on one floor which will improve synergy, reduce the need for administrative assistants, and reduce their rental costs. He plans to ask the Legislature to direct those cost savings into efforts going on in the classroom.

2. Post Falls School District Trustee Zone Boundary Change

**M/S (Luna/Thilo): To approve the adjusted trustee zones for the Post Falls School District as submitted.** Motion carried unanimously.

3. Curricular materials Selection Committee Appointment

**M/S (Luna/Thilo): To approve the request by the State Department of Education for Susan Day Scherz's appointment to the Idaho State Curricular Materials Selection Committee as submitted.** Motion carried unanimously.

4. Adoption of Curricular Materials

**M/S (Luna/Agidius): To approve the request by the State Department of Education to adopt curricular materials as outlined in the 2007 Curricular Materials Recommendations Book.** Motion carried unanimously.

5. This item was pulled from the agenda.

6. Certification Rule – Approval of Temporary and Proposed Rule – IDAPA 08.02.02.015 – Rules Governing Uniformity

**M/S (Luna/Thilo): To approve the temporary and proposed rule change to IDAPA 08.02.02.015, Rules Governing Uniformity, Three Year Interim Certificate.** Motion carried unanimously.

7. Accreditation Rules – Approval of Temporary and Proposed Rule – IDAPA 08.02.02.140 – Rules Governing Uniformity

**M/S (Luna/Agidius): To approve the request by the State Department of Education to amend IDAPA 08.02.02.140 as submitted.** Motion carried unanimously.

Shannon Page from the Department of Education reported on the costs for schools to pursue accreditation. She also explained the rationale for changing the method of accreditation, noting that the No Child Left Behind requirements made it duplicative to have Northwest Accrediting as well. Dr. Mike Rush of the Division of Professional-Technical Education asked about the Robert Janss School at the Department of Correction. Ms. Page noted that the Robert Janss School will need to be accredited by Northwest. The State Department of Education will work with NW to make sure that the standards that Robert Janss School will need to comply with will be more aligned with their needs.

At this time, Decker Sanders from the Board office updated the Board on the Promise A and B scholarships, specifically that students can be eligible for both the A and B scholarships. He noted that this was an effort to make maximum use of the scholarship dollars. In addition, there are safeguards in place, in the rules, to ensure that no Promise B eligible students would be left out.

At this time the Board returned to BHR – Section II, item 10.

10. FY 2009 Budget Requests

Board member Stone presented this item and provided a detailed overview of the process taken to bring these budget requests before the Board. He thanked everyone involved in the effort. He noted that the budget requests do not include any salary enhancements because the Board will work with the Governor's office and DFM to develop those at a later date.

a) College and Universities

**M/S (Stone/Agidius): To approve for final development the following specific budget line items for the College and Universities: (1) Occupancy Costs, (2) Maintenance and Infrastructure Costs, and (3) New and Expanded Programs. Motion carried unanimously.**

b) Community Colleges

**M/S (Stone/Westerberg): To approve for final development the following specific budget line items for the Community Colleges (College of Southern Idaho, North Idaho College and College of Western Idaho):**

- (1) Maintenance and Infrastructure Costs: (NIC Upgrading Campus Technology to Minimum Standards, \$307,500 General Funds)**
- (2) New and Expanded programs: (CSI Rural Math/Science Dual Credit and College Prep, \$276,700 General Funds; Online Program Development and Quality Control, \$226,300 General Funds; NIC Joint Program Development with Community Colleges of Spokane, \$115,000 General Funds)**
- (3) Placeholder for the FY 2009 Budget Request for College of Western Idaho. Motion carried unanimously.**

It was noted that there is not a dollar amount for the College of Western Idaho at this time. They are in the process of developing that budget.

c) Agricultural Research & Extension

**M/S (Stone/Westerberg): To approve for final development the following specific budget line items for Agricultural Research and Extension:**

- (1) Full-Time 4-H Program Coordinator Positions, \$169,600 (General Funds)**
- (2) University of Idaho, Center for Bioenergy Research, Development and Outreach, \$150,000 (General Funds). Motion carried unanimously.**

d) Special Programs

**M/S (Stone/Agidius): To approve for final development the following specific budget line items for the Special Programs:**

- (1) Forest utilization Research – Increasing Value of Idaho Forest Resources, \$119,500 (General Funds)**
- (2) Forest Utilization Research – Enhanced Policy Analysis, \$105,000 (General Funds)**
- (3) Idaho Geological Survey – Web site redesign and upgrade; \$23,000 (General Funds)**
- (4) Idaho Geological Survey – Seismic monitoring stations, \$50,000 (General Funds)**
- (5) Idaho Geological Survey – Mission Capability Enhancement; \$169,500 (General Funds)**
- (6) Scholarships and Grants – Increase in various scholarships, \$290,000 (General Funds)**
- (7) Idaho Museum of Natural history – Increased Operating Support, \$111,700 (General Funds)**
- (8) Idaho Small Business Development Centers – Mission Capability Enhancement, \$83,700 (General Funds)**
- (9) Idaho Council on Economic Education – Mission Capability Enhancement, \$22,500 (General Funds)**

- (10) Idaho Council on Economic Education – Mission Economic Education materials for Teacher and High School Seniors, \$20,000 (General Funds)  
(11) Tech Help – Growth Services/New Product Development Program, \$270,000 (General Funds). Motion carried unanimously.

e) Health Programs

**M/S (Stone/Westerberg):** To approve for final development the following specific budget line items for the Health Programs:

- (1) WOI – Additional Veterinary Student Positions, \$258,100 (General Funds)  
(2) IDEP – Expansion of Dental Program @ \$29,800 (\$10,400 General Funds, \$19,400 Dedicated Funds)  
(3) UofU – Additional Seats (2), \$71,500 (General Funds). Motion carried unanimously.

f) Agencies

Office of the State Board of Education

**M/S (Stone/Westerberg):** To include for final FY 2009 budget development the following specific line items, for the Office of the State Board of Education:

- (1) Assessment – FY 2008 Supplemental, \$1,530,000 (\$130,000 one-time) (General Funds)  
(2) GEAR UP – FY 2008 Supplemental, \$675,000 (Federal Funds)  
(3) NAEP – FY 2009 Federal Spending Authority, \$128,100 (Federal Funds from SDE)  
(4) Deaf and Blind Coordinators – FY 2009 Position Upgrades, \$19,600 (General Funds).

**Substitute M/S (Lewis/Agidius):** To include for final FY 2009 budget development the following specific line items, for the Office of the State Board of Education:

- (1) Assessment – FY 2008 Supplemental -- \$1,530,000 (\$130,000 one-time) (General Funds)  
(2) GEAR UP – FY 2008 Supplemental -- \$675,000 (Federal Funds)  
(3) NAEP – FY 2009 Federal Spending Authority -- \$128,100 (Federal Funds from SDE)  
And that item four is designated as a placeholder, dependent upon further deliberations by the Board regarding the deaf and blind program. Motion carried unanimously.

An additional motion was brought forward at this time.

**M/S (Stone/Lewis):** Include for FY09 budget development a placeholder for ongoing funding for a 2% alternate assessment that will increase flexibility for special needs students. Motion carried unanimously.

Professional-Technical Education

**M/S (Stone/Agidius):** To include for final FY 2009 budget development the following specific line items, for Professional-Technical Education:

- (1) Secondary Added Cost Workload Adjustment, \$180,500 (General Funds)  
(2) Fire Training and Testing Unit, \$650,000 (\$500,000 one-time) (General Funds)  
(3) Secondary Added Cost Formula, \$684,900 (General Funds)  
(4) Technical College Instructional Equipment, \$753,400 (General Funds)  
(5) Technical College Program Expansion, \$2,470,800 (\$900,000 one-time) (General Funds)

**(6) HR/ABE/GED/Veterans/Proprietary Function Transfer (Placeholder).** Motion carried unanimously.

Idaho Division of Vocational-Rehabilitation

**M/S (Stone/Westerberg): To include for final FY 2009 budget development the following specific line items, for Idaho Division of Vocational Rehabilitation:**

- (1) Extended Employment Funding, \$500,000 (General Funds)**
- (2) Pass Plan Writer, \$76,400 (\$16,300 General Funds, \$60,100 Federal Funds)**
- (3) Epilepsy Services Funding Increase, \$30,000 (General Funds).** Motion carried unanimously.

Idaho Public Television

**M/S (Stone/Westerberg): To include for final FY 2009 budget development the following specific line items, for Idaho Public Television:**

- (1) Reliable Emergency Power Backup, \$325,000 one-time (General Funds)**
- (2) Idaho Experience Documentaries, 4358,400 (\$84,400 one-time) (General Funds).** Motion carried unanimously.

Idaho State Historical Society

**M/S (Stone/Westerberg): To include for final FY 2009 budget development the following specific line items, for Idaho State Historical Society:**

- (1) Senior Maintenance/Craftsman, \$36,500 (General Funds)**
- (2) Matching Cost Share for State Archeologist, \$41,900 (General Funds)**
- (3) Collection Development, \$40,000 (General Funds)**
- (4) History Day Enhancement, \$16,100 (General Funds)**
- (5) Compact/Mobile Shelving, \$750,000 one-time (General Funds)**
- (6) Community Assistance Grants, \$150,000 (General Funds)**
- (7) Museum Restoration Initiative, \$59,300 (General Funds).** Motion carried unanimously.

g) Capital Budget Requests

**M/S (Stone/Westerberg): To recommend to the Permanent Building Fund Advisory Council the major capital project(s) as set forth in the attached list in Tab g for consideration in the FY 2009 budget process.** Motion carried unanimously.

**OTHER BUSINESS**

There being no further business, the Board entertained a motion to adjourn.

**M/S (Stone/Westerberg): To adjourn at 10:21 a.m.** Motion carried unanimously.