

1. Agenda Approval

Changes or additions to the agenda

A motion to approve the agenda as posted.

2. Minutes Approval

BOARD ACTION

A motion to approve the minutes from the June 17-18, 2009 Board meeting as submitted.

3. Rolling Calendar

BOARD ACTION

A motion to approve August 11-12, 2010 as the date and Idaho State University as the location for the August 2010 regularly scheduled Board meeting.



**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**

**DRAFT MINUTES
STATE BOARD OF EDUCATION
June 17-18, 2009
College of Southern Idaho
Wood River Campus
Wood River High School, Commons
950 Fox Acres
Hailey, Idaho**

A regular meeting of the State Board of Education was held June 17-18, 2009 in Hailey Idaho.

Present for the entire meeting were:

Paul Agidius, President
Kenneth Edmunds, Secretary
Don Soltman
Superintendent of Public Instruction
Milford Terrell

Richard Westerberg, Vice President
Rod Lewis
Tom Luna, State

Wednesday, June 17, 2009

EXECUTIVE SESSION

The Board met for Executive Session at 3:00 p.m. on Wednesday, June 17, 2009 at the Wood River Inn, 603 North Main Street, Hailey, Idaho.

M/S (Westerberg/Terrell): To move into Executive Session pursuant to Idaho Code on Wednesday, June 17, 2009 to consider: (Tab 1) University of Idaho: Pursuant to Idaho Code Section 67-2345(d) and (f), for the purpose of considering documents subject to the attorney-client privilege and exempt from public disclosure and to consider and advise the Board's legal representatives in a matter of probable litigation. (Tab 2) Lewis-Clark State College: Pursuant to Idaho Code Sections 67-2345(1)(d) and (f) for the purpose of considering documents subject to the attorney-client privilege and exempt from public disclosure and to consider and advise the Board's legal representatives in a matter of probable litigation. (Tab 3) State Board of Education: Pursuant to Idaho Code Section 67-2345(1)(b), which permits an executive session for the purposes of evaluating, dismissing, or disciplining of or to hear complaints or charges brought against a public officer, employee, staff member or individual agent, or public school student.

During Executive Session, the Board discussed and considered: (1) as Regents for the University of Idaho a matter of probable litigation; (2) as Trustees for Lewis-Clark State College, a matter of probable litigation; and (3) as the Board of Education the Board evaluated its institution presidents and the Board's executive director.

M/S (Westerberg/Terrell): To go out of executive session at 5:30 p.m. and adjourn for the evening. Motion carried unanimously.

Thursday, June 18, 2009

The Board met for regular business on Thursday, June 18, 2009, at the College of Southern Idaho Wood River Campus, Wood River High School, in Hailey, Idaho. Board President Paul Agidius called the meeting to order at 8:35 a.m.

Mr. Agidius thanked Dr. Jerry Beck of CSI, and also the staff of the Blaine County School District and Wood River High School for hosting the meeting. Dr. Beck was invited to make comments. Dr. Beck expressed thanks and appreciation to the staff of CSI and Wood River High School for their efforts in preparing for the Board meeting. He introduced Superintendent Jim Lewis of the Blaine County School District. Mr. Lewis thanked the Board for the opportunity to host the meeting at Wood River High School. He commented that over many years, the school district and the citizens of the Wood River Valley discussed, brainstormed, and planned for the best way to meet the strategic needs of all involved. He noted that the outcome of this collaborative effort is the new high school facility which serves all of the citizens of the area. He encouraged other school districts and colleges to follow the partnership example between the school district, the community, and the College of Southern Idaho because it benefits everyone concerned.

BOARDWORK

1. Agenda Approval

M/S (Westerberg/Luna): To approve the agenda as presented with the following amendments: the addition of Tab 15 to the Policy, Planning and Governmental Affairs agenda; the addition of Tab 12 to the Instruction, Research, and Human Affairs agenda; the addition of Tab 3 and 4 to the Business Affairs and Human Resources agenda, section one; and the addition of Tab 19 to the Business Affairs and Human Resources agenda, section two. Furthermore, to pull from the agenda Tab 2 of the Audit Committee agenda, and Tab 15 and 16 of the Business Affairs and Human Resources agenda, section two. And finally, to move Tab 18 of the Business Affairs and Human Resources agenda, section two directly following Tab 2. Motion carried unanimously.

2. Minutes Approval

M/S (Westerberg/Edmunds): To approve the minutes from April 6, 2009; April 16-17, 2009; April 22, 2009; and May 7, 2009 as submitted. Motion carried unanimously.

3. Rolling Calendar

M/S (Westerberg/Luna): To approve June 17-18, 2010, as the date and Eastern Idaho Technical College in Idaho Falls, ID as the location for the June 2010 regularly scheduled Board meeting. Motion carried unanimously

CONSENT AGENDA

M/S (Soltman/Luna): To approve the Consent agenda as presented. Motion carried unanimously.

1. BAHR-Section I – Boise State University - Deletions of Positions

By unanimous consent, the Board approved the request by Boise State for deletion of forty three (43) positions (39.50 FTE).

2. BAHR-Section I – University of Idaho - New Position & Reactivation of Position

By unanimous consent, the Board approved the request by the University of Idaho to establish one (1) new position and reactivate two (2) positions (3.0 total FTE) supported by a reallocation of appropriated and non-appropriated funds.

3. BAHR-Section I – Lewis-Clark State College - New Positions & Deletions of Positions

By unanimous consent, the Board approved the request by Lewis-Clark State College for one (1) new position supported by reallocation of appropriated funds and fourteen (14) deleted positions.

4. BAHR-Section I – Eastern Idaho Technical College -- New Position

By unanimous consent, the Board approved the request by Eastern Idaho Technical College for one (1) new position (1.0 FTE) supported by local funds.

5. FY 2010 Appropriated Funds Operating Budget

By unanimous consent, the Board approved the FY 2010 operating budgets for the Office of the State Board of Education, Idaho Public Television, Division of Vocational Rehabilitation, College and Universities, Postsecondary Professional-Technical Education, Agricultural Research/Extension, Health Education and Special Programs, as detailed.

6. Athletics Actual, Forecast, and Budget Reports

By unanimous consent, the Board accepted the Intercollegiate Athletics reports as submitted.

7. IRSA – Quarterly Report: Programs and Changes Approved by Executive Director

By unanimous consent, the Board accepted the Quarterly Report: Programs and Changes approved by the Executive Director.

8. PPGAC – Alcohol Permits Issued by University Presidents

By unanimous consent, the Board accepted the report as submitted.

PLANNING, POLICY, AND GOVERNMENTAL AFFAIRS1. Presidents' Council Report

Dr. Jerry Beck of the College of Southern Idaho reported on behalf of the Presidents' Council (PC). He noted that the PC had met with the Governor in April and communicated concerns to him related to the budget. In addition, Executive Director Mike Rush reviewed the strategic plans with the PC. The PC decided to continue with the Idaho Collaborative Network. The discussion about consortium purchasing in an effort to make better use of resources continued as well. The PC adopted a rotation schedule for the chairmanship of the PC. Dr. Dene Thomas of Lewis-Clark State College will be the chair the next year. The PC looked at possible legislation that it would like to see in 2010.

State Superintendent Luna shared an experience where he encouraged young men at Boys' State to take difficult courses rather than easy courses in the 11th and 12th grades to prepare for the challenges of college and work. One young man indicated that he had done that with the result that he got lower grades in some of the more difficult courses. The result was his grades and grade point average dropped, and he was ineligible for scholarships he might otherwise have received had he taken easy courses. The young man felt this outcome was a real disincentive to students who were considering taking harder courses in high school. Mr. Luna noted he was bringing this to the attention of the institutions so that they could look at the situation and give serious thought as how to address it.

2. North Idaho College Annual Report

Dr. Priscilla Bell, President of North Idaho College, reported to the Board. She spoke about the future of NIC and its potential to meet the needs of the students, its business partners, and the community in general. Dr. Bell briefly overviewed the history of NIC and noted that the College had recently celebrated its Diamond Jubilee anniversary.

Dr. Bell discussed the impact of budget cuts on NIC. She reported that NIC has experienced a significant increase in enrollment the past few semesters and anticipates an enrollment increase of 44% this coming fall. While this should be good news, she observed that this level of growth is not sustainable because of the limited funds, classroom space, instructors, available seats, and resources.

Dr. Bell summarized NIC's strategic plan and discussed the facilities master plan. She reported that NIC is working collaboratively with other institutions to purchase properties, offer programs, and to put resources into place for the benefit of the students and the community they all serve. NIC is also partnering with three Kootenai County school districts along with the city of Rathdrum, and business and industry to establish a complete campus called K-TEC. This initiative will allow NIC to plan for growth in the decades to come.

3. Idaho Public Television (IPTV) Annual Report

Peter Morrill, General Manager of IPTV, reported to the Board. He introduced Tony Ward, the new director of financial affairs at IPTV.

Mr. Morrill overviewed the role and mission of IPTV, and the progress made up to, during, and after the June 12 analog shut-off. He indicated that IPTV has been busily engaged to comply with a federal rule that relates to digital holes in the public television system. IPTV has three years to address the six digital holes in Idaho. The estimated cost of the project is \$740,000. Mr. Morrill reported that IPTV has been aggressive in applying for grants, filing for licenses, and also working on the local match by identifying local funds that are available to them.

Mr. Morrill noted that IPTV will work over the next few years on the mop-up of the digital conversion, funding the strength of the Eastern Idaho translator, putting backup power systems into place, and looking at long-term digital content archiving. All of the old analog equipment will have to be cleaned up, a process that will begin in the FY 2011 budget cycle. Mr. Morrill reported that IPTV is beginning to move its equipment from the Capitol Annex to the basement of the J.R. Williams Building in order to be ready to broadcast Idaho Legislature Live 2010.

On another note, IPTV received seven regional Emmy nominations this past year. It was awarded an Emmy for Outdoors Idaho 25th Anniversary presentation. An Edward R. Murrow award was given for the Barbara Morgan No Limits presentation. A new special will be coming out on the recent Special Olympics and also one related to the re-opening of the State Capitol. There will also be a special on Wolves in Idaho that will be broadcast in October 2009.

Board member Edmunds asked about the public television network and how it is tied into and coordinated with the Idaho Education Network (IEN), other infrastructures, and with the community colleges. Mr. Morrill indicated that the IPTV is part of a larger network, but has not been part of the IEN discussions per se. Mr. Luna explained that IPTV and IEN are not redundant systems. He pointed out that IEN is focused on an internet connection for the delivery of courses and is not a television broadcasting system.

4. Idaho Digital Learning Academy (IDLA) Annual Report

Donna Hutchinson reported to the Board. She gave a brief history of IDLA and noted that in the past year there was participation from 98% of Idaho's school districts in IDLA. Ms. Hutchinson noted that the number one reason for students taking IDLA courses is scheduling conflicts. Other reasons include courses not being offered by local districts or schools, students desiring to take advanced placement courses or achieve early graduation, or a need to take a foreign language course or recover credits.

Ms. Hutchinson noted that IDLA offered live webinar access statewide last year. That effort was successful and realized significant savings in travel costs statewide. Over 130 webinars were conducted on various topics. All of the webinars are archived on the IDLA website.

IDLA has a number of efforts in place or set to begin in order to support its initiative on school improvement. IDLA also has 250 teachers in their tutors program which serves as a resource for schools that need to enhance student support locally. She also noted that IDLA anticipates 500 students will be taking dual credit AP courses next year. Ms. Hutchinson indicated that the reason online learning appeals to students is because it is innovative and motivating in terms of learning.

Board member Edmunds asked about curriculum development and wondered if IDLA is working with the IEN on that effort. Superintendent Luna clarified for the benefit of the Board that the Idaho Education Network is similar to a freeway or highway that connects every school; it is not a vehicle. The IDLA is a vehicle, and just one of many that will travel on the highway. The longitudinal data system is a vehicle and concurrent courses are another. Mr. Luna noted that there will be many other things yet to be developed which will also travel that highway.

Mr. Luna explained that the funding for planning, developing, and implementing the IEN begins July 1. He noted that he and Ms. Hutchinson both sit on the governing board of IEN, as do representatives of the colleges and universities, business and industry, and other government agencies. Mr. Luna explained that out-loud thinking and postulating has gone on during pre-meeting discussions as folks try to grasp the vision and purpose of the IEN, so it is understandable that there may be some confusion on just what it is. That will be resolved when the actual planning and development process gets underway.

5. Idaho Commission for Libraries Board Appointment

Ann Joslin sent written comments because she was unable to attend the Board meeting. She extended thanks to the Board and noted that on July 1, the Idaho Commission for Libraries will become a self-governing agency. She indicated that it will continue to be an agency focused on education and will provide annual updates to its governing board and the Legislature.

M/S (Terrell/Westerberg) To approve the reappointment of Larry Weeks to the Idaho Board of Library Commissioners for a term beginning July 1, 2009 and ending June 30, 2014. Motion carried unanimously.

6. Senate Joint Resolution 101

Senator Joe Stegnar was introduced to discuss Senate Joint Resolution (SJR) 101 which relates to the University of Idaho charging tuition. Senator Stegnar explained that a constitutional amendment is necessary, and that requires a vote of the people. The passing of SJR 101 moves the question forward for a vote of the people in the next general election.

Senator Stegnar noted that this is an important issue because there is language in Idaho Code that limits the use of fees for instructional purposes. In addition, other institutions in Idaho are able to charge tuition, so it is important to extend that same option to UI. He reiterated that it is best to do that by changing the Idaho Constitution.

M/S (Terrell/Luna): To endorse SJR 101 of the 2009 Idaho State Legislature and to thank Senator Joe Stegnar and co sponsors Senator Robert Geddes, Representative Scott Bedke, and Representative Lawrence Denney for their efforts on behalf of the University of Idaho. Motion carried unanimously.

Stephen Daley-Laursen of the University of Idaho thanked the Senator Stegnar, the Idaho Legislature, and all those involved in the effort.

7. 2010 Legislative Ideas

M/S (Terrell/Edmunds): To approve all six (6) legislative ideas as submitted and to direct staff to submit proposals through the Governor's legislative process.

Substitute M/S (Lewis/Westerberg): To direct Board staff to submit proposals with specific language yet to be determined relating to the six topic areas presented in the Board book and to submit proposals through the Governor's legislative process. Motion carried unanimously.

Board member Lewis raised a concern about the idea pertaining to Board Powers. There was discussion about the purpose of this idea and how best to word it to avoid confusion or a misinterpretation. Executive Director Rush explained that this idea, along with the others being presented, is only the initial step in a process of notifying the Governor of possible legislation that the Board might forward in 2010. If the Board decides to move ahead with the concept, considerable time and attention will be given to fleshing out the concept, crafting the language, and specifying the intent of the legislation. In the end, the Board will have final approval over everything.

Board member Lewis indicated that if the Board is directing staff to develop legislation related to these topics, he is okay with that. He is uncomfortable if the intent is to take what is in the Board agenda materials to the Legislature. Executive Director Rush reiterated that idea that is initially submitted to the Governor's office is often vague because it is simply a concept. As far as the final details, the Board has yet to decide on that. At this point the Board just needs to notify the Governor of its intent to submit legislation.

There was discussion about the process for Board members to bring forward legislative ideas in the future. Mr. Westerberg indicated that the full Board should be given an opportunity to consider and opine on legislative issues. There was also discussion about how the Department of Education might inform the Board of legislation it is forwarding each year. Executive Director Rush noted that the Board's master calendar shows the times when various items come up. He will make sure that the Board is made aware of the master calendar. He also pointed out that as an elected official, Mr. Luna is able to bring forward any legislation he desires without getting approval from the Governor, though there may be some things that do require follow up by the Board.

Board member Lewis asked about the Board's constitutional authority. He also suggested that the Board request SDE to provide notice to the Board of any legislative action it intends to put forward so that, at a minimum, the Board is able to endorse or comment on the legislation.

Board member Lewis referenced the idea related to spousal accommodations and emphasized that guidelines need to exist to ensure that conflicts or misconceptions do not arise. Executive Director Rush indicated that the guidelines would be included in Board policy.

8. Temporary Proposed Rule 08-0104

M/S (Terrell/Westerberg): To approve the Temporary and Proposed rule governing Residency Classification, IDAPA 08.01.04., effective June 18, 2009, as submitted. Motion carried unanimously.

9. Idaho State University – Pre-game Alcohol Waiver

M/S (Terrell/Westerberg): To approve the request by Idaho State University to establish secure areas under the conditions set forth in this request for the purpose of allowing pre-game activities for the 2009 home football season. The conditions are as follows in items 1-12:

- 1. A secured area surrounded by a fence to control access to and from the area.**
- 2. Three-hour duration, ending at kick-off.**
- 3. Alcohol making or distributing companies will not be allowed to sponsor the activities or tents.**
- 4. A color-coded wrist band or pass admission system will identify attendees and invited guests. No one under legal drinking age will be admitted.**
- 5. Companies involved in the pre-game location will be sent a letter outlining the pre-game location and the 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 persons.**
- 6. One entry/exit point, which will be 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 Idaho 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 2009 home football games, including the sales and service of alcohol.**
- 11. A review of the 2009 events will be brought back after the conclusion of the season before consideration will be given to any future requests for similar activities on home football game days.**
- 12. The layout will be as presented in the diagram provided by ISU.**

Board member Lewis pointed out that item four needs to clarify that it applies to those of drinking age. He emphasized that this needs to be clearly identified in all of the alcohol waiver motions. Board member Terrell, as the motion maker, agreed to those changes in the motion. It was noted that there were no violations last year.

10. University of Idaho – Pre-game Alcohol Waiver

M/S (Terrell/Soltman): 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 2009 home football season, such events to be in compliance with Board policy section I.J. and the following conditions as noted in items 1-11:

- 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 a color-coded wrist band or pass admission system to identify attendees and invited guests, and to differentiate people of drinking age.**
- 5. UI shall send companies sponsoring a corporate tent a letter outlining the Board 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 no more than two entry points, each manned by security personnel, for the secure area.

7. Security personnel shall be located throughout the secure service 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 2009 home football games, including the sales and service of alcohol.

11. This exception is only for the 2009 football season; the University shall bring the matter back to the Board after the conclusion of the 2009 football season for reconsideration for 2010.

It was clarified that at the University of Idaho persons not of legal drinking age are allowed into some areas and the wrist band concept is used to differentiate the two groups. Lloyd Mues of the University of Idaho explained that this is the same language and wording used in past years on the waiver request. The motion maker concurred with the changes to item four to include mention that color-coded wrist bands are used to differentiate people of drinking age. It was noted that there were no violations last year.

11. Boise State University – Pre-game Alcohol Waiver – Caven Williams Sports Complex

M/S (Terrell/Edmunds): To approve the request by 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 2009 home football season. The conditions are as follows in items 1-12:

1. The patio will be secured (outside patio, surrounded by a fence) to control access to and from the area.

2. Three hour duration, ending at kick-off.

3. The Boise State campus food provider (Aramark) will carry the alcohol license and insurance and will provide TIPS trained personnel to monitor the sale and consumption of all alcohol to those of legal drinking age only.

4. No alcohol making or distributing companies may be allowed to sponsor the event.

5. A color-coded wrist band or pass admission system that would identify attendees and invited guests will be in place. No one under legal drinking age will be admitted.

6. Companies involved in the tent village would be sent a letter outlining the tent village/SBOE alcohol policy. The letter will state that 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.

7. There will be two entry points manned by security personnel.

8. Security personnel located throughout the area will be monitoring all alcohol wristband policies and patron behavior.

9. Security personnel will not allow patrons to exit or enter the area with any beverages.

10. Tent sponsors will be required to indemnify the State of Idaho, the State Board of Education and Boise State University. In addition, the official food sponsor 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 the proper permits and licenses are obtained.

11. The area is for sponsors to entertain clients/guests for the fall 2009 home football games, including the sales and service of alcohol.

12. A request will be brought back to the Board after the conclusion of the 2009 season for reconsideration for 2010.

Boise State will abide by all terms and conditions of the Board's existing alcohol policy.

Motion carried unanimously.

The Board directed Board staff to clarify the intent of the language in the alcohol waivers related to who is admitted to the areas where alcohol is served and how they are monitored and identified in all of these motions. It was agreed that BSU will specify that the official food sponsor is the sole provider of alcohol. It was noted that there were no violations last year.

12. Boise State University – Pre-game Alcohol Waiver – Stueckle Sky Center

M/S (Terrell/Westerberg): To approve the request by Boise State University to allow the sale of alcohol in the Sky Center during home games and the Humanitarian Bowl on an ongoing basis and under the following conditions as noted in items 1-12:

1. The Sky Center is enclosed and totally separate from the general seating areas and alcohol service will only be available to patrons with tickets in the Sky Center.

2. There is no access from the general seating area into the Sky Center. Further, only patrons who hold tickets to seats in the Sky Center will be allowed into the Sky Center during games.

3. The sale of alcohol will begin no sooner than three hours prior to kick off and will end at the start of the 4th quarter.

4. Two entry points at the North and South Elevator Towers will be manned by security personnel.

5. Security personnel will be located throughout the Sky Center area on each of the four floors monitoring all alcohol policies and patron behavior.

6. Security personnel will not allow patrons to exit or enter the area with any food or beverages.

7. The Boise State University campus food provider (Aramark) will carry the alcohol license and insurance and will provide TIPS trained personnel to monitor the sale and consumption of all alcohol to those of legal drinking age only.

8. Boise State will abide by all terms and conditions of the Board's existing alcohol policy.

9. The official food sponsor 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 the proper permits and licenses are obtained.

10. No alcohol making or distributing companies may be allowed to sponsor the activities.

11. Boise State University will consider further measures to assure underage drinking does not take place in the Sky Center and to define how the Sky Center is monitored and secured to that end.

12. Boise State will bring this back to the Board for review of the alcohol service during home games in 2010.

BSU confirmed that the official food sponsor is the sole provider of alcohol. It was noted that there were no violations last year.

13. IPEDS Data Reports

Tracie Bent of the Board office updated the Board on this item. Board President Agidius indicated that the Board would like to explore the type of data it would like to have. Ms. Bent explained that it is possible to pull out select data. It was noted that the time required to compile and input financial data causes data to be out-of-date when it appears in IPEDS. She noted that it is possible to collect more timely local data for the Board by other means.

14. Strategic Plans – Supplemental Report

Board member Westerberg reported that this supplemental information came as a result of the request made by the Board previously. He thanked the agencies and institutions for their follow up. Board member Edmunds asked if a time had been set for the Board to meet with the institutions for a brainstorming meeting. It was noted that such a meeting will be scheduled for a later date. Mr. Edmunds suggested that the relevancy and the age of the data in IPEDS be discussed.

Board member Lewis pointed out that in the strategic planning supplemental reports several references to excellence appear. He encouraged the institutions and agencies continue to identify measures that can actually be measured and that tie tightly to the goal.

15. Board Policy Change – Authorization

M/S (Luna/Edmunds): To authorize the Executive Director to make changes as necessary removing all references to the Idaho Historical Society, the Idaho Commission for Libraries, and the Idaho School for the Deaf and Blind; include the renumbering of sections as necessary. Motion carried unanimously.

Board member Edmunds asked for clarification as to how the Idaho School for the Deaf and the Blind will operate. Mr. Luna noted that attorneys are working to resolve that issue.

INSTRUCTION, RESEARCH, AND STUDENT AFFAIRS1. EPSCoR Summary Report

Doug Baker of UI introduced Greg Bohach to report to the Board. Mr. Bohach is the Director of EPSCoR. He discussed the current EPSCoR activities including the partnership with the Department of Energy. He pointed out that the list of eligible states changes as circumstances change. Mr. Bohach reviewed data that ranks states and noted Idaho made significant advances in that regard.

Board member Edmunds thanked Mr. Bohach for his presentation. He noted that the Board will be responsible to appoint new members to the committee. Mr. Bohach mentioned the upcoming meetings that are on the calendar and if Board members are interested in attending, Idaho EPSCoR may be able to help with the costs.

Board member Terrell asked that the Board be provided with the electronic version of the presentation. He asked that the Board's Executive Committee review where the Board is with EPSCoR is at this time and to update the full Board in the future. Board member Lewis asked to

see the list of current projects. Mr. Bohach noted that list is available on the website, but he will also provide the Board with a written list. He explained that the current grant runs through 2013.

2. Northern Idaho Consortium for Higher Education (NICHE) Local Operations Committee – Summary Report

President Priscilla Bell was introduced to present this report. She noted that the presentation was provided to the Board in the agenda materials. She emphasized this coalition is an effective way for the institutions to work together with business and industry. Mr. Luna asked about the involvement of this group with professional-technical education (PTE) efforts in the three school districts and NIC.

3. Idaho Comprehensive Literacy Assessment Report

Dr. Dale Bower of the Board staff presented this report. Mr. Edmunds noted that the number of students who are taking the test has decreased. Dr. Bower indicated that has much to do with the current economy as well as needs in various areas. Mr. Luna observed that this is indicative of what has been going on over the past years where there is more and more of a teacher shortage, and fewer and fewer people pursuing a teaching career. He emphasized that there are alternative routes in place to help meet the need.

4. Idaho State University – Approval of Notice of Intent: New Administrative Unit – Department of Medicine and Surgery

M/S (Edmunds/Terrell): To refer the consideration of the Notice of Intent from Idaho State University to create a new Department of Medicine until the Medical Education subcommittee presents its findings. Motion carried unanimously.

Dr. Vailas of ISU presented this item to the Board.

5. PULLED

6. University of Idaho – Change to the Constitution of the University Faculty

M/S (Edmunds/Terrell): To approve revisions to the Constitution of the Faculty of the University of Idaho as set forth in the materials presented to the Board. Motion carried unanimously.

Provost Doug Baker presented this item. He briefly discussed the proposed changes to the Constitution of the University of Idaho Faculty. It will more broadly represent faculty around the state and also allow them to vote and participate via electronic medium.

7. Approval of Higher Education Research Council (HERC) FY 2010 Budget

M/S (Edmunds/Westerberg): To approve the FY 2010 HERC Budget Allocation as presented. Motion carried unanimously.

Board member Edmunds presented this item.

8. Idaho Technology Incentive Grant Program FY 2010 Award

M/S (Edmunds/Soltman): To approve funding of review committee recommended projects under the Idaho Technology Incentive Grant Program for FY2010 totaling \$1,275,600 as submitted.

Board member Edmunds presented this item. Board member Terrell reported that the Idaho Technology Incentive Grant review committee had received a number of proposals which were carefully evaluated. He pointed out that the caliber of the proposals was greatly improved. Mr. Edmunds noted that a number of the projects are to promote online learning. He explained that Dr. Bower of the Board office will follow up to determine the outcomes of these projects.

9. First Reading – Proposed Amendment to Board Policy III.Y. Advanced Opportunities, Idaho Standards

M/S (Edmunds/Soltman): To approve the first reading of the proposed amendments to Board Policy III.Y. Advanced Opportunities. Motion carried unanimously.

Dr. Bower presented this item. She noted the amendments had to do with revising the definition of full-time student.

10. Distribution of \$500,000 for Advanced Opportunities Training

M/S (Edmunds/Soltman): To approve the distribution plan to allocate \$500,000 to Idaho's LEA's for teacher/administrator training to increase the effectiveness of providing advanced learning opportunities for students. Motion carried unanimously.

Board member Edmunds presented this item.

11. One Year Contract Renewal with Questar Assessment, Inc., for Idaho English Language Assessment (IELA)

M/S (Edmunds/Soltman): To approve a one-year contract extension with Questar Assessment, Inc. at a cost of \$595,093. Motion carried unanimously.

12. Idaho Accountability Workbook

M/S (Edmunds/Luna): To approve the proposed amendments to the State of Idaho Consolidated State Application Accountability Workbook as submitted. Motion carried unanimously.

State Superintendent Luna indicated that this will move Idaho towards a growth model in determining Annual Yearly Progress which will allow schools to receive credit for growth. He emphasized that while this has been added, the bar has also been raised on proficiency.

AUDIT COMMITTEE

1. Eastern Idaho Technical College – Foundation Operating Agreement

M/S (Lewis/Edmunds): to approve the Memorandum of Understanding between the Eastern Idaho Technical College Foundation and Eastern Idaho Technical College, and to recognize the Eastern Idaho Technical College Foundation as an affiliated foundation to benefit Eastern Idaho Technical College. Motion carried unanimously.

2. PULLED**BUSINESS AFFAIRS AND HUMAN RESOURCES – Section I Human Resources**1. Idaho State University – Head Men’s Basketball Coach Contract

M/S (Westerberg/Edmunds): To approve the request by Idaho State University for a multi-year employment agreement as submitted for Joe O’Brien, Head Men’s Basketball Coach (1.0 FTE). Motion carried unanimously.

2. University of Idaho – Head Women’s Basketball Coach Contract

M/S (Westerberg/Terrell): To approve the request by the University of Idaho for a multi-year employment contract as submitted for Jon Newlee, Head Women’s Basketball Coach. Motion carried unanimously.

Kent Nelson and Lloyd Mues of UI provided clarification to the Board on this item regarding supplemental compensation and the actual Academic Progress Rate. A vote on this motion was briefly deferred in order to allow time for UI to make the calculations. The motion was restated by Westerberg. It carried unanimously.

3. Second Reading – Board Policy I.E., Executive Officers

M/S (Westerberg/Terrell): To approve the second reading of the amendment to Board Policy I.E., Executive Officers as revised to retain the original language restricting the use of funds for supplemental compensation from affiliate institution foundations or other sources in sections I.E.1.c.(i) and I.E. 3.d. Motion carried unanimously.

The motion makers agreed to include the language “or other sources” in the motion.

Mr. Westerberg indicated that it was important to be able to offer multi-year contracts in order to recruit and compensate institution presidents. He noted that he is not in favor of using foundation funds, as a matter of practice, to compensate presidents. It was pointed out that it is possible for the Board to waive the policy when deemed appropriate to do so.

4. Presidential Compensation

This item was deferred until later in the meeting.

BUSINESS AFFAIRS AND HUMAN RESOURCES – Section II – Finance1. FY 2011 Line Item Requests

By unanimous consent, the Board agreed to move ahead with the project and have staff prioritize items in the way that seems most reasonable.

Board member Westerberg presented this item. Executive Director Rush explained that the Critical Needs category had to do with the changes that resulted from the use of stimulus funds. It was noted that if the total shortfall amount can’t be replaced, specific cuts will need to be identified. Those specific have yet to be identified. Board member Westerberg pointed out that

the specific details will be provided at the August meeting. This item serves to give notice to the institutions so they can have the necessary discussions on their campuses in order to prepare. It is a preliminary step in the process.

In the discussion of the various line items, Mr. Westerberg referenced the One-Time Unique items. Board member Edmunds raised the point that some of the One-Time Unique items are specific and some are generic. Board President Agidius explained that the list gives the Legislature the information they have asked for as to what the institutions see as their needs. Mr. Westerberg observed that there is not much likelihood of there being sufficient money for the Legislature to even consider the one-time items this term. Board member Edmunds expressed a desire to have the items prioritized. The Board agreed, by unanimous consent, for Board staff work on this item.

At this time the Board returned to item four of Business Affairs and Human Resources – Section I agenda, Presidential Compensation.

4. Presidential Compensation

M/S (Westerberg/Soltman): To approve the waiver by the State Board of Education of II.G.6.i., pertaining to the granting of tenure to institutional presidents for Dr. Robert Kustra as President of Boise State University and the waiver of I.E.2.e., pertaining to the receipt of supplemental compensation from an affiliated institutional foundation for Dr. Robert Kustra and Dr. Art Vailas. Motion carried unanimously.

M/S (Westerberg/Edmunds): To approve the annual salary for Dr. Robert Kustra as President of Boise State University effective July 1, 2009 in the amount of \$336,410 (comprised of \$299,410 in institutional funds, and \$37,000, plus such additional amount required for benefits, in supplemental compensation to be provided by the BSU Foundation), and to direct staff to prepare an employment agreement with Dr. Kustra for a three (3) year term and containing employment terms and conditions, for future consideration by the Board. Motion carried 6-1 (Luna voted Nay).

M/S (Westerberg/Terrell): To approve the annual salary for Dr. Art Vailas as President of Idaho State University effective July 1, 2009, in the amount of \$323,650 (comprised of \$286,650 in institutional funds, and \$37,000, plus such additional amount required for benefits in supplemental compensation to be provided by the ISU Foundation), and to direct staff to prepare an employment agreement with Dr. Vailas for a three (3) year term and containing employment terms and conditions, for future consideration by the Board. Motion carried 6-1 (Luna voted Nay).

M/S (Westerberg/Terrell): To approve the annual salary for Dr. Dene Thomas as President of Lewis-Clark State College effective July 1, 2009, in the amount of \$162,654, and to direct staff to prepare of employment agreement with Dr. Thomas for a three (3) year term and containing employment terms and conditions, for future consideration by the Board. Motion carried 6-1 (Luna voted Nay).

M/S (Westerberg/Terrell): To approve the annual salary for Burton L. Waite as President of Eastern Idaho Technical College effective July 1, 2009, at an annual salary of \$115,000, and to direct staff to prepare an employment agreement with Mr. Waite for a one (1) year

term and containing employment terms and conditions, for future consideration by the Board. Motion carried unanimously.

M/S (Westerberg/Edmunds): To approve the annual salary for Mike Rush as Executive Director of the Idaho State Board of Education effective July 1, 2009, at an annual salary of \$110,011.12, and to direct staff to prepare an employment agreement with Dr. Rush for a one (1) year term and containing employment terms and conditions, for future consideration by the Board. Motion carried unanimously.

Mr. Luna indicated that he will vote against certain compensation packages for the presidents because people throughout the state, who also deserve increased compensation, are actually seeing their salaries cut or eliminated.

At this time the Board returned to the Business Affairs and Human Resources – Section II agenda.

2. Student Health Insurance Rates

M/S (Westerberg/Soltman): To approve Boise State University's request to approve the 2009/2010 student health insurance premiums, and to permanently delegate to the executive officer the approval of these rates. Motion carried unanimously.

M/S (Westerberg/Terrell): To approve Idaho State University's request to approve the 2009/2010 student health insurance premiums, and to permanently delegate to the executive officer the approval of these rates. Motion carried unanimously.

M/S (Westerberg/Luna): To approve Lewis-Clark State College's request to approve the 2009/2010 student health insurance premiums, and to permanently delegate to the executive officer the approval of these rates. Motion carried unanimously.

Board member Westerberg presented this item.

At this time the Board moved to item 18 of the agenda.

18. Room and Board Rates (MOVED to after item 2)

M/S (Westerberg/Terrell): To ratify the Room and Board rates approved by each of the institution's presidents for Boise State University, Idaho State University, the University of Idaho, and Lewis-Clark State College as shown in the respective tabs, and to delegate to the institution presidents the authority to approve these rates. In the future, these reports will be submitted to the Office of the State Board of Education and made available to the Board on request. Motion carried unanimously.

3. NCAA Academic Progress Rate (APR) Reports

Board member Westerberg presented this informational item.

4. Identify Theft (Red Flag) Policies

M/S (Westerberg/Edmunds): To approve the requests by Boise State University, Idaho State University, University of Idaho, and Lewis-Clark State College to adopt each institution's written Identity Theft Prevention Program and to delegate to each institution's Vice President for Financial Administration further responsibility. Motion carried unanimously.

5. Boise State University – Memorandum of Understanding and Ground Lease with American Campus Communities

M/S (Westerberg/Luna): To approve the request by Boise State University to enter into a Memorandum of Understanding for a multi-phase student housing project with American Campus Communities and to approve the Summary of Ground Lease Terms in substantially the same form as the attached lease, and to authorize the Financial Vice President to execute all necessary related documents. The final ground lease will be brought to the Board for final approval prior to execution. Motion carried 5-0 (Agidius absent during vote; Terrell exempted himself from the discussion and vote on this item as he has an interest in the project.)

It was stipulated that the motion included the presumption that BSU will negotiate a cap on the 3%. The Board agreed to that stipulation by unanimous consent.

Board member Edmunds raised a concern that the MOU would create a binding effect or in some way limit the Board's ability in the future. Stacy Pearson of BSU indicated that University took great care in crafting the MOU to make sure it didn't cause future issues. The MOU lays out the responsibility for each party if they can't agree on how to move forward. Board member Lewis asked if the reimbursable costs are set, or is there a possibility that they could be higher. Kevin Satterlee of BSU indicated that they are set in the preliminary budget. Mr. Lewis expressed concern that these are high development costs. Kevin Satterlee noted that the MOU shows the scope of the project. Representatives in the audience from American Campus Communities agreed that it is possible to state the limit. The cap will be 3% of the Phase I costs.

6. Boise State University – Lease Agreement with College of Western Idaho

M/S (Westerberg/Luna): To approve the request by Boise State University to enter into the lease agreement, as submitted, with the College of Western Idaho. Motion carried 6-0 (Terrell absent during the vote).

7. Boise State University – Park and Ride Agreement with College of Western Idaho

M/S (Westerberg/Luna): To approve the request by Boise State University to enter into the Memorandum of Agreement relating to bond financing of the parking lot on the Nampa campus and provision of a park-and-ride system with the College of Western Idaho. Motion carried 6-0 (Terrell absent during vote).

8. University of Idaho – Fire Alarm Improvements to Wallace Complex

M/S (Westerberg/Soltman): To authorize the University of Idaho to proceed with the planning and design phases only of a Capital Project for the Wallace Residence Center Fire Detection, Alarm and Suppressions System Improvements, at a cost not to exceed \$75,000, to be funded from University housing reserves. Authorization includes the

authority to execute all necessary and requisite contracts to implement the planning and design phase of the project. Motion carried 6-0 (Terrell absent during vote).

Board member Soltman asked if the institutions are required to go out for bid. Lloyd Mues indicated that UI will go out for bid on this project because it is something the University is not equipped to do.

9. University of Idaho – Faculty/Staff Handbook Revisions

M/S (Westerberg/Edmunds): To approve the request by the University of Idaho to amend the Faculty Staff Handbook section 5300 in substantial conformance to the amendments submitted to the Board in Attachment 1. Motion carried 6-0 (Terrell absent during the vote).

10. University of Idaho – Renovation of Niccolls Building

M/S (Westerberg/Edmunds): To authorize the University of Idaho to proceed with planning and design for the renovations and improvements of the Niccolls Family and Consumer Sciences Building, at a cost not to exceed \$125,000, to be funded with gift funds. Authorization includes the authority to execute all necessary and requisite contracts to implement the planning and design phase of the project. Motion carried 6-0 (Terrell absent during the vote).

11. University of Idaho – Building Management Contract – Idaho Water Center

M/S (Westerberg/Edmunds): To approve the Management Agreement for building management services at the Idaho Water Center between University of Idaho and Colliers Paragon, LLC, in substantial conformance to the form submitted to the Board in Attachment 1. Motion carried 5-0 (Terrell and Luna absent during vote).

12. University of Idaho – Idaho Alumni Association of Alpha gamma Rho, Inc., Purchase of TKE House

M/S (Westerberg/Soltman): To approve the sale of improvements and personal property and to approve the ground lease related to the real property owned by the University located at 745 Nez Perce Drive, Moscow, Idaho, to the Idaho Alumni Association of Alpha Gamma Rho, Inc., and to authorize the University's Vice President for Finance and Administration to execute the purchase agreement, ground lease, and related transactional documents in substantial consistency with the drafts submitted as part of this request. Motion carried 6-0 (Terrell absent during vote).

13. University of Idaho – Paradise Creek Realignment with Corp of Engineers

M/S (Westerberg/Edmunds): To approve the Paradise Creek Ecosystem Restoration Project at a cost not to exceed \$6,691,000, of which the total commitment by the University of Idaho shall not exceed \$2,342,000, comprised of \$169,000 of in-kind contributions and the long-term land commitment of \$2,173,000, and to approve the agreement between the University of Idaho and the Department of the Army Corps of Engineers in substantial conformance to the form submitted to the Board in Attachment 2, and to authorize the University Vice President for Finance to execute all other necessary and requisite agreements to complete the Project as described herein. Motion carried 6-0 (Terrell absent during vote).

Lloyd Mues explained this item and noted that the University will continue to own the property.

14. University of Idaho – Settlement Agreement

M/S (Westerberg/Soltman): To approve the settlement of the legal matter discussed in executive session and to authorize the Vice President of Finance at the University of Idaho to sign all necessary settlement documents. Motion carried 6-0 (Terrell absent during the vote).

15. Lewis-Clark State College – Property Sale – Rental Apartments

M/S (Westerberg/Luna): To approve the request by Lewis-Clark State College to sell the property (six-plex) apartments located at 619-627 6th St., and 601 7th Ave., Lewiston, Idaho, for not less than \$74,000 or appraisal amount, whichever is greater, and to delegate to the Financial Vice President for Lewis-Clark State College to execute all necessary documents to complete the transaction. Motion carried 6-0 (Terrell absent during vote).

16. PULLED17. PULLED18. Room and Board Rates (MOVED up on the agenda to follow item 2)19. Proposed Lease Agreement

M/S (Westerberg/Soltman): To approve the lease agreement, as submitted, with the Idaho School for the Deaf and the Blind/Idaho Bureau of Educational Services for the Deaf and the Blind. Motion carried 6-0 (Terrell absent during vote).

DEPARTMENT OF EDUCATION1. Superintendent's Update

State Superintendent Luna asked to have the Department of Education placed first on the August Board agenda in order to allow sufficient time for presentations. He noted that SDE has hired Carissa Miller to be its Assessment Director starting in July.

2. Temporary and Proposed Rule – IDAPA 08.02.02.004, Rules Governing Uniformity, Incorporated by Reference And 08.02.02.230, Rules Governing Uniformity, Driver Education

M/S (Luna/Terrell): To approve the Idaho Operating Procedures for Public Driver Education Programs. Motion carried unanimously.

M/S (Luna/Terrell): To approve the temporary and proposed rule change to IDAPA 08.02.02.004 and 08.02.02.230, Rules Governing Uniformity. Motion carried unanimously.

3. Temporary Rule – IDAPA 08.02.03.004, Rules Governing Thoroughness, Incorporated by Reference

M/S (Luna/Terrell): To approve the Proficiency Level Cut Scores and Performance Level Descriptors for the Idaho Alternate Assessment Science for grades 5, 7, and 10 and to incorporate them into the Alternate Achievement Standards for the Idaho Comprehensive Assessment system. Motion carried unanimously.

Board member Lewis noted that the provisions here rest on the definition of disabilities. Mr. Luna indicated that he is comfortable that this rule will meet the intent of that definition.

M/S (Luna/Edmunds): To approve the temporary rule IDAPA 08.02.03.004, Rules Governing Thoroughness, Incorporation by Reference. Motion carried unanimously.

4. Proposed Rule – IDAPA 08.02.03.170, Rules Governing Thoroughness, Middle Level Credit Requirements

M/S (Luna/Soltman): To approve the proposed rule IDAPA 08.02.03.107, Rules Governing Thoroughness, Middle Level Credit Requirements as submitted. Motion carried unanimously.

5. Creation of a State Board Subcommittee to Review Restructuring Plans

M/S (Luna/Westerberg): To approve the request by the State Department of Education for the State Board of Education to appoint a subcommittee to review restructuring plans. Motion carried unanimously.

Mr. Luna explained that restructuring is required under No Child Left Behind if a school does not meet AYP for two years in a row. Mr. Luna suggested the Board should be able to review restructuring plans. A standing committee could be used as needed. Executive Director Rush indicated that the final recommendation for restructuring would have to come to the Board for approval.

6. Idaho State Accreditation Report

M/S (Luna/Terrell): To approve the request by the Northwest Association of Accredited Schools to approve the 2008-2009 Accreditation Summary Report of Idaho Schools as submitted. Motion carried unanimously.

7. Appointments to the Professional Standards Commission

M/S (Luna/Terrell): To approve Karen Pyron as a member of the Professional Standards Commission for a term of three years representing elementary school principals. Motion carried unanimously.

M/S (Luna/Soltman): To approve Christine Rood as a member of the Professional Standards Commission for a term of three years representing private higher education. Motion carried unanimously.

It was clarified that the person representing Private Higher Education serves on a rotating basis.

8. Request for Waiver of 103% Student Transportation Funding Cap for Garden Valley School District

M/S (Luna/Terrell): To approve the requests for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2009, for the following school districts: Plummer Worley School District at a new cap percentage rate of 115.5%; Garden Valley School District at a new cap percentage rate of 143%; Orofino School District at a new cap percentage rate of 112%; Moscow School District at a new cap percentage rate of 109.6%; Lapwai School District at a new cap percentage rate of 117.3%; Kellogg School District at a new cap percentage rate of 109%; and Wallace School District at a new cap percentage rate 117.3. Motion carried unanimously.

State Superintendent Luna explained that 19 districts had applied for waivers; seven have been brought forward to the Board. It was explained that the Department of Education transportation staff carefully reviewed and thoroughly studied each request. Department staff are confident that these seven districts meet the standards. It was agreed to merge all seven into a single motion.

9. Request for Waiver of 103% Student Transportation Funding Cap for Kellogg School District

Refer to item 8.

10. Request for Waiver of 103% Student Transportation Funding Cap for Lapwai School District

Refer to item 8.

11. Request for Waiver of 103% Student Transportation Funding Cap for Moscow School District

Refer to item 8.

12. Request for Waiver of 103% Student Transportation Funding Cap for Orofino School District

Refer to item 8.

13. Request for Waiver of 103% Student Transportation Funding Cap for Plummer/Worley School District

Refer to item 8.

14. Request for Waiver of 103% Student Transportation Funding Cap for Wallace School District

Refer to item 8.

15. Requests to Transport Students Less Than One and One-Half Miles/Safety Busing

M/S (Luna/Terrell): To approve the requests by one hundred school districts and twelve charter schools for Approval to Transport Students Less than One and One-half Miles. Motion carried unanimously.

16. Adjusted Trustee Zones for Arbon Elementary School District

M/S (Luna/Edmunds): To approve the adjusted trustee zones for the Arbon Elementary School District as submitted. Motion carried unanimously.

OTHER BUSINESS

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

M/S (Terrell/Soltman): To adjourn at 3:30 p.m. Motion carried unanimously.