

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

TAB	DESCRIPTION	ACTION
1	DIFFERENTIAL FEES	Information item
2	BOISE STATE UNIVERSITY Right of Way Vacation Agreement – Ada County Highway District	Motion to approve
3	BOISE STATE UNIVERSITY Geothermal Agreement – City of Boise	Motion to approve
4	BOISE STATE UNIVERSITY Purchasing Policy	Motion to approve
5	BOISE STATE UNIVERSITY Lincoln Avenue Student Housing Project	Motion to approve
6	IDAHO STATE UNIVERSITY Naming/Memorializing Buildings & Facilities - Softball Fields	Motion to approve
7	IDAHO STATE UNIVERSITY Idaho Accelerator Center (IAC) Expansion Project	Motion to approve
8	UNIVERSITY of IDAHO Outdoor Track Renovation Project	Motion to approve
9	UNIVERSITY of IDAHO Request for Proposals – Television Cable Project	Motion to approve

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TAB	DESCRIPTION	ACTION
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	UNIVERSITY OF IDAHO	
10	Kibbie Dome Enhancement Project – Game Day Renovation	Motion to approve
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11	UNIVERSITY of IDAHO Sponsorship Agreement – Litehouse, Inc.	Motion to approve
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12	UNIVERSITY of IDAHO Center for Advanced Microelectronics and Biomolecular Research (CAMBR) Laboratory	Motion to approve
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13	LEWIS-CLARK STATE COLLEGE Refinancing of Clearwater Hall	Motion to approve
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	FY 2012 LINE ITEMS	
14	a. FY 2011 Supplemental Requests b. Summary & Detail c. Occupancy Costs d. Center for Advanced Energy Studies e. Scholarships f. Strategic Initiatives Summary & Detail	Motion to approve
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	AMENDMENT TO BOARD POLICY	
15	Section V.R.3.a.x. – In-Service Teacher Education Fees, First Reading	Motion to approve
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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

SUBJECT

Revising Fee Policy to Allow for Differential Fees

REFERENCE

September 2001	Board authorizes UI to bring a proposal to the Board to implement differential fees on a limited basis.
March 2002	UI asks Board for additional time to talk about the issue with students and other stakeholders, and bring a proposal back at a later date.
October 2008	Institutions request direction from the Board whether there is support for a mechanism to request differential fees by the college or universities. Board directs staff to bring forward an amendment to Board Policy V.R.3., adding differential fees.

APPLICABLE STATUTES, RULE OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.R.3.b.

BACKGROUND / DISCUSSION

In general terms, differential fees refer to any additional fees that are supplementary to the base tuition level approved by the Board. These fees would be charged to a particular group of students based on criteria identified and approved by the Board. Criteria for differential fees can include college, program, major, class standing, etc. Differential fees are generally intended to: 1) offset higher than average instructional costs; 2) provide supplemental resources to enhance program quality; or 3) reflect the market for programs with high demand.

Professional fees, which are allowed under current Board Policy, differ from differential fees. To designate a professional fee for a Board approved program, the program must have credentialing and accreditation requirements as well as extraordinary program costs.

Differential fees have been discussed at the concept level in numerous Financial Vice Presidents (FVP) meetings since the Board's directive in 2008. Last fall, the FVPs and staff began discussing and reviewing draft policy language. CAAP has been included and provided opportunity for input. On April 21, 2010, a joint meeting of CAAP and FVPs was held in Moscow. Board members Edmunds, Lewis, Luna, and Soltman were in attendance. Keith Ickes of UI presented a white paper on differential fees which provided a framework for the discussion.

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IMPACT

Deans of the colleges of business and colleges of engineering at the three universities have expressed interest in differential fees, but only at the conceptual level. No specific fee amount has been formally identified.

Some systems or institutions with differential fees require a financial aid component. For example, one approach used is to set aside a certain percentage of the differential fee for need-based fee remissions to be awarded to needy students who fall under the criteria used to assess the fee.

ATTACHMENTS

Attachment 1- SBOE Review of Differential Tuition

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STAFF COMMENTS AND RECOMMENDATIONS

The deans of the colleges of business at the three universities met with Dr. Rush to discuss differential fees. When he pressed the deans to identify their end-goal, they eventually agreed that all they really wanted was to have a portion of the tuition collected from their students to go directly to the colleges of business. This, of course, is a matter of revising internal institutional budget policy and practice, not implementing differential fees.

The institutions are requesting direction from the Board whether there is continued support for a mechanism to request differential fees by the college or universities. If the Board directs the institutions to proceed, a proposed policy would be brought for first reading at the August, 2010 meeting.

BOARD ACTION

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

Keith Ickes, UI
February 22, 2010

**State Board of Education
Review of Differential Tuition**

“Differential Tuition” refers to any tuition charge to the students of a particular group that is different than the tuition charged to other students, where the difference is based on certain factual criteria.

Tuition can be differentiated on the basis of many different criteria. For example:

Residency

Class standing

College/Major

Full-time / Part-time status

Funding source

Course Delivery Method

The tuition is differentiated via specific fees assessed on the basis of any of the previous criteria.

The following material will look at examples of differential tuition based on each of the criteria listed above. There is also a brief discussion of the various ways in which institutions allocate or budget the additional revenue these differential tuition rates bring.

Residency

For most public institutions it is common practice to differentiate tuition according to student residency. In fact, in many public institutions of higher education this is the only manner in which undergraduate tuition is differentiated. Where the state is subsidizing the costs of instruction for its residents, non-residents are expected to pay the full cost of instruction and, in probably the majority of the cases, non-residents pay substantially more than the calculated cost of instruction – from 120% to as high as 150% of calculated instruction cost. In areas where there is local tax district support for an institution (usually a community college or vo-tech school), there may be different charges for students “out-of-district” and even higher charges for students out of state.

Tuition based on residency can be differentiated in other ways as well. Non-resident tuition at CU-Boulder is \$18,120 per academic year for a full time student. However, CU-Boulder does not have a lower, pro-rated tuition level for non-residents who are less

than full time. In short, a non-resident undergraduate at CU-Boulder pays the same tuition (\$18,120) per year whether they take 1 credit hour a semester or 18 hours a semester. If the student takes more than 18 credit hours a semester, they pay an additional \$1,006 per credit hour to do so. This differentiation, no part-time tuition rate for non-residents, is based on program or, in this case, institution demand. There is so much non-resident interest in the institution that they can demand full time tuition from all non-residents – truly a market driven rate.

Miami University of Ohio, a public institution, made national news a number of years ago with their decision to charge resident students the “same” tuition as they charge non-residents. When you read further into their proposal the announced tuition for residents and non-residents would be the same amount, but then resident students would be eligible for special “scholarships” driven by state general fund support for the campus. This proposed tuition program does create the potential for Miami to charge some resident students the full non-resident tuition based on the students’ ability to pay. That is, Miami could (potentially) direct their general fund support to need-based aid for resident students rather than as a generalized subsidy for all enrolled resident students. Colorado State University employs a somewhat similar plan with respect to “unsubsidized” students in the PVM program. Based on the level of state support for the program, there are a fixed number of seats in an entering class for Colorado residents at a subsidized price. Once those seats are filled, other Colorado residents who meet the requirement for admission to the program can attend but will pay the full, unsubsidized tuition rate. This is another example of differential tuition driven by market demand.

Class Standing

Patrick Callan (National Center for Public Policy and Higher Education) references a 1996 California study/proposal that suggested a tuition plan to differentiate tuition rates by class standing, with higher tuition levels for students the higher their class standing. That is, lower tuition levels for freshmen and sophomores and higher tuition levels for juniors and seniors, with the potential that this could be further differentiated so that freshmen paid less than sophomores and juniors less than seniors. Oklahoma State University has practiced a form of such tuition differential by class standing. Their tuition is assessed on a straight per-credit-hour basis. For resident students, upper division courses were priced 6.6% higher than lower division courses; for non-residents the upper division premium was 10.7%. As another example, the College of Engineering at the University of Michigan charges higher tuition for each successive class level.

There could be several significantly different rationales for such an approach. By making the freshmen and sophomore years less expensive, the institution may be more affordable (at least initially) for more students and thus such a tuition strategy could improve student access and increase student choice for the institution. Another rationale may be based on cost. Several states have analytical models that try to determine the cost of instruction at different course levels. The Idaho SBOE has such a model at work in their EWA analysis; Texas has a complex version of this type of model,

driven by many years of cost studies. The state of Ohio also has a similar model. These models all indicate that, in general, the cost of upper division instruction is higher than that for lower division instruction – regardless of discipline. Given that fact, it might then be appropriate to charge upper division students (or students – regardless of level – who are taking upper division courses) a higher tuition rate to recognize this higher cost.

Another way to use differential tuition by class standing is as a means of phasing in significant tuition increases. Several public institutions across the country have been engaged in such a practice. They are increasing the tuition for incoming freshmen at higher levels than for continuing students – one form of differentiation by class standing. The University of Illinois has did this for several entering freshmen classes. In each case, the tuition for entering freshmen was \$1,000 higher than the tuition levels for continuing students. Normal, inflationary increases are then applied to this higher tuition level in subsequent years. Over a period of four years Illinois will move most of its students to a much higher overall level of undergraduate tuition. Obviously, this tuition differentiation is a short term plan to move overall tuition to substantially higher levels without announcing very large percentage tuition rate increases to the majority of the student population. Once that new higher tuition rate is reached, the institution may cease to differentiate by class standing. The university's decision to chose this method for raising overall tuition levels appears to be based on perceived market demand for a University of Illinois degree. In effect, you are only an 18 year old new high school graduate once and if you want to go to the University of Illinois for your degree, then you will pay whatever the going tuition rate is. Obviously, even at these higher rates, going to the U of Illinois is considerably cheaper than going to any of the private universities with which it favorably compares.

College / Major

These two criteria for differentiation can be grouped together as simple variations on a theme – differentiation by the program in which the student is enrolled. Again, there can be several very different rationales for such a tuition difference. First, state cost-of-instruction models all show different levels of cost for different academic programs. For example, the Texas model indicates that Engineering instruction costs between 1.7 to 2.7 times as much as similar level Liberal Arts instruction. However, most of the institutions that are differentiating tuition levels by program/major/college make that differentiation at levels far less than the cost differentials. For example, Engineering tuition at CU-Boulder is \$3,350 per year compared to \$2,776 for Liberal Arts students – a ratio of 1.2:1 and a long way from the 2.7:1 ratio the Texas cost model would suggest for lower division Engineering courses. The University of Missouri – Columbia does make a substantial differentiation in tuition for selected programs. Resident tuition is \$4,956 per year or about \$165.20 per credit hour for a full time (30 hours per year) student. Engineering students pay a “surcharge” of \$42.60 per credit hour – a 25.8% premium over regular tuition levels. For Journalism students the surcharge is \$30.20 per credit hour (18.3% premium) and for Allied Health courses the difference is \$41.80 per credit hour (25.3% premium).

A second rationale for differentiating tuition by program is that the starting salaries for graduates from these programs are higher (or much higher) than the starting salaries for students in say Liberal Arts majors. Based on that salary difference, a campus may determine that they can charge more (since the students are more willing to borrow funds for their education given the greater financial return) or that they should charge more (it's only fair to make those who will earn more pay more for their education). Finally, one can rationalize differential tuition by program based on demand and availability of the program. For example, Illinois at Urbana-Campaign has a very highly ranked Engineering program, particularly their electrical engineering department. As a result, student demand for the program is quite high and well beyond program capacity or even desired program capacity. Illinois has responded to this market factor by restricting access to the electrical engineering program via higher admission requirements than for other programs and by charging a higher tuition for that program. The tuition premium for Engineering at Illinois is approximately 10% (\$6,324 vs. \$5,748 for FY03). A similar rationale fits Colorado State University's "nonsubsidized" resident students in the CSU PVM program – as the second ranked PVM program in the country, students will pay the much higher price for the opportunity to attend there.

Enrollment Status (Part-time, Full-time, More-than-full-time)

Idaho public colleges and universities, like many public institutions, already differentiate tuition levels on the basis of the number of credit hours in which a student is enrolled. That is, at the University of Idaho a student taking 6 credit hours per semester pays \$192.50 per credit hour while a student taking 15 hours pays only \$96.93 per credit hour and a student taking 20 credit hours per semester is paying \$72.70 per credit hour. These differences are the result of a tuition policy that charges per credit hour rates up to 10 credit hours and then a flat rate for any hours taken beyond that level. This is a common practice at many public institutions and is designed, in part, as a financial incentive to encourage students to take a full course load (12 to 15 hours per semester). Many institutions also employ a financial dis-incentive by charging an "overload" fee to students who take more than a specified number of credits per semester – thus differentiating "overloads" from otherwise expected semester course loads.

Some institutions choose to UNdifferentiate their undergraduate tuition by charging a flat tuition rate per credit hour for each and every credit hour a student takes. Other institutions raise the level at which a flat tuition rate takes effect. That is, they increase the point at which they charge a flat tuition rate, say from 9 credit hours to 12 credit hours. Thus a student who previously paid 9 times the per credit hour charge for 12 hours of enrollment (because the student was in the "flat rate zone"), now pays 12 times the per credit hour rate for their 12 credits (a 33% increase).

Funding Source

A number of public institutions have begun to differentiate their program offerings and tuition rates by funding source. This has been true for some time in Idaho. In particular,

differential charges apply to cash funded programs compared to “General Education” programs. For example, there may be a “differential” tuition rate for resident students who enroll in a Distance MBA program. In such a program, which is cash funded, resident students may be paying two to three times the per-credit-hour rate compared to similar Gen Ed courses. Non-residents in the program may pay the same tuition as residents. Because it is a “cash funded” program, these instructional costs do not receive any state assistance. The resulting tuition level may be close to the full average cost of instruction but is also subject to market constraints (what other similar distance MBA programs are charging). It is not unusual for similar programs, leading to exactly the same degree (MBA at..., for example) to charge very different tuition rates. For example, at Colorado State University, the “Gen Ed” MBA program cost a resident student about \$6,728 to complete; the Distance MBA program would cost the same student \$16,128 to complete and the Executive MBA program would have cost that same student \$41,000 to complete. Each program, while leading to the same degree, was targeted at individuals in specific circumstances (for example, employed professionals with corporate support for the Executive MBA) and was priced according to that market and according to its competition. In Idaho the determination to offer a program as cash funded is driven in part by policies related to delivery method (media exchange vs. online vs. in classroom); by the location of the delivery and by market demand.

Delivery Method

Nationally, and in Idaho, campuses are charging differential tuition based on the method by which the course is delivered – specifically, charging more for online courses. In many instances, online courses cost more to deliver per unit of instruction. This may be due to the technology infrastructure that is needed, the professional support staff to operate the technology and the fact that faculty teaching such courses often must devote considerably more time to the course than they need to devote to in-class lectures or discussions. If there is a perception that tuition rates should at least somewhat reflect cost differences, then higher tuition for online courses may be justified. In addition, many students find certain online delivered RI courses to be more convenient and it may be possible to charge a higher tuition in exchange for that convenience.

Course Fees

Most institutions already differentiate the cost of various courses by means of course fees. These are course (and sometimes section) specific fees that are usually associated with direct, identifiable costs of taking that course. For example, a sculpture course may charge a fee for the clay used in the course (the student keeps the product they create in the course; the clay is not reused). A physical education class may charge a course fee for the use of a non-campus facility (bowling alley; ski lift) or a course with an extensive field trip may directly charge each enrolled student for the cost of the transportation. These are differential costs, but, generally, are not considered to

be differential tuition because the student directly pays for, and consumes, the material or service in question.

When differential tuition is being considered, there may be discussion as to whether course fees should be “rolled into” the differential tuition rate. In general, well constructed course fees are very “transparent” to the student – the fee is for a well defined product or service (you have access to the bin of clay; a non-university van arrives to take you on the field trip). Tuition, on the other hand, is generally “non-transparent” – the costs being covered by the tuition charges are not obvious (faculty salaries; infrastructure; support staff; etc). As long as the course fees are transparent or well constructed, then it is generally a sound strategy to continue to charge these fees as a separately identifiable assessment to the students, rather than roll them into the less transparent tuition category.

However, some course fees, such as technology assessments for particular technology infrastructure, are no more transparent than the tuition itself. What the fee is intended to cover are technology upgrades, maintenance, and replacement, all taking place over time and outside of the immediate realm of the currently enrolled students– and that is not visible or clear to students. In such cases, rolling the course fee into the differential tuition charge may well make sense and would result in no loss of transparency to the students.

Multiple Simultaneous Differentiations

Of course, an institution may employ a combination of these differentiation strategies at the same time. For example, the University of Illinois differentiated their tuition on the basis of residency, class standing, college and department – all of this within their regular “general education” programs. The University of Michigan charges differential tuition by residency, by college and also charges higher tuition for upper division students within each college. Colorado State University differentiates based on residency, class standing (lower division, upper division) for all of its colleges, then differentiates by college or program (Computer Science) and by mode of delivery.

Allocation of Revenue from Differential Tuition

Many public institutions pool all revenue sources and then allocate financial resources colleges, departments and administrative divisions based on determined levels of instruction and support that the institution wishes to provide. These allocations acknowledge, at some underlying level, the costs of instruction in various programs as well as the ability of the program to generate additional revenue. For example, many institutions provide funding for the colleges of Engineering, Natural Resources and Veterinary Medicine that is not adequate to fund the current number of faculty for a full nine months. In these programs there is the expectation that faculty can and should bring in externally funded research at a level sufficient to cover about 2 months of their nine month salary obligation. Since the faculty in these colleges can generate additional

research revenue to cover part of their salary costs, the institution does not have to fund that program at the level otherwise required for the number of faculty they employ.

A parallel argument can be made for programs that can generate higher levels of tuition revenue.

Institutions which currently differentiate their tuition by class standing or by college or major generally follow similar internal allocation approaches. That is, where there are tuition differences by college or department, that college or department benefits from the additional tuition revenue in some amount and the overall university budget may also benefit from some part of that additional tuition revenue as well – either directly or through the redistribution of institutional funds supporting the program.

Where the University of Illinois collects additional tuition revenue from the \$1,000 surcharge to entering freshmen, this additional revenue is pooled at the institution level and then distributed as part of the overall budget allocation to a college or department.

Where the tuition differential is based on a specific college or major, universities generally make some provision for the program to benefit at least in part from that extra revenue stream. For example, CU-Boulder increased the tuition for their College of Business over a period of four years. For each additional annual increment of \$300 per full time resident student, the College of Business received \$225 and the remaining \$75 was captured in the central pool of tuition dollars to meet general university needs. With the completion of the four year tuition increase plan, the institution credited the College of Business with the full \$1,200 per year per full time resident student that is the result of the differentiated tuition. At the same time, the university will reduce the proportion of general fund dollars or general tuition dollars that are allocated to the College of Business. The final arrangement will be that the College of Business will benefit in total by an amount that is equal to approximately 75% of the total additional revenue that was generated by the differential tuition program.

In addition, since the higher tuition levels in the College of Business drive higher levels of calculated financial need for Business students receiving financial aid, Business students could begin to draw higher percentages of University funded financial aid – to the detriment of other students. CU-Boulder requires the College Business to allocate part of the tuition differential that the college receives to a college-funded financial aid program. So while Business receives 75% of the differential tuition revenue, as much as 15% of that additional revenue is turned into a self-funded financial aid program. The net revenue gain to Business is closer to 63.75% of the tuition differential dollars. Furthermore, one of the justifications for the higher tuition in Business is the need to pay higher salaries for Business faculty. Over the past several years CU-Boulder has authorized general faculty salary raise levels that were higher than the central funds made available for salary raises. That is departments and colleges were permitted to reallocate part of their own funds to fully fund the allowable salary raise. The College of Business is one unit with significant salary pressures and would be permitted to use

some of “their” tuition to increase salaries – another shift of funding responsibility from the central university to the unit with its own expanded revenue source.

The University of Illinois arrives at a similar result, but in a very different manner. Illinois employs a modified version of Responsibility Centered Management budgeting. In RCM, each college and department is directly credited with the total amount of tuition they generate. So Engineering receives full credit for the higher levels of tuition they charge their students. State appropriation, on the other hand, is managed centrally to provide financial “subventions”. That is, general fund revenue is allocated to each college in accordance with the overall level of funding the institution has determined that college should or needs to have minus the tuition amounts for which they have already received credit. The academic units are also charged for the operating cost of the space they occupy as well as for central functions (registrar, accounting, etc.) The result of this approach to distributing differential tuition is that each college may become more dependent on sustaining or increasing their enrollment because of their dependence on the levels of tuition revenue they are generating. In addition, the increases to their combined General Fund and tuition revenue may not be anywhere near the level of the increases to their tuition alone.

Pro’s and Con’s to Differential Tuition

Many public institutions have avoided differential tuition by college or major because of the concern that it has the potential for financially “steering” people to make career and education choices based on affordability rather than being based on student interest, intellectual ability, or societal need. Differential tuition by program can also operationally complicate the funding and distribution of financial aid on a campus.

In addition, differential tuition by college or program can operationally complicate the administration of the undergraduate programs. Each time the university puts “pressure” on a major or college – for example by capping enrollment in the program or by setting a higher GPA level for admission to the program – students respond by finding alternative ways to accomplish the same goals. If they cannot get into art, they enroll as interior design majors (which requires a lot of art classes) and hope to eventually take enough art classes, with good grades, that they can transfer into art or at least graduate with something close to an art degree. If the institution were to put financial pressure on student enrollments in a college or major, by setting a higher tuition for that program, students will likely try to find less expensive majors where they can take courses from the more expensive program. This can cause major shifts in faculty load and create enrollment problems in the less expensive program. It also requires additional administrative oversight to mitigate these problems.

Yet another issue associated with differential tuition by major relates to the fact that colleges or majors are not fully self-contained academic entities. For example, mechanical engineering students take physics and calculus as well as speech and history and English. If you charge the higher tuition based on the student major, that makes some aspects of the process administratively simple (accounts receivable,

financial aid), but suggests that some of that additional tuition revenue should be redistributed to the other programs that are also teaching that student. On the other hand, higher tuition rates could be charged based on who teaches the course rather than according to the student's major. One could charge a higher tuition for Engineering courses because faculty salaries in Engineering and the technology requirements for the program are what increase the cost of the program. In that case, however, the basic administrative tasks become quite complicated (different charges for different courses, each course drop and add can change your tuition, financial aid is constantly changing, etc.) while the distribution of funds is much simpler (it all goes to Engineering).

Several Notes

Most of the interesting discussion and analysis of differential tuition focuses on undergraduate programs. Many graduate and professional degree programs (Law, Architecture, Medicine, Veterinary Medicine) already have well defined and much higher tuition levels to reflect the much higher costs of those programs.

Private higher education institutions ostensibly have the most flexibility to set their tuition levels as they deem appropriate, and, in particular, to set tuition levels consistent with calculated costs for specific programs. However, there appear to be few, if any, of them that make differentiations within the undergraduate programs. For example, undergraduate engineers at Cornell or Princeton pay the same tuition as do undergraduate majors in English Literature. Private institutions do, however, clearly differentiate tuition for graduate and professional programs (Law School or graduate business school).

Second, in virtually no cases where institutions charge differential tuition are there any attempts to tie that tuition differential to specific costs differences in program delivery or to different post-graduation earnings levels for the students in the program with different tuition. In many cases, the differentiation seems to be driven by “whatever the market will bear”. It is certainly true, however, that there is at least a loose relationship between the higher cost for a program and the fact that a higher tuition level is being charged. That is, no one attempts to charge higher tuition for the lower cost Liberal Arts programs.

Traditional counter arguments against the practice of differentiating tuition rates are concerned with economic equality of access to different academic programs and with the administrative complexities that can occur when a student changes majors – new tuition levels may have to be assessed and either more tuition paid or refunded; financial aid packaging may change due to the tuition change, and students may try to “game” the system by declaring one major (with lower tuition) but take classes in another, higher cost major.

Examples**CU-Boulder** Resident Tuition

Arts and Sciences (and others)	\$3,192 year	
Journalism / Music	\$3,264 year	2.3% premium
Engineering	\$3,852 year	20.7% premium
Business	\$4,764 year	49.2% premium

There are no differences in activity or technology fees charged to students in different programs

University of Illinois Resident Tuition

Base	\$5,748 year	
First Year Students	\$6,748 year	17.4% premium
Engineering, Chemistry, Life Sciences	\$6,324 year	10.0% premium
Architecture, Art, Music	\$5,948 year	3.5% premium (fresh/soph)
	\$6,148 year	7.0% premium (junior/sr)

University of Missouri – Columbia Resident Tuition

Base	\$4,956 year
Engineering Surcharge	\$42.60 per credit hour
Journalism Surcharge	\$30.20 per credit hour
Allied Health Course Fee	\$41.80 per credit hour

Oklahoma State University Resident Tuition

Lower Division Courses	\$69.80 per credit hour
Upper Division Courses	\$74.40 per credit hour

University of Georgia Resident Tuition

Base	\$2,790 year	
Landscape Architecture	\$3,390 year	21.5% premium
Journalism/Mass Comm.	Proposed	

University of Michigan

Full Year Tuition for 12-18 credit hours per term

Resident Tuition- Undergraduate Lower Division Upper Division

Architecture and Urban Planning		
Art and Design, Music, Natural Resources, Nursing, Education	\$7,708	\$8,720
Business		\$9,086
Dental Hygiene	\$7,934	\$8,952
Engineering	\$8,226	\$10,682
Kinesiology	\$8,226	\$9,466
Literature, Science & the Arts	\$7,788	\$8,800
Pharmacy		\$9,928

Non Resident Tuition – Undergraduate

Architecture and Urban Planning		
Art and Design, Music, Natural Resources, Nursing, Education	\$24,508	\$26,250
Business		\$26,718
Dental Hygiene	\$24,736	\$26,484
Engineering	\$24,736	\$27,784
Kinesiology	\$26,152	\$28,586
Literature, Science & the Arts	\$24,590	\$26,330
Pharmacy		\$26,250

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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

BOISE STATE UNIVERSITY

SUBJECT

Agreement with Ada County Highway District (ACHD) for right-of-way vacation

APPLICABLE STATUTE, RULE, OR POLICY

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

BACKGROUND/DISCUSSION

The University has been in ongoing discussions with ACHD regarding the right-of-way for streets and alleys in the Boise State University designated expansion zone. In order to facilitate the University's development of the master plan and the continued growth of the University, it is acquiring of all of the adjoining property. As a result, there are alleys and streets which cease to function as access to the former residential parcels. ACHD has found that these streets and alleys can be vacated out of the public right-of-way and to the ownership of the University.

Historically, ACHD sells such right-of-way to the requesting party for fair market value. The University has negotiated an agreement whereby ACHD has found that granting such right-of-way to the University for continued public use for educational purposes constitutes grounds to waive the payment of fair market value for such right-of-way. To formalize this relationship, the University and ACHD entered into negotiations to produce a master agreement for such vacations.

IMPACT

The University will not have to pay for the acquired right-of-way. This gives the University the ability to develop the property to implement the master plan. In particular, the construction of the Micron Business and Economics Building, the construction of new student housing, and the development of walkways, bikeways, and vehicle routes can be built to University standards rather than to public street standards.

In return, the University agrees to grant ACHD an easement of 16 feet in width on the north side of Beacon Street for the future development of right-of-way as Beacon Street widens. By doing so, ACHD will not have to acquire right-of-way from the private property owners on the south side of Beacon. Further the University agrees to work with ACHD to supply ACHD the needed right-of-way for development around the campus, when right-of-way is proper use of such property. Further the University agrees to pay for moving the curb width of Beacon Street by three (3) feet and to accommodate and work with ACHD on future vacations of property.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

ATTACHMENTS

Attachment 1 – Proposed agreement with Ada County Highway District (ACHD) for right-of-way vacation

Page 3

STAFF COMMENTS AND RECOMMENDATIONS

This agreement is being represented as mutually beneficial in that BSU acquires the right of way without payment and ACHD conveys the right of way in consideration for an easement and certain street improvements. The consideration received by ACHD for this transaction is described in general terms the Impact statement above.

A notable additional term of the agreement is that “[i]n the event ACHD needs additional property for use as or use as public right-of-way as indentified in specific project plans for the improve of existing and future ACHD public rights-of-ways adjacent to or within University existing campus or its planned campus, then ACHD shall not have to pay any compensation for the additional property.” Staff makes the observation that this is a very broad grant of rights-of-way to ACHD, with BSU foregoing any remuneration seemingly in perpetuity.

The agreement has already been executed by the parties, and BSU is now seeking ratification by the Board.

BOARD ACTION

A motion to ratify the agreement between Boise State University and Ada County Highway District for the vacation of right-of-way.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

**RIGHT-OF-WAY VACATION AND PROPERTY EXCHANGE AGREEMENT
BETWEEN
ADA COUNTY HIGHWAY DISTRICT AND BOISE STATE UNIVERSITY**

This Right-of-Way Vacation and Property Exchange Agreement ("Agreement") is made the ____ day of April, 2010 by and between the Ada County Highway District, a body politic and corporate in the State of Idaho ("ACHD"), and Boise State University, a state institution of higher education and a body politic and corporate in the State of Idaho ("UNIVERSITY").

RECITALS

A. ACHD is a single county-wide highway district, a public entity, organized and existing pursuant to Idaho Code Title 40, Chapter 14, as amended and supplemented, with the exclusive jurisdiction, and authority to maintain, improve, regulate, and operate public rights-of-way in Ada County. ACHD holds right-of-way in trust for the public.

B. UNIVERSITY is a state institution of higher education and a public entity.

C. Part of UNIVERSITY's campus consists or will consist of property owned or managed, or to be owned or managed, by UNIVERSITY within the boundaries defined by Beacon Street, Denver Avenue, Oakland Avenue, and University Drive (the "University Expansion Area").

D. The University Expansion Area consists, in part, of certain parcels of property located adjacent to the public right-of-way held by ACHD.

E. Idaho Code § 67-2332 expressly authorizes ACHD and UNIVERSITY to enter into agreements to perform services, activities, or undertakings that each party is authorized to perform within their respective statutory powers, rights, objectives and responsibilities.

F. UNIVERSITY desires to vacate certain public right-of-way within the University Expansion Area. In exchange, UNIVERSITY is willing to provide ACHD with certain rights-of-way and improvements for ACHD's future road projects as further set forth in this Agreement.

G. Idaho Code § 67-2322 provides that highway districts have the power to convey or transfer real property to the state of Idaho, and that such conveyance or transfer may be made without consideration or payment when it is in the best interest of the public in the judgment of the governing body of the highway district.

H. ACHD believes that it is in the public's best interest to consider whether certain public right-of-way within the University Expansion Area should be vacated by ACHD pursuant to Idaho Code § 40-203 and transferred to UNIVERSITY without cost or fees pursuant to Idaho Code § 67-2322, but in exchange for other consideration as set forth below.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties do mutually undertake, promise, and agree as follows:

Article 1

Terms of Agreement to Vacate Property

1.01 ACHD shall accept and process UNIVERSITY's requests that ACHD vacate certain public rights-of-way within the boundaries of the University Expansion Area. UNIVERSITY, in consultation with ACHD staff, shall be permitted to submit, and ACHD shall accept and process, an application for each grouping or segment of public rights-of-way to be vacated. Pursuant to Idaho Code §67-2322, transfers of property between local units of government to other governmental bodies including the state of Idaho may be made with or without consideration, therefore, an appraisal of the subject public rights-of-way shall not be required with any such applications. ACHD agrees to implement a procedure that meets the requirements of all applicable laws in order to vacate such property, including the publication of notice of such applications. Nothing herein shall relieve ACHD of its obligation to follow any procedures or processes required by law. ACHD shall waive any and all costs and fees associated with such application and/or vacation, except the actual costs for postage and publication of notices required for each application

1.02 UNIVERSITY shall dedicate for ACHD's use certain easements on property owned by UNIVERSITY for use as a public right-of-way, including a bike lane and pedestrian access, and agrees to make improvements to and within such easements.

1.03 This Agreement does not and shall not abdicate or otherwise alter or amend the statutory requirements for the vacation of public right-of-way under Idaho Code § 40-203. Any vacation of public right-of-way shall occur only upon a finding by the ACHD Commission, at a public hearing, that the vacation is in the public's best interest.

1.04 The following terms shall be incorporated into each request by UNIVERSITY for vacation:

- a) UNIVERSITY shall dedicate and convey to ACHD a 16 foot-wide public right-of-way easement along the north side of Beacon Street between Oakland Avenue and Denver Avenue. Such dedication and conveyance shall be made at no cost and without any fee to ACHD. Such easement shall be made pursuant to a form prepared by and acceptable to ACHD.
- b) UNIVERSITY shall construct street improvements on Beacon Street to include relocating the existing attached concrete sidewalk and landscaping the buffer area. The sidewalk shall be located approximately 17 feet north of the existing curb line. UNIVERSITY shall also widen Beacon Street between Oakland Avenue and Denver Avenue (to the north) to accommodate bicycle lanes on both sides of the roadway (with re-striping). The widening shall be based on the Multi-Lane

Residential Neighborhood Arterial street section and will require the street to be widened approximately 3 feet to the north. UNIVERSITY shall also widen and dedicate right-of-way for a future left turn lane at South Denver Avenue, and provide a future pedestrian signal on Beacon Street at or near Manitou Avenue or Euclid Avenue as determined at a future date by ACHD as mutually agreed or a demonstrated need by future BSU development applications. UNIVERSITY shall complete the improvements no later than July 29, 2011.

- c) In the event ACHD needs additional property as ACHD may request for use as public right-of-way as identified in specific project plans for the improvement of existing and future ACHD public rights-of-way adjacent to or within UNIVERSITY existing campus or its planned campus, then ACHD shall not have to pay any compensation for the additional property.
- d) The vacated rights-of-way shall be subject to a 20 foot-wide non-exclusive storm drain discharge and emergency maintenance easement over the existing ACHD storm drain facilities; provided that such may be relocated as provided for herein. ACHD shall retain the right to discharge through these systems. UNIVERSITY shall provide ACHD with an opportunity to review and approve any and all alterations or modifications to all such existing and future storm drainage facilities. UNIVERSITY shall assume and/or retain all responsibility for the relocation, maintenance and good working order of all such existing and future public facilities, including storm drainage facilities in accordance with all applicable federal, state, and local regulations.
- e) As UNIVERSITY develops its existing campus and its planned campus pursuant to its Master Plan, UNIVERSITY shall ensure that all improvements made to and within the public right-of-way are in accordance with all applicable federal, state and local laws, rules and regulations including ACHD standards and specifications.
- f) UNIVERSITY will make no request or proposal for modification of University Drive and/or Lincoln Avenue or make additional application to vacate additional public rights-of-way until such time as UNIVERSITY has developed a Master Circulation Plan for its existing campus and its planned campus and such plan has been approved by ACHD. This comprehensive circulation plan shall include pedestrians, bikes, vehicles and transit and will require review and approval by ACHD and Boise City.
- g) UNIVERSITY will provide a comprehensive circulation plan to be reviewed and approved by ACHD and Boise City prior to additional vacation applications in order to have a clear vision for the future plans of the UNIVERSITY Campus and the impacts to the public streets.

- h) UNIVERSITY shall reimburse ACHD for its actual costs for postage and publication of notices required for each application.
- i) This Agreement shall apply to all future vacations of right-of-way of ACHD property within or adjacent to the UNIVERSITY campus.

1.05 Neither UNIVERSITY nor ACHD has committed, or shall commit, any act or omission which would give rise to any lien, charge or encumbrance for which payment has not been made, secured or otherwise provided for and which might otherwise result in the imposition of a mechanic's lien or similar lien against the property at issue herein.

Article 2

UNIVERSITY's Obligations, Representations, and Warranties

2.01 With respect to public rights-of-way vacated pursuant to this Agreement and the applicable statutory processes, UNIVERSITY, following such vacation, shall assume ownership, control of, and all legal responsibility for the safety, maintenance, improvement, and development of any such property.

2.02 UNIVERSITY shall identify the location of all existing (to the extent known) and proposed underground public utilities within the UNIVERSITY Campus and public rights-of-way adjacent to the UNIVERSITY Campus. With respect to such underground public utilities, UNIVERSITY shall continue to partner with Digline, or its successor or replacement organization, and shall comply with all ACHD standards and requirements concerning the placement of such public underground utilities.

2.03 For all such underground public utilities, the vacated rights-of-way shall be subject to a non-exclusive utility easement over the existing utility.

2.04 Any application to vacate a public right-of-way under this Agreement shall not impair any existing public utility easements. If any public utility facilities must be relocated as a result of UNIVERSITY's development of the UNIVERSITY Campus, UNIVERSITY, as between UNIVERSITY and ACHD, shall assume the responsibility for such relocation.

Article 3

ACHD's Obligations, Representations and Warranties

3.01 ACHD shall submit an invoice to UNIVERSITY for the actual cost of postage and publication of notices required in connection with the summary applications for vacation. ACHD shall waive any other fees or charges associated with the summary applications.

3.02 Notwithstanding this Agreement, the Commission retains the sole authority and discretion to determine if it shall vacate any public right-of-way within the boundaries of the UNIVERSITY Campus. In deciding if it will vacate any such public right-of-way, the Commission, in addition to factors set forth in Idaho law and ACHD Ordinance No. 206, may take

into account additional factors such as the effective and efficient maintenance of adjacent and connecting public rights-of-way and the convenience of the traveling public. In addition, an application may not be approved if it would result in landlocking or otherwise impairing the ability of any third-party to access a public road.

3.03 Upon the Commission's vacation of any public right-of-way within the boundaries of the UNIVERSITY Campus, ACHD shall convey the subject property to UNIVERSITY by quitclaim deed.

3.04 For all underground public utilities, the vacated rights-of-way shall be subject to a non-exclusive utility easement over the existing utility.

Article 4 **Storm Water Drainage Facilities**

4.01 The parties acknowledge that they are co-permittees to a National Pollutant Discharge Elimination System ("NPDES") permit that obligates them, and the other co-permittees, to implement Best Management Practices and operation and maintenance criteria for the operation, management and maintenance of the storm water system. The parties further acknowledge that certain existing and future storm water drainage facilities under the control of ACHD, including those located within ACHD owned public rights-of-way within the boundaries of the UNIVERSITY campus drain, or will drain, to and through certain existing and future storm water drainage facilities under the control of UNIVERSITY and located on the UNIVERSITY Campus. This situation requires the continued cooperation between the parties.

4.02 Each party shall be responsible for the maintenance and repair, at its expense, of the storm drain facilities under its ownership and control. To the extent that a party determines that a portion of the storm drainage facilities under its ownership and control must be re-routed for its convenience, such party shall coordinate such plans with the other party shall be responsible for the cost of such re-routing.

4.03 To the extent that ACHD vacates any public right-of-way pursuant to this Agreement, and said public right-of-way includes ACHD drainage facilities, such facilities shall become UNIVERSITY drainage facilities and UNIVERSITY shall be responsible for the maintenance and repair of such facilities as of the Vacation Date. The vacated rights-of-way shall be subject to a 20 foot wide non-exclusive storm drain discharge and emergency maintenance easement over the existing ACHD storm drain facilities; provided that such may be relocated as provided for herein. ACHD shall retain the right to discharge through these systems.

4.04 Neither party shall alter or modify any or all of their respective storm drainage facilities so as to adversely impact, diminish, or impede the transfer and flow of storm water from, to, or through the drainage facilities of the other. In the event that either party desires or elects to alter or modify any or all of its drainage facilities, such party shall provide the other party with an opportunity to review and approve the proposed alterations or modifications, which approval shall be required and may not be unreasonably withheld as long as the current flow and/or flow rate of

the system is maintained. The altering party shall be responsible for the cost of such alterations or modifications.

4.05 The parties shall cooperate on improvements or upgrades to the storm drainage facilities and, upon mutual agreement, share the expense on a pro rata basis based on calculated flows of the cost of such improvements.

Article 5 General Provisions

5.01 Purposes and Powers/Incorporation of Recitals. In accordance with Idaho Code § 67-2332, the purposes, powers, rights, and objectives of each of the parties are as set forth in the Recitals above. Each of the Recitals above are incorporated into the body of this Agreement.

5.02 Governing Law and Dispute Resolution. This Agreement shall be construed in accordance with and governed by the laws of the State of Idaho. Any disputes that arise from this Agreement shall be referred to the appropriate staff members of each of the parties for resolution. If the staff cannot resolve the dispute, then the dispute shall be referred to the ACHD Director and the President of the UNIVERSITY for resolution. If the ACHD Director and the President of the UNIVERSITY cannot resolve the dispute, then the dispute shall be referred to the ACHD Commissioner then serving as President of ACHD and the President of the State Board of Education for resolution. If they are unable to resolve the dispute, the parties shall hire a mutually acceptable mediator to help resolve the dispute, and shall share the cost of said mediator. If and only if all of the above steps are followed in sequence and the dispute remains unresolved shall either party have the right to initiate litigation to resolve a dispute that arises from this Agreement.

In any such suit, the prevailing party shall be entitled to recover its costs incurred therein, including reasonable attorney's fees and costs. The prevailing party will be that party who was awarded a judgment as a result of trial or arbitration, or who receives a payment of money from the other party in settlement of claims asserted by that party.

5.03 Term and Termination. It is the intent of the parties that this Agreement constitutes a long-term commitment of mutual use and cooperation. Nevertheless, this Agreement shall only continue in effect until written notice is provided to the other party of a party's intent to terminate this Agreement, provided, however, that (a) notice of termination shall be given at least one (1) year in advance of the termination date, and (b) UNIVERSITY shall continue to fulfill its obligations as set forth in Article 1 above, except as otherwise agreed in writing by ACHD.

5.04 Assignment. Neither party shall have the right to assign or transfer their interest in this Agreement without the prior written consent of the other. Any purported assignment or transfer in violation of this paragraph shall be null and void and of no effect and further and shall be a violation of this Agreement.

5.05 Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof.

5.06 Applicable Law and Parties Bound. This Agreement shall be construed and enforced in accordance with the laws of the State of Idaho and shall be binding upon and inure to the benefit of the parties hereto and, subject to the provisions of Section 5.04 hereof, their respective successors and permitted assigns.

5.07 Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

5.08 Limitations on Liability. The parties hereto agree that nothing herein contained shall be construed to create a joint venture, partnership, or other similar relationship which might subject any party to liability for the debts and/or obligations of the others, except as otherwise expressly agreed in this Agreement.

5.09 Further Assurances. Each party shall cooperate fully with the other and execute such further instruments, documents and agreements and give such further written assurances, as may be reasonably requested by the others to better evidence and reflect the transactions described herein and contemplated hereby, and to carry into effect the intents and purposes of this Agreement.

5.10 Amendments. All amendments and/or supplements to this Agreement must be in writing and executed by each party hereto. However, such amendments and/or supplements may be executed in counterparts, all of which shall be deemed to constitute one document.

5.11 Entire Agreement. The parties acknowledge and agree that at all times they have intended that none of the preliminary negotiations concerning this transaction would be binding on either party, and that they would be bound to each other only by a single, formal, comprehensive document containing this paragraph and all of the agreements of the parties. The parties acknowledge that none of the prior oral agreements between them (and none of the representations on which either of them has relied) relating to the subject matter of this Agreement shall have any force or effect whatever, except as and to the extent that such agreements and representations have been incorporated in this Agreement.

5.12 No Recording. Neither party may record this Agreement or any memorandum or short form hereof without the written consent of the other.

5.13 Constitutional Debt Limitation. Nothing in this Agreement shall be construed to be an indebtedness or liability in violation of Article VIII, Section 3 of the Idaho Constitution.

5.14 Adoption by Governing Body. Each party represents to the other that the provisions of this Agreement shall be approved, adopted and/or ratified by the governing body of each of the respective parties pursuant to a resolution or a finding of fact or other appropriate means pursuant to Idaho Code § 67-2322 finding that the conveyance and transfers herein are appropriate to be made without payment because they are in the best interest of the public.

IN WITNESS WHEREOF, UNIVERSITY and ACHD execute this Agreement hereto on the date(s) set forth below. Notwithstanding the parties' execution of this Agreement, this Agreement shall not be effective until duly authorized by the governing body of each of the parties pursuant to a resolution or finding of fact or other appropriate means pursuant to Idaho Code § 67-2322 as set forth in Section 5.14 above.

BOISE STATE UNIVERSITY

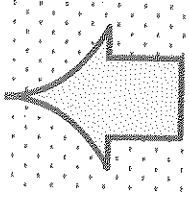
By: Stacy Pearson
 Stacy Pearson
 Vice President, Finance and Administration

Date: 5-10-10

ADA COUNTY HIGHWAY DISTRICT

By: William J. Schweitzer
 William J. Schweitzer
 Director

Date: April 21, 2010



BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

BOISE STATE UNIVERSITY

SUBJECT

Geothermal Agreement with City of Boise

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.I and V.N

BACKGROUND/DISCUSSION

Boise State University and the City of Boise have negotiated a contract for the extension of the geothermal water to the University campus to heat certain campus buildings.

The University desires the extension of the Geothermal water as a heat source for buildings for the cost savings and sustainability aspects of such an energy source. The University and the City were co-applicants on a grant for renewable energy purposes. The grant award through the Department of Housing and Urban Development and the Department of Energy have made possible the University's project to bring over 31 million gallons of geothermal water to heat six (6) buildings on the campus. Both City and University will provide matching funds for the \$2.1 million grant. The City is agreeing to fund an additional \$388,000 worth of improvements to extend the geothermal system and the University will expend \$625,000 under the agreement. Due to the University's investment, it will receive a long term 20% discount (as an interruptible customer), and a short term additional 32% discount for a seven year period to recoup all capital expenditures, on the normal rates charged by the City for geothermal water. The University will include provision for backup heating units in all buildings to be used should geothermal flow ever be interrupted or if the price for natural gas heating becomes lower than geothermal.

In exchange, the University will agree to purchase the geothermal water from the City at the discounted rate and allow the City an easement for the purposes of ongoing maintenance repair of the geothermal system as it extends across the University campus.

IMPACT

The University expects to make the geothermal water a long-term sustainable source for heating buildings on the campus. The partnership with the City also represents investment in renewing the geothermal distribution system as part of a larger University/City relationship.

ATTACHMENTS

Attachment 1 – Proposed Geothermal Service Agreement

Page 3

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

STAFF COMMENTS AND RECOMMENDATIONS

This agreement between BSU and the City of Boise is the fruition of several years worth of work to extend geothermal service south of the Boise River and onto the campus. The University will realize significant energy costs savings as a result of its ability to tap into the geothermal system. BSU has been planning for this capability by constructing its newer buildings to be able to accept geothermal heat, starting with the Interactive Learning Center.

Staff recommends approval.

BOARD ACTION

A motion to approve the request by Boise State University to enter into a Geothermal Services Agreement with the City of Boise as submitted in Attachment 1.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

GEOTHERMAL SERVICE AGREEMENT

THIS AGREEMENT made this 6th day of April, 2010, by and between the CITY OF BOISE CITY, a municipal corporation, by and through its Mayor and City Council, hereafter called CITY, and BOISE STATE UNIVERSITY, a non-profit educational institution organized under the laws of Idaho, hereafter called BSU.

WHEREAS, it is the declared policy of CITY to develop and maintain a geothermal distribution system, and to sell geothermal resources to customers for heating and other uses; and

WHEREAS, CITY has established rules, regulations and conditions governing the provision of geothermal service to customers; and

WHEREAS, it is the policy of CITY to extend geothermal service to facilities not now served by the geothermal distribution system, subject to the owner of property in such areas being bound by and complying with all geothermal ordinances, and all rules and regulations promulgated by CITY now in effect or hereinafter to be enacted; and

WHEREAS, BSU and CITY have jointly obtained federal funding to extend geothermal service to the BSU campus, connect six buildings to the geothermal distribution system, and retrofit those six buildings to use geothermal water for heating, hereafter called the PROJECT; and

WHEREAS the federal funding is in the form of two grants to CITY from the Department of Housing and Urban Development (HUD) and the Department of Energy (DOE), and BSU is a sub-grantee of CITY under the DOE grant; and

WHEREAS, the HUD and DOE grant agreements document how BSU and CITY will be sharing the cost of the PROJECT, including the local share of the project (as defined below) required to match the DOE funds; and

WHEREAS, upon initiation of geothermal service to BSU, BSU has agreed to become an interruptible service customer (as defined below) of CITY; and

WHEREAS, BSU and CITY desire to enter into an Agreement to define terms for the provision of geothermal service, and to establish rates and future costs associated with the provision of geothermal service, by CITY to BSU.

NOW, THEREFORE, in consideration of the foregoing premises, it is agreed as follows:

A. GEOTHERMAL EXTENSION PROJECT

BSU and CITY have agreed to provide geothermal service to six buildings located on the BSU campus as described and shown on Exhibit 1, attached hereto and incorporated herein by reference, also called the PROJECT. Each building will be retrofitted to receive

geothermal water as its primary heating source. Each building will also possess an alternative non-geothermal heating source.

B. LOCAL SHARE OF PROJECT FUNDING

It is anticipated that the direct "out of pocket" costs for the PROJECT to BSU and CITY will be approximately \$625,000 for BSU and \$388,000 for CITY.

C. CONSTRUCTION OF FACILITIES

BSU shall be responsible for construction of the building retrofits necessary to make geothermal service each building's primary heating source, including but not limited to the installation of all pipelines internal to the building. Except as provided in Section F, CASCADED USE OF WATER, CITY shall be responsible for construction of the geothermal distribution system external to each building.

D. DELIVERY OF WATER AND SERVICE LIMITATIONS

Except in situations as outlined in this section, CITY will provide up to 31.3 million gallons annually (October 1 through September 30) of geothermal supply water once service is initiated. CITY and BSU agree to review the historical geothermal usage by BSU after two years of geothermal usage pursuant to this Agreement, and the amount of geothermal supply water agreed to by this section may be adjusted to reflect the actual geothermal supply water demand of BSU based upon two heating years' usage. Both parties, however, must consent to such adjustment, which consent shall not be unreasonably withheld.

BSU has agreed to maintain an alternative non-geothermal heating system in each of the BSU buildings to be served by this Agreement. BSU agrees that it shall be deemed an interruptible service customer of CITY's geothermal distribution system, which shall provide CITY with the right to restrict or interrupt any or all of the geothermal supply water permitted under this section due to aquifer concerns, legal actions, permit limitations or other reasons as necessary to properly operate CITY geothermal distribution system. Except in the event of an emergency, CITY shall provide BSU with reasonable notice prior to restricting or interrupting geothermal service to BSU.

Both parties to this Agreement understand and agree that it is difficult if not impossible to determine the amount or temperature of the water that can be pumped from the geothermal aquifer in perpetuity. CITY's rights to use water from the aquifer are also subject to limitation and other regulation by the Idaho Department of Water Resources (IDWR). Current information indicates, with reasonable certainty, that the aquifer should have the capability of providing the estimated 31.3 million gallons annually agreed to by this section. CITY expects to have sufficient authorization from IDWR to meet BSU's needs. CITY, however, shall not assume any liability, direct or implied, for any BSU damages or injuries incurred as a result of the loss of the geothermal reservoir or temperature or service interruption, operational actions authorized by Boise City Code or as otherwise required by law. BSU is solely responsible for determining whether or not to utilize its backup heating

systems and CITY assumes no liability for such decision. Notwithstanding the foregoing, CITY agrees to use all reasonable efforts to maintain, preserve and protect the geothermal aquifer, delivery system, and rights to use the water as regulated by the IDWR.

In addition, CITY shall in no way warrant or guarantee the chemical quality, temperature or pressure of the geothermal water delivered to users, nor assume any liability, direct or implied, for corrosion, scaling or similar physical degradation of user service lines or private equipment utilized by BSU.

E. RATES, REIMBURSEMENT AND CREDITS TO BSU

Geothermal water rates, excluding non-metered cascaded water (See Section F, CASCADED USE OF WATER), shall be based on the provisions contained in CITY's Geothermal Ordinance. These rates may be modified from time to time in accordance with the Ordinance provisions.

In recognition of the fact that BSU has agreed to become an interruptible customer of CITY and has the option to use natural gas at the large volume discounted rate, CITY and BSU agree that BSU will receive, throughout the duration of this Agreement, a twenty percent (20%) discount from the geothermal rates established pursuant to CITY's Geothermal Ordinance. In addition, in recognition of BSU's contribution of its portion of the local share funding for the PROJECT, during the first eighty-four (84) months of service (not including months during which service has been interrupted), BSU will receive an additional thirty-two percent (32%) discount from the geothermal rates established pursuant to CITY's Geothermal Ordinance. The additional thirty-two percent (32%) discount shall apply only to the geothermal usage of the six buildings identified in Exhibit 1 hereto. To the extent that CITY provides geothermal service for additional BSU buildings in the future, the service for those buildings may utilize different negotiated rates.

F. CASCADED USE OF WATER

For the purposes of this Agreement, cascaded use of geothermal water is defined as BSU using the geothermal collection water from a BSU building receiving CITY geothermal service for heating one or more additional buildings/facilities prior to this water being returned to CITY geothermal collection system. There will be no additional charge to BSU for using the cascaded water if the piping (both internal and external) connecting these additional buildings/facilities is owned and maintained by BSU. If BSU desires for this piping connecting the additional buildings to be owned and maintained by CITY, BSU will be charged for the additional heat removed on a BTU basis in accordance with the collection service therm rates established by the City Council with the same reductions (20% and 32% for 84 months) outlined in Section E, RATES, REIMBURSEMENT AND CREDITS TO BSU. A BTU meter for measurement of the cascaded water shall be installed on the piping connecting the buildings/facilities. It is understood that BSU may desire to serve at least one of the first six buildings, the Mathematics and Geosciences Building, as a cascaded use.

Cascaded use shall not be considered re-metering or sub-metering as described in Section Q, SOLE USE OF SERVICE.

G. OWNERSHIP AND OPERATION OF FACILITIES

The components of the geothermal distribution system located within the BSU buildings shall be owned and maintained by BSU, except for CITY-furnished meters. BSU agrees to operate the geothermal distribution system upon and within BSU buildings in compliance with all applicable City Ordinances. Except as provided in Section F, CASCADED USE OF WATER, the components of the geothermal distribution system located external to the BSU buildings shall be owned, operated, and maintained by CITY. CITY shall own, operate, maintain, and read the meters within the BSU buildings, and BSU shall grant CITY perpetual access to the meter during normal business hours.

BSU shall grant easements to CITY in a mutually agreeable location for the installation and maintenance of the geothermal distribution system located on the BSU campus. The easements granted for the geothermal distribution system will have similar language to the attached sample easement, included herewith as Exhibit 2.

H. COMPLIANCE WITH LAWS

In designing, constructing, and installing the geothermal distribution system within the BSU buildings, BSU at its sole expense shall comply with all laws, orders, and regulations of federal, state and municipal authorities, and shall obtain all licenses and permits which are required for the performance of its obligations under this Agreement. In designing, constructing, and installing the geothermal distribution system external to the BSU buildings, CITY at its sole expense shall comply with all laws, orders, and regulations of federal, state and municipal authorities, and shall obtain all licenses and permits which are required for the performance of its obligations under this Agreement.

I. INDEMNITY BY BSU

Subject to the limits of liability specified in the Idaho Tort Claims Act, BSU shall indemnify and save and hold harmless CITY from and for any and all losses, claims, actions or judgments for damages or injuries to persons or property or losses and expenses caused by BSU, its servants, agents, employees, and independent contractors or any other person, firm, partnership, company, corporation or association hired, retained or employed by BSU to perform or to do any act or thing herein required of BSU.

J. INDEMNITY BY CITY

Subject to the limits of liability specified in the Idaho Tort Claims Act, CITY shall indemnify and save and hold harmless BSU from and for any and all losses, claims, actions or judgments for damages or injuries to persons or property or losses and expenses caused by or

incurred by CITY, its servants, agents, employees and independent contractors or any other person, firm, partnership, company, corporation or association hired, retained or employed by CITY to perform or to do any act or thing herein required of CITY.

K. APPROPRIATION BY LEGISLATURE REQUIRED

BSU is a government entity and the Agreement shall in no way or manner be construed so as to bind or obligate BSU or the State of Idaho beyond the term of any particular appropriation of funds by the State's Legislature as may exist from time to time. BSU reserves the right to terminate the Agreement in whole or in part (or any order placed under it) if, in its sole judgment, the Legislature of the State of Idaho fails, neglects, or refuses to appropriate sufficient funds as may be required for BSU to continue such payments, or if the Executive Branch mandates any cuts or holdbacks in spending. Upon such change in appropriations, all affected future rights and liabilities of the parties hereto shall thereupon cease within ten (10) calendar days after notice to CITY.

L. ENTIRE AGREEMENT/MODIFICATION

This Agreement constitutes the full, complete, and entire agreement between CITY and BSU, and supersedes all prior understandings, agreements, or arrangements between the parties with respect to the subject matter hereof. No modification or amendment to this Agreement shall be valid unless it is made in writing signed by the authorized representatives of the parties.

M. NO ASSIGNMENT

No party to this Agreement shall assign any portion of this Agreement or any privilege hereunder, either voluntarily or involuntarily, without the prior written consent of all parties, which consent shall not be unreasonably withheld.

N. BINDING ON SUCCESSORS

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto.

O. FORCE MAJEURE OR AGENCY ACTION

No party will be liable for failure to perform any duty under this Agreement where such failure is caused by fire, flood or other natural disaster. No party shall be liable for any failure to perform resulting from an order of any court or state or federal agency.

P. GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the laws of the State of Idaho. Any action to enforce the provisions of this Agreement shall be brought in State district court in Ada County, Boise, Idaho.

Q. SOLE USE OF SERVICE

Geothermal service supplied to BSU is solely for use in the BSU buildings described in this Agreement and shall not be re-metered or sub-metered for sale to others, nor shall the geothermal water be piped beyond the confines of BSU's campus for use at other locations, without first obtaining written permission from CITY, which shall not be unreasonably conditioned, delayed or withheld.

END OF AGREEMENT

IN WITNESS WHEREOF, BSU and CITY execute this Agreement hereto on the date(s) set forth below. Notwithstanding the Parties' execution of this Agreement, this Agreement shall not be effective until duly authorized by the State Board of Education and the City of Boise City Council.

BOISE STATE UNIVERSITY

By: Stacy Pearson
 Stacy Pearson
 Vice President, Finance and Administration

Date: 5-7-10

CITY OF BOISE CITY

By: David H. Bieter
 David H. Bieter
 Mayor

Date: 4/6/10

SO AUTHORIZED:**IDAHO STATE BOARD OF EDUCATION**

By: _____
 [NAME]
 [TITLE]

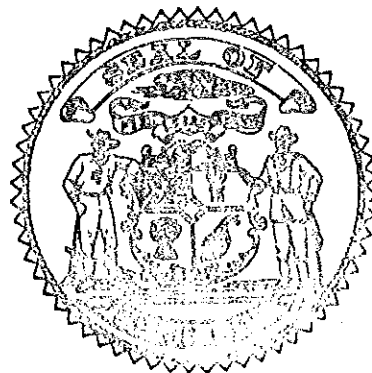
Date: _____

ATTEST:**CITY CLERK**

By: John E. Faw
 John E. Faw
 Clerk

Date: 4/6/10

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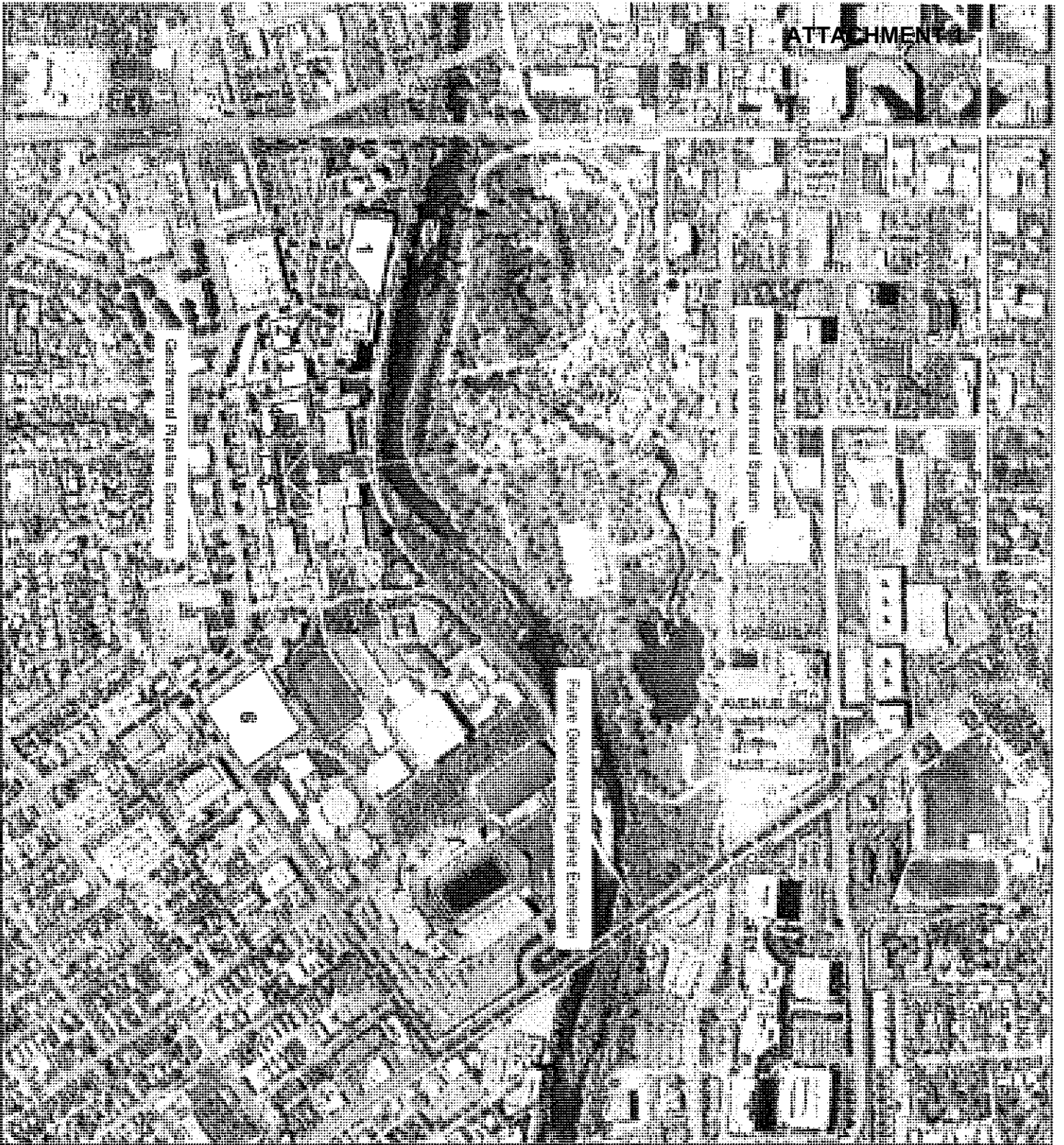


Exhibit 1

BSU Buildings to be Served by Geothermal

1. Recreation Center
2. AP/CPB
Multipurpose Classroom Building
63,226 GSF
3. MLC
Interactive, Teaching, & Learning Center
66,021 GSF
4. MAGE
Mathematics and Geosciences
59,000 GSF
5. ADMIN
Administration
30,000 GSF
6. STUN (Addition)
Student Union Building
66,000 GSF

City of Boise
Public Works
GIS Services
CM069802L
Plot Date 01/05/2010

This drawing is to be used for reference purposes only. It is not to be used for construction or other purposes without the approval of the City of Boise. The City of Boise is not responsible for any errors or omissions in this drawing.

0 25 50 Feet

EASEMENT AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 2010, by and between Idaho State Board of Education (hereinafter referred to as "Grantor"), and the City of Boise, a municipal corporation (hereinafter referred to as "Grantee").

Recitals

WHEREAS, Grantor owns certain real property, commonly referred to as Boise State University campus.

WHEREAS, Grantee seeks a permanent easement and right-of-way through and within the Boise State University campus, for the purpose of locating, establishing, constructing, maintaining, repairing, and operating geothermal lines and mains and the right of ingress and egress in, from and to said easement, for the purpose of inspecting, maintaining, and repairing such geothermal mains and lines.

In consideration of the mutual promises and obligations contained herein, the Grantor and Grantee hereby covenant and agree as follows:

1. Grant of Easement.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby grants unto Grantee its successors and assigns, a permanent easement for the purpose of locating, establishing, constructing, maintaining, repairing, and operating geothermal lines and mains and the right of ingress and egress in, from and to said easement for the purpose of inspecting, maintaining and repairing such geothermal mains and lines.

The perpetual easement and right-of-way hereby given and granted for maintaining, repairing and operating geothermal lines and mains is described in general language and exhibits as follows:

EXHIBIT 'A'

**A PERMANENT EASEMENT FOR THE INSTALLATION
AND MAINTENANCE OF A GEOTHERMAL WATERLINE SERVICE**

"Insert Easement Legal Description"

(See Exhibit 'A', easement sketch)

2. Grant Reservation.

Grantor hereby expressly reserves and shall have the right to use and enjoy the property for itself, its successors, assigns, and permittees; the right at all times and for any purpose

to go upon, across and recross and to use the said easement premises in a manner consistent with the commercial nature of the property.

3. Restoration.

Upon completion of any repair or maintenance work contemplated hereunder, Grantee agrees to promptly restore the above-described property owned by Grantor to a condition equal or superior to that existing prior to exercising its rights under this easement. If and when Grantee makes any future repairs to the geothermal lines and/or allied facilities located on the above-described property, Grantee shall expediently replace and restore any affected portion of the property to a condition equal or superior to that existing prior to the under-taking of such repairs and maintenance.

4. Indemnity.

Grantee does hereby agree to indemnify, save and hold harmless the Grantor from any and all liability, loss or damage, Grantor may suffer as a result of any and all actions, claims, damages, costs and expenses on account of, or in any way arising out of or from this Agreement, including but not limited to indemnify and save and hold harmless Grantor from any and all losses, claims, actions or judgments for damages or injuries to persons or property arising out of or from, or caused by, the construction, operation, maintenance and use of the aforesaid easements and rights-of-way by Grantee or its agents.

5. Recitals.

The recitals set forth above are hereby incorporated by this reference.

6. Binding Effect.

The rights and responsibilities set forth in this Agreement shall inure to and bind the parties hereto, their heirs, representatives, successors, and assigns and also constitute covenants running with the land.

7. Attorney Fees.

If any action or attorney's services are required to enforce any of the terms or conditions of this Agreement, it is agreed by the parties that the successful party in such action shall be entitled to receive its costs and expenses incurred, including reasonable attorney's, accountant's, and expert's fees, whether such action be prosecuted to judgment or not.

8. Headings.

The headings in this Agreement are intended for convenience only and shall not be used to vary or interpret the intent of the text.

9. Recording.

Grantee shall, at its expense, record this Easement Agreement in the records of Ada County, Idaho, and shall provide Grantor with conformed copies of the recorded instruments, as well as executed originals of all documents. Such recording shall take place within five (5) business days of the execution of this Agreement.

IN WITNESS WHEREOF, the parties enter into this Easement Agreement this ____ day
of _____, 2010.

GRANTOR:

BOISE STATE UNIVERSITY

BY: _____
Stacy Pearson, Vice President
Finance and Administration

SO AUTHORIZED:

IDAHO STATE BOARD OF EDUCATION

BY: _____
NAME, TITLE

ATTEST:

By _____

GRANTEE:

CITY OF BOISE

By _____
David H. Bieter, Mayor

ATTEST:

By _____
Jef Faw, City Clerk

STATE OF IDAHO)
) ss.
COUNTY OF ADA)

ON THIS ____ day of _____, in the year 2010, before me,
_____, a notary public in and for said state, personally appeared David
H. Bieter, known or identified to me to be the Mayor of the City of Boise City, the
municipal corporation that executed the within instrument on behalf of said municipal
corporation, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official
seal the day and year in this certificate first above written.

My Notary Commission Expires _____.

My Notary Bond Expires _____, 20____.

Notary Public for Idaho

Residing at _____, Idaho

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BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

BOISE STATE UNIVERSITY

SUBJECT

Purchasing policy for Boise State University

REFERENCE

February 2009	Boise State University Annual Report, discussion of need for delegated purchasing authority
February 2010	Boise State University Annual Report, discussion of need for delegated purchasing authority

APPLICABLE STATUTE, RULE, OR POLICY

H 688 (2010) amending Section 67-5716 and Section 67-5728, Idaho Code

BACKGROUND/DISCUSSION

Although this was a challenging year for higher education in terms of legislative budget cuts, there were significant measures passed which will provide much-needed flexibility to internal operations for institutions of higher education.

House Bill 688 will simplify the purchasing process for Boise State University by eliminating the State Department of Administration from oversight of its purchases, except in the case of statewide contracts. The bill allows for independence for an institution of higher education upon approval by the State Board of Education of purchasing policies and procedures that are substantially consistent with Title 67, Chapter 57 of Idaho Code. The law has a three-year sunset clause unless action is taken by the Legislature to make the change permanent.

Historically, all purchases over \$75,000 and all sole source determinations over \$5,000 routed through the State Department of Administration's Division of Purchasing (DOP). The University was required to follow all DOP procedures.

In 2009, Boise State University's purchasing department processed over \$62 million in transactions. The department is overseen by an experienced director with over 25 years of procurement experience. The director and staff participate in training and professional development to stay current in procurement best practices and to improve their individual knowledge base. University purchasing staff is familiar with campus departments and the specialized terminology associated with procurement of university-related items, and typically has a relationship with the requesting person and understands the department's needs. They are in the proper position to determine process and oversee procurements.

Attachment 1 represents the new proposed purchasing policy. This proposed policy was developed via a process of carefully considering the provisions set forth in HB 688, a review of the current University of Idaho procurement policy

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

and with input from Board staff and the other institutions of higher education. In addition, Boise State staff is working with the Division of Purchasing on transitional issues as defined in Attachment 2.

IMPACT

H 688 clears the way for Boise State to accept the authority and responsibility for all purchasing. The opportunity eliminates the current structure that places our experienced purchasing department between the end-user and the State Department of Purchasing. It will eliminate the duplication of effort and time spent interpreting between the two departments and passing information back and forth, freeing up time for end-user support and vendor interaction. In addition, the State Department of Purchasing will be freed up to address issues for other agencies that lack full-service purchasing infrastructures.

The University's purchasing department will continue to provide oversight to ensure that the requirements of the applicable State of Idaho code sections are met and that benefits are derived from leveraging purchasing power. The University will continue to follow State Board of Education policies with respect to obtaining contract approval from the Board.

ATTACHMENTS

Attachment 1 – Proposed Policy

Page 5

Attachment 2 – Letter from Administrator of Division of Purchasing

Page 13

STAFF COMMENTS AND RECOMMENDATIONS

BSU, in consultation with ISU, LCSC and EITC, drafted a model purchasing policy for Board approval pursuant to the requirements of H 688. The model purchasing policy was also shared either the State Division of Purchasing for their review and comment.

While the model purchasing policy is substantially consistent with State purchasing laws and procedures, a highlight of some notable variances follows:

1. The policy omits a requirement for all purchases exceeding \$600 to be documented in writing.
2. Under Section V.A. the exemptions from bidding dollar amount was increased from \$5,000 to \$10,000.
3. Under Section V.C. an exemption from bidding was added for medical director and medical professional services.

The last paragraph in Section I stipulates that any changes to the policy must be submitted in writing to the Executive Director and may require Board approval. In additions, any substantive changes must have the concurrence of all affected institutions.

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

In Section V.D., the last bullet provides that the institutions may collaborate on bulk contract purchasing of goods or services where no Statewide Contract exists.

Staff recommends approval.

BOARD ACTION

A motion to approve the model purchasing policy as submitted in Attachment 1 and to find it substantially consistent with Title 67, Chapter 57 Idaho Code.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

A motion to approve the request by Boise State University to implement and utilize the model purchasing policy effective July 1, 2010.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

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Model Policy on Purchasing
Effective Date:

Revised:

Purpose:

To establish policies and procedures governing purchases made with University funds.

Additional Authority:

Idaho State Board of Education Governing Policies and Procedures Section

I.E.2.a

Idaho Code 59-1026

Idaho Code 67-5718(3)

Scope:

Applies to all purchases made with University funds.

Responsible Party:

University Purchasing Director

POLICY

I. Policy Statement

Procurement (purchasing) will be overseen by the Vice President of Finance and Administration. Daily operations have been delegated to the University Purchasing Director (UPD) and will be and conducted in strict adherence with applicable federal and state laws and regulations and applicable State Board of Education and University policies. (UI 60.02.B)

Purchasing activities shall be administered in a manner that provides maximum practicable open competition appropriate to the type of product or service to be provided. Purchases shall support the goals of cost efficiency and product/service quality, and these objectives shall be given consideration in the purchasing process. (67-5715) (67-5717) (UI 60.02B-1, B-3)

Purchasing activities include transactions involving trade-ins, and leased property. Procurements do not include non-exchange transactions such as sponsorships and transactions not involving the expenditure of University funds. (67-5721)

The University owns all property purchased with University funds and all property received by the University as gifts. In addition, except where provided by the terms of a grant or contract by operation of law, the

University owns all personal property purchased with funds from a grant or contract. No department, departmental unit, or University employee, may hold proprietary interest in any piece of University property, or property purchased with grant or contract funds which is held by the University. Regardless of which departmental unit ordered the item, the fund cited, or the budget expensed, the principle of University ownership prevails. (67-5746) (UI 10.4)

This policy has been approved by the State Board of Education. Any changes to the policy shall be submitted in writing to the Executive Director and may require Board approval at the discretion of the Executive Director. Substantive changes shall have the concurrence of all institutions identified in Idaho Code §67-5728(1) prior to submission to the Executive Director. (67-5728)

II. Budget authority:

It shall be the responsibility of the requestor to determine and ensure funds are available and properly budgeted. (67-5718 (1))(UI 60.03 B-1)

Terms may exceed one year provided that they are advantageous to the University and that such contracts contain no penalty to or restriction upon the University in the event cancellation is necessitated by a lack of financing for any such contract or contracts. (67-5717 (10))

III. Requirements:

Small purchases are those purchases or procurements expected to cost seventy-five thousand dollars (\$75,000) or less. Costs are determined based on the following:

- One-time purchases of property; or
- Total cost of a contract for services, including renewal or extension periods.

To enhance small business bidding opportunities, the University shall seek a minimum of three quotes from vendors having a significant Idaho economic presence as defined in section 67-2349, Idaho Code. (67-5718(3)) The request for quotation may be written, oral, electronic, telephonic or facsimile. (DOP rule)

Large purchases, exceeding seventy-five thousand dollars (\$75,000), are procured through a formal sealed process. The issuance of Invitations to Bid (ITB) or Requests for Proposal (RFP) is the method for solicitation of offers from qualified vendors in a sealed process in order to establish pricing, specification or performance standards, and the terms and

conditions for the purchase of goods and services. The University shall ensure adequate ITB's or RFP's are prepared which clearly define the goods and services needed in order for bidders to properly respond to the request. At the place, date, and time set forth in the solicitation, all bids or proposals received in accordance with the submittal requirements in the solicitation shall be publically opened and read aloud by the Buyer to those persons present. (67-5718 (4)) (60.11 A, B-6)

Notice of solicitations of bids or proposals for large purchases may be electronic in nature. The University may apply the use of a variety of techniques, including but not limited to, reverse auction, electronic posting or electronic advertisement of solicitations as appropriate to the buying situation. Large purchase notices, regardless of methodology, are referenced in the vendor section of the University purchasing department's website. (67-5718 (2))

Preference for Idaho suppliers for purchases:

Reciprocal preference will be given to Idaho vendors in accordance with Idaho Code Section 67-2349.

Printing services will be awarded to local vendors in accordance with Idaho Code Section 60-101 -103.

Where multiple bids and quality of property offered are the same, preference shall be given to property of local and domestic production and manufacture or from bidders having a significant Idaho economic presence. (67-5718 (5))

The University recognizes that an offered low price is not always indicative of the greatest value. (67-5715) Contracts will be awarded by the University pursuant to determination by the UPD of the best value to the University based on the criteria outlined in the solicitation. Award of contracts in excess of amounts as proscribed in SBOE policy V.I.3a require the approval of the Executive Director of the State Board of Education or the State Board of Education in a public meeting. (SBOE V.I.3a)

No vendor or related party, or subsidiary, or affiliate of a vendor may submit a bid to obtain a contract to provide property to the University, if the vendor or related party, or affiliate or subsidiary was paid for services utilized in preparing the bid specifications or if the services influenced the procurement process. (67-5726 (6))

No property to be acquired shall be accepted which does not meet the minimum bid specifications. (67-5736 and 67-5726 (4))

IV. Waiver of competitive bidding (Sole Source): (67-5720 (2)) (UI 60.13)

The determination to waive the competitive bid process may be made only by the UPD. Any request by a department to restrict a purchase to one potential supplier must be accompanied by an explanation as to why no other item is suitable or that no other vendors exist to meet the need. A requirement for a particular proprietary item does not justify a sole source purchase if there is more than one potential source for that item. The University purchasing department shall conduct negotiations, as appropriate, to determine price, availability, and terms.

V. Exemptions from bidding:

A. Purchases under \$10,000

B. Bulk Contract purchasing

- State Open Contracts

Certain commodities are procured through open contracts by the State of Idaho Division of Purchasing in order to obtain the lowest possible pricing for all agencies.

No officer or employee shall fail to utilize an open contract without justifiable cause for such action. Justifiable cause shall be determined by the Administrator of the State Division of Purchasing. Deviation from approved open contracts must be in the best interests of the university and will only be considered in extreme cases. (67-5728)

- Purchases from General Services Administration Federal Supply Contractors are allowed when the acquisition is advantageous to the University unless covered by State open contracts. (67-5724A) (DOP rule)
- Where no state open contract exists, state institutions of higher education (as defined in 67-5728) operating under the model purchasing policy may collaborate with each other or the University of Idaho on solicitations where the combined volume of multiple institutions will provide the best value.

C. Government and Agency acquisitions:

- Rehabilitation agency acquisitions (DOP rule)
- Correctional industries acquisitions (DOP rule)
- Federal government acquisitions including federal surplus (DOP rule)
- Interagency contracts, including contracts with other institutions of higher education

The University may contract with any one or more other public agencies or institution of higher education to perform any governmental service, activity, or undertaking which each public agency entering into the contract is authorized by law to perform, including, but not limited to joint contracting for services, supplies and capital equipment, provided that such contract shall be authorized by the governing body of each party to the contract. (67-2332)

D. Situational acquisitions:

- Legal advertising, publication or placement of advertisements directly with media sources (Policy Directive)
- Contracts for legal services or bond related services (Policy Directive)
- Professional, consultant and information related technology services costing \$75,000 or less (Policy Directive)
- The infrequent purchase of less than \$75,000 for University employee education or training related travel and seminar/workshop expenses. (Policy directive)
- Purchases with special educational discounts offered by vendors exclusively to schools, colleges, universities, and other educational institutions where the property is for the express purpose of educating students. (Policy directive)
- Concession services where there is no expenditure of University funds (DOP rule)
- Services for which competitive solicitation procedures are impractical (DOP rule)
- Medical director and medical professional services (Policy Directive 06-02 adaptation)
- Property held for resale, such as bookstore inventory

E. Emergency Purchases (67-5720 (b)) (UI 60.43)

The UPD, or designee, may authorize emergency purchases of goods and services when determined necessary and in the best interest of the University. Examples of circumstances that could necessitate an emergency purchase include:

- Unforeseen or beyond the control of the University or constituting a force majeure
- Present a real, immediate or extreme threat to the proper performance of essential University functions
- May reasonably be expected to result in excessive loss or damage to property or other resources, and/or bodily injury or loss of life

Any affected department may make an emergency purchase in the open market at the best attainable price when a documented

emergency condition exists and the need cannot be met through the University's normal procurement method, provided that:

- Funds are available for the purchase, and
- Verbal authorization is obtained from the Office of the Vice President for Finance and Administration, and
- Competition to the fullest extent practicable under existing circumstances is obtained and documented, and
- The unit cost of the purchase does not exceed amount requiring SBOE Executive Director approval as proscribed in SBOE policy V.I.3a.

A fully signed explanation of the circumstances surrounding the emergency and the necessity for the purchase is filed by the requester with the UPD within two working days after such purchase or cessation of emergency conditions, whichever is later.

F. Direct Negotiations (67-5720 (a)) (UI 60.14)

In lieu of competitive bidding, and when not covered by a State open contract, negotiations may be conducted whenever any of the following conditions are applicable and authorized by the UPD:

- The public good as determined by the UPD will not permit the competitive bid process due to time constraints
- No responsive or responsible bids are received at acceptable levels of price, service or terms
- Approved sole source scenarios
- The purchase is for experimental, developmental or research work, or for the manufacture of furnishing of property for experimentation, development, research or test
- Where there is a particular savings through the use of educational discounts
- Acquisition of federal surplus or excess property

VI. Qualification of Vendors: (67-5730)

No vendor shall be allowed to submit a bid unless such vendor is qualified. All vendors are qualified unless disqualified.

Vendors may be disqualified for any of the following reasons:

- Failure to perform according to the terms of any agreement;
- Attempts by whatever means to cause acquisition specifications to be drawn so as to favor a specific vendor;
- Actions to obstruct or unreasonably delay acquisitions by the University. Obstruction is hereby defined as a lack of success in more than fifty percent (50%) of the appeals made in each of three (3) different acquisitions during any twenty-four (24) month period;
- Perjury in a vendor disqualification hearing;

- Debarment, suspension or ineligibility from federal contracting of the vendor, its principals or affiliates.
- Any reason in Idaho law that would disqualify a particular vendor for a particular bid.

A vendor shall be notified by registered mail within ten (10) days of disqualification and may, within thirty (30) days of the receipt of such notice, challenge the disqualification.

Disqualification or conditions may be imposed for a period of not more than five (5) years.

VII. Appeals: (67-5733)

Elements of a formal sealed bid that are appealable include:

- Bid specifications
- Determination by the university that the bid is non- responsive and does not comply with the bid invitation and specifications
- Award to a successful vendor

For formal procurements utilizing the sealed bid process, the detailed process for appeals will be referenced within the posted bid information and specification package.

In addition, sole source determinations are appealable. The detailed process for appeal will be referenced in the legal notice.

Any appeal will be reviewed and a written decision setting forth reasons for denial will be provided or if upheld an amendment (for a specification or intent to award appeal) to the original bid or sole source determination will be posted.

Submitting a bid to the University constitutes standard acceptance of this policy including the appeals process.

Small purchases or purchases that are exempted from bidding requirements are not appealable.

VIII. Ethics Requirements

All faculty, staff and students at the University are required to adhere to the intent and spirit of these policies and directives. They are designed as a means to acquire the necessary goods and services as effectively and economically as possible, while also maintaining compliance with the laws

of the State of Idaho. Employees are subject to penalties as described in Idaho Code, including but not limited to, Section 67-5726.

Employees are prohibited from obtaining products or services by avoiding the competitive process such as splitting purchases, creating false emergency situations, and non-use of statewide contracts (Idaho Code 67-5726, Idaho Code 67-5717).

Any effort to circumvent or abuse State and University purchasing regulations and policies or procedures will not be condoned and is subject to disciplinary action up to and including dismissal. (6130.I.C of current BSU policy)

Purchasing Ethics and Vendor Relationships:

All employees are involved in business transacted by the University in one form or another. Especially so are those professional purchasers and other personnel who purchase items and services, including those using the University P-card. Each employee has a personal responsibility to conduct University business in an ethical manner and assure the integrity of the purchasing and procurement processes.

- **Conflict of interest:**

A conflict of interest occurs when a person's private interests compete with his or her professional obligations to the University to a degree that an independent observer might reasonably question whether the person's professional actions or decisions are materially affected by personal considerations, including but not limited to personal gain, financial or otherwise.

Employees are therefore prohibited from entering into service contracts with or selling goods to the University. (67-5726 (1)) (67-2301).

- **Influencing/conspiring to influence:**

The University prohibits the influencing or conspiring to influence purchasing decisions and contract awards. Attempts at influence may include kickbacks and bribes, peddling or payment of a fee, back door selling, hard-sell tactics, fraternization, or offering gifts to avoid following published procedures or gain advantages. (67-5726 (2) (3))



C.L. "Butch" OTTER
Governor
MIKE GWARTNEY
Director
BILL BURNS
Administrator

State of Idaho

Department of Administration
Division of Purchasing

650 West State Street B-15 Lower Level (83702)
P. O. Box 83720
Boise, ID 83720-0075
Telephone (208) 327-7465
Fax: 208/-327-7320
<http://adm.idaho.gov/purchasing>

Vice President

APR 2 2010

Finance and
Administration

April 27, 2010

Mr. Mike Rush
Executive Director
Idaho State Board of Education
P.O. Box 83720
Boise, Idaho 83720-0037

R.E.: Purchasing Transition in accordance with Idaho Code § 67-5728

Director Rush:

As the new Idaho Code § 67-5728 has become law, we have noted several purchasing issues that will require transitioning responsibilities from the Division of Purchasing ("Purchasing") to the State Board of Education ("Board") to ensure appropriate compliance.

On or after July 1, 2010, upon the Board's notification to Purchasing that it has approved each state institutions of higher education's purchasing policies and procedures, the following actions will be taken:

1. For existing active contracts issued by Purchasing on behalf of state institutions of higher education, Purchasing will assign any and all existing active contracts to the institution for which it was issued (as long as the Board has approved that institution's purchasing policies and procedures).
2. For procurements on behalf of state institutions of higher education currently in-process without signed contracts, all procurements will be cancelled.
3. Future contract support from Purchasing:
 - Purchasing will continue to support the Board as a state executive agency for the purchase of property exclusively for use its own use or consumption.

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- Purchasing will not support purchases of property by the Board for the intended benefit of the state institutions of higher education, if the institutions involved have an approved purchasing policy and procedure.
4. Open contracts per Idaho Code § 67-5728(3)
- All exceptions to purchasing from open contracts must be justified to and approved by the Administrator of Purchasing.

To ensure appropriate transition to this law (Idaho Code § 67-5728), Purchasing will require a signed and dated copy of each institution's purchasing policy and procedures from the Board indicating the Board's approval. Purchasing would appreciate receiving those documents as early as possible so that existing procurements can be appropriately disengaged to avoid additional cost. (Please note that Purchasing requires these documents for file purposes only).

Please let me know if you should have any questions.



Bill Burns

cc: Mike Gwartney, Director
 Mark Little, State Purchasing Manager
 Melissa Vandenberg, Deputy Attorney General
 Stacey Pearson, VP Finance, Boise State University
 Jim Fletcher, VP Finance, Idaho State University
 Chet Herbst, VP Finance Lewis-Clark State College
 Bob Smart, VP Finance Eastern Idaho Technical College
 Scott Bedke, House Assistant Majority Leader
 Jason Kreizenbeck, Chief of Staff, Office of the Governor

"Serving Idaho citizens through effective services to their governmental agencies"

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

BOISE STATE UNIVERSITY

SUBJECT

Approval to construct student housing facilities on Lincoln Avenue

REFERENCE

February 2008	Board approved extension of Expansion Zone and Capital Projects update
June 2009	Board approved MOU with American Campus Communities
February 2010	Board reviewed summary of ground lease terms
April 2010	Board did not approve ground lease with American Campus Communities

APPLICABLE STATUTE, RULE OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.K.1.

BACKGROUND/DISCUSSION

Demand for on-campus housing at Boise State University continues to grow. Over the past three years no additional student housing facilities have been constructed, yet applications for on-campus housing have increased by seventy percent. Conservative estimates are that the University needs an additional 3,000 to 6,000 beds to meet this demand. The 2005 University Master Plan identified locations in the south campus expansion zone for future student housing facilities, including locations adjacent to Lincoln Avenue, the proposed site for this development.

In June 2009 the State Board of Education approved the University's request to enter into an MOU with a private developer, American Campus Communities (ACC), and to undertake the design and predevelopment activities for new student housing facilities. Throughout the process, university staff has worked closely with ACC and their design consultants to plan and design housing facilities for upper division students. The result was the development of plans and specifications to construct 874 beds of student housing and the development of a ground lease related to the development and long term use of the facility.

In April 2010, the Board did not approve a proposed ground lease, in part due to changes in the treatment of public private partnerships by bond rating agencies and the potential impact on the University's credit profile and future debt capacity. The MOU specifies the payment of certain reimbursable expenses and fees to ACC should the ground lease not be approved, and the transfer of ownership and development rights of the plans, design documents, and construction documents to the University.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

The purpose of this agenda item is to authorize the University to construct the previously proposed and designed student housing facilities, but as a public project led by the University and contracted through the Division of Public Works (DPW). The proposed development will be owned, operated and managed by the University and will be a significant improvement to the campus student housing system.

This project will be developed in a series of stand-alone facilities located in the south campus expansion zone as seen in Attachment 3. In addition to the student housing facilities, this project may include an intramural sports field and support facility as additive alternates.

While the University intends to adhere to the proposed student housing design, the University has opted to construct a portion of the proposed project represented by the townhouse style housing and excluding the traditional “dorm” style housing. This will reduce the initial phase of this project from 874 beds to approximately 360 beds. The University plans to construct the next phase in the future.

Boise State is requesting a not-to-exceed project approval at this meeting and plans to return to the August meeting with a final project budget and request for financing approval to include the issuance of bonds. By that time, DPW should have either actual bids in place or, at a minimum, final cost estimates.

IMPACT

Based on the design development documents and cost estimate prepared by ACC, construction costs for this portion of the project are estimated to be between \$19.6 million and \$25 million. Estimate assumptions and details are currently under review and may require adjustment as DPW and the University cannot accept ACC’s estimates without conducting a due diligence review. Also, contingencies, architectural and engineering fees, commissioning, testing, and other administrative and soft costs could bring the estimated total project cost to \$25 million. This total includes the reimbursements due to ACC under the MOU of approximately \$2.2 million and development costs currently estimated at \$460,000.

Although the high-end estimate is currently \$25 million, that conservative figure is expected to be lower when the due diligence review is completed and financing approval is sought.

Portions of the work may be bid as a series of alternates in an effort to assure a successful award within the budget. In addition, furniture, fixtures and equipment will be procured and installed within the existing budget. This project will be procured through the standard process through the Division of Public Works and/or the Division of Purchasing as appropriate.

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

The project will be funded from University student housing reserves and general revenue bond proceeds. Bonds will be repaid from the rental revenues of the project.

While the demand for housing and financial pro formas submitted by ACC show that the operating revenues are sufficient to support the debt service and operating expenses, the University will conduct a due diligence review of the project budget, operating revenues and expenditures, and financial ratios. Detailed financial information will be presented at the August Board meeting with the request for financing approval.

ATTACHMENTS

Attachment 1 – Project Budget	Page 5
Attachment 2 – Capital Project Tracking Sheet	Page 6
Attachment 3 – Overview of Student Housing Project	Page 7

STAFF COMMENTS AND RECOMMENDATIONS

BSU's proposed ground lease with ACC fell through in April 2010 following the issuance of a "Special Comment" by Moody's which stated that these types of equity based public-private partnerships could impact the University's credit profile and debt capacity. As a result, the University had to step back and reassess its debt capacity in relation to its student housing needs. The University has decided to proceed with a scaled-down version of the project, funded with a mix of student housing reserves and general revenue bond proceeds.

Under the Board approved MOU between BSU and ACC, the University is obligated to pay ACC for all of their pre-development expenses (approximately \$2.2M). The University then owns all the construction documents and plans. If the University uses the plans to construct all or part of the project on its own, it must also pay a "developer fee" equal to 3% of construction cost (approximately \$455,094 based on the scaled-down project as proposed). These costs are built-in to the overall cost of the project.

The University is seeking project approval, and will come back to the Board in August for financing approval. Staff recommends approval.

BOARD ACTION

A motion to approve the request by Boise State University to proceed with construction of the new student housing facilities on Lincoln Avenue for a cost not to exceed \$25 million. Boise State will bring the Board final project budget, financial pro formas and a request to approve financing, including a bond issuance, at the August Board meeting.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

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Attachment 1

**Architectural & Engineering Services
Project Budget**

Project Number:	TBD
Project Title:	Lincoln Ave Student Housing Facilities
Date:	5/24/2010

Category	Budget
Architectural Fees	381,609
Commissioning, Testing, Plan Check, Etc.	483,507
Construction Costs	13,599,011
Construction Contingency	705,666
Subtotal	15,169,793

University Costs	841,859
ACC Reimbursement and Development Fee	2,665,094
Project Contingency	4,079,703
Furniture, Fixtures and Equipment (FF&E)	851,636

Total Project	\$ 23,608,085
----------------------	----------------------

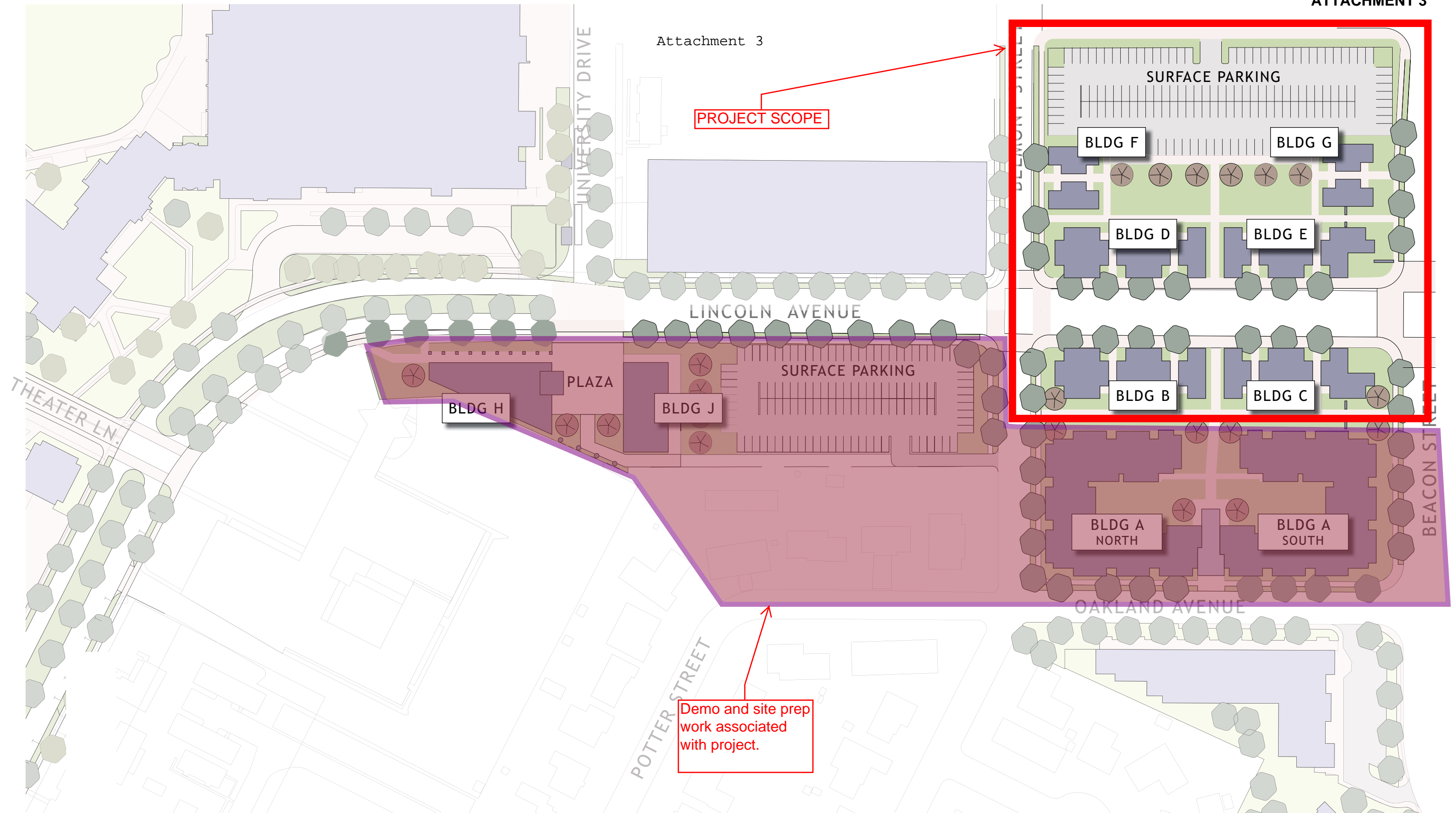
Office of the Idaho State Board of Education
Capital Project Tracking Sheet
May-10

History Narrative

1	Institution/Agency:	Boise State University	Project:	Lincoln Ave Student Housing Facilities
2	Project Description:	Construction of new beds of student housing in the south campus expansion zone near Lincoln Ave.		
3	Project Use:	To provide approximately 360 additional student housing beds		
4	Project Size:	approximately 360 beds		

6		Sources of Funds					Use of Funds					
7						Total					Total	
8		PBF		ISBA		Other *		Total				Sources
9	Initial Cost of Project	\$	-	\$	-	\$ 23,608,085	\$ 23,608,085	\$	865,116	\$ 13,599,001	\$ 9,143,968	\$ 23,608,085
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22	Total Project Costs	\$	-	\$	-	\$ 23,608,085	\$ 23,608,085	\$	865,116	\$ 13,599,001	\$ 9,143,968	\$ 23,608,085

[illegible]



ARCHITECTURE
URBAN DESIGN
INTERIOR DESIGN

BSU STUDENT HOUSING BOISE, IDAHO

ACC | 18013.02 • CONCEPT DESIGN • 03.17.09

PHASE 1A SITE PLAN

PHONE: 303.449.8900
FAX: 303.449.3886
WWW.OZARCH.COM



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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

IDAHO STATE UNIVERSITY

SUBJECT

Naming of soon-to-be constructed softball field, Miller Ranch Stadium, and the practice field, Papenberg Field, for the donors, Sylvia and Don Papenberg

APPLICABLE STATUTE, RULE OR POLICY

Idaho State Board of Education Governing Policies and Procedures, Section I.K.1.b.(2), Naming/Memorializing Buildings and Facilities.

BACKGROUND / DISCUSSION

In 2007, Sylvia Papenberg and the late Don Papenberg gifted a parcel of land in Driggs, Idaho, to the Idaho State University (ISU) Athletic Department, to be sold to support construction of a softball field and athletic practice field. The value of the land is estimated to be \$1.2 - \$1.4 million. ISU has been unable to sell the land, so in April, 2010, Sylvia Papenberg gifted an additional \$75,000 to assist with start-up costs for field construction. The total cost of construction is approximately \$180,000 to \$200,000 and the majority of the cost will be covered from donations of gifts-in-kind from various sources.

Sylvia and the late Don Papenberg are both ISU alumni. Don was instrumental in engaging the United Dairy Farmers of Idaho in their support of ISU and its various programs. The Papenberg's commitment and support to ISU has been and continues to be like few others.

STAFF COMMENTS AND RECOMMENDATIONS

Miller Ranch is the name of Mrs. Papenberg's parent's ranch. At the donor's suggestion, the stadium would be named in honor of her parents.

Staff recommends approval.

BOARD ACTION

A motion to approve the request by Idaho State University to name the new softball field, Miller Ranch Stadium, and the new practice field, Papenberg Field, in honor of the donors, Sylvia and the late Don Papenberg.

Moved by _____ Seconded by _____ Carried Yes___ No___

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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

IDAHO STATE UNIVERSITY

SUBJECT

Project budget increase for expansion of the existing Idaho Accelerator Center (IAC) Cell and White Room

REFERENCE

September 2009 Idaho State University (ISU) received approval from Dr. Mike Rush, Executive Director of the State Board of Education, to proceed with the proposed Idaho Accelerator Center Cell and White Room expansions, with the estimated project budgets at \$200,000 and \$300,000, respectively.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies and Procedures, Sections V.K.2. and V.K.3.

BACKGROUND / DISCUSSION

The original project scope provided: (1) additional shielding bay and a lab space in front of the "White Room" irradiation cell, and (2) remodel of existing space to create a radio chemistry room, allowing researchers to perform necessary work on site.

The project has increased in scope to accommodate a rapidly expanding program. The proposed project changes will: (1) add office space to house ten new researchers and graduate students to accommodate the growing program needs; (2) add a conference room for meetings for staff and private industry who have shown strong interest in the research efforts and technology; and (3) add light lab space to allow the IAC to commission and operate a high power linear accelerator to enable research in medical isotope production.

ATTACHMENTS

Attachment 1 – Letter of approval to begin project	Page 3
Attachment 2 – Capital Project Tracking Sheet	Page 4

IMPACT

The U.S. and Idaho face significant shortage of medical isotopes, which is continuing to worsen. Isotope production is an industry of hundreds of millions of dollars per year that treats approximately 15 million Americans annually. If this research proves successful, Idaho may become a major player in this important high-tech, high-wage medical industry. These facility modifications are essential to the research and economic development initiatives of the IAC and Idaho State University.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

Architectural design is complete and the bids have been received. Construction costs for this expansion are estimated to be \$873,000, which will be funded by grant and local funds.

STAFF COMMENTS AND RECOMMENDATIONS

ISU received delegated authority from the Executive Director in September 2009 to proceed with two capital improvement projects. Since that time, the scope of the project has increased, and aggregate revised project costs are now in excess of Executive Director approval level. Staff recommends approval.

BOARD ACTION

A motion to approve the request by Idaho State University to increase the project budget for the expansion of the existing Idaho Accelerator Center, to a total project cost of \$873,000.

Moved by _____ Seconded by _____ Carried Yes____ No____



ATTACHMENT 1

IDAHO STATE BOARD OF EDUCATION

650 W. State Street • P.O. Box 83720 • Boise, ID 83720-0037
208/334-2270 • FAX: 208/334-2632
e-mail: board@osbe.idaho.gov
www.boardofed.idaho.gov

September 15, 2009

Joseph K. Han
Associate Vice President, Facilities Services
Idaho State University
Campus Box 8137
Pocatello, ID 83209-8137

RE: Idaho Accelerator Center Expansions

Dear Joseph:

This letter is in response to your request to proceed with the submitted proposed Idaho Accelerator Center Cell and White Room expansions. The estimated project budgets are \$200,000 and \$300,000, respectively

The State Board of Education requires approval for capital improvements in excess of \$250,000 and less than \$500,000 pursuant to Board Policy V.K.2. Staff has reviewed the above request, and find it to be consistent with Board policy.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Rush".

Mike Rush
Executive Director

attachment
MC

Office of the Idaho State Board of Education
 Capital Project Tracking Sheet
 As of: 20-Aug-10

Attachment 2

History Narrative

1 **Institution/Agency:** Idaho State University **Project:** Idaho Accelerator Center
 2 **Project Description:** Remodeling of the Idaho Accelerator Center (IAC)

3 **Project Use:** Medical Isotope research support including: (1) shielding bay and a lab space in front of the "White Room" irradiation cell; (2) remodel of existing space to create a radio chemistry room, allowing researchers to perform necessary work on site; (3) office space to house 10 new researchers and graduate students to accommodate the growing program needs; (4) conference room for meetings for staff and private industry who have shown strong interest in the research efforts and technology; and (5) light lab space to allow the IAC to commission and operate a high power linear accelerator to enable research in medical isotope production.

4 **Project Size:** The project will add 5,280 sf of enclosed space, and remodel approximately 500 square feet

	Sources of Funds				Use of Funds			
	Bond	Grant	Other *	Total Sources	Planning	Use of Funds Const	Other	Total Uses
Initial Cost of Project	\$ -	\$ 873,000		\$ 873,000	\$ 111,000	\$ 762,000	\$ -	\$ 873,000
The current budget has been developed by DPW contracted design firm.								
Total Project Costs				\$ 873,000	\$ 111,000	\$ 762,000	\$ -	\$ 873,000

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

UNIVERSITY OF IDAHO

SUBJECT

Capital Project Authorization Request, Dan O'Brien Outdoor Track and Field Complex Renovation and Improvements

REFERENCE

August 2006 Information Item, Technical Assessment & Feasibility Study, Proposed University of Idaho Events Pavilion and ASUI Kibbie Activity Center Improvements. Business Affairs and Human Resources Agenda, Section II, Item No. 7, page 14 of the approved minutes.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.K.1 and Section V.K.2

BACKGROUND/ DISCUSSION

In 2006, the University initiated a Technical Assessment & Feasibility Study of a proposed Events Pavilion and of the ASUI Kibbie Activity Center (KAC). A team of consultants headed by Opsis Architecture and Hastings-Chivetta conducted a technical evaluation of the facility and identified a series of life safety improvements necessary for the KAC. The University is currently proceeding with the Life Safety Improvements.

In addition, the Technical Assessment & Feasibility Study recommended a series of renovations and improvements to ancillary facilities within the greater ASUI Kibbie Activity Center Complex. Among those recommendations were recommended renovations and improvements to the Dan O'Brien Outdoor Track and Field Complex, located to the immediate west of the Kibbie Activity Center.

Overall Project Description

The Dan O'Brien Outdoor Track and Field Complex was initially constructed in 1970. It was renovated slightly, with adjustments made to turn radii and field event approaches and ramps, and resurfaced in 1979. It was further slightly modified and resurfaced again in 1999. The complex serves multiple stakeholders, to include support of the College of Education's Health, Physical Education, Recreation and Dance classes, student and community recreation as well as varsity track and field athletics.

The track itself and the ramps and approaches for the field events consist of a synthetic running surface applied to an asphaltic concrete base. The synthetic surface is now 11 years old and in need of replacement. However there are much larger underlying issues associated with the 40 year old asphaltic concrete

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

base. Cracking due to settlement, contraction and movement are telegraphing through to the synthetic surface. Surface and subsurface water issues associated with inadequate drainage system are both aggravating the movement and cracking of the asphaltic concrete base and causing the synthetic surfacing to bubble. In addition, settlement and movement has caused the pre-cast concrete bleachers to be displaced.

Both the Technical Assessment & Feasibility Study and further investigation and study by synthetic track surface vendors confirm the need to address the underlying conditions associated the surface and subsurface water and the cracked, deteriorated asphaltic concrete base before replacement of the synthetic surfacing can occur. In summary terms, resurfacing the track without addressing the underlying, systemic issues would be ineffective and a waste of resources.

Authorization Request

This request is for a Capital Project Authorization to design and construct renovations and improvements at the Dan O'Brien Outdoor Track and Field Complex. The scope of work includes correction of surface and subsurface water issues by improvements to the surface and subsurface drainage systems, renovations to and rebuilding of the asphaltic concrete base at both the track and the field event ramps and approaches, resurfacing of the track and field event ramps and approaches with a current, state-of-the-art synthetic track surface and repairs and renovations to the bleachers. The project will also include miscellaneous improvements and renovations to associated systems and other spectator facilities as funding allows.

The total project effort is valued at \$2,500,000 to include design phase and construction costs and appropriate and precautionary contingency allowances.

The tentative design and construction timeline for effort is as follows:

Milestone	Proposed Date	Actual Date
SBOE Capital Project Authorization for \$2.5M	Jun 2010	
Identify a Qualified Design Team via Appropriate RFQ Process.	Sep 2010	
Design Phase Complete	Feb 2011	
Advertisement for Construction Bids	Mar 2011	
Award of Construction Contract and Issuance of Notice to Proceed	May 2011	
Substantial Completion	Sep 2011	

The projected timeline for the Dan O'Brien Outdoor Track and Field Complex renovations and improvements is tentative and subject to change as the project is better defined through the construction process.

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

This project directly supports the University's strategic plan and its education and outreach goals. It is fully consistent with the stated goals and intents of the Technical Assessment & Feasibility Study for the ASUI Kibbie Activity Center as described both herein and to the Board in previous presentations, the University's Long Range Campus Development Plan (LRCDP), and the Campus Infrastructure Master Plan.

IMPACT

<u>Funding</u>		<u>Estimate Budget</u>	
State	\$ 0	Construction	\$ 2,066,100
Federal (Grant):	\$ 0	A/E & Consultant Fees	\$ 206,600
Other (UI/Bond)	\$ 2,500,000	Contingency	<u>\$ 227,300</u>
Private	<u>\$ 0</u>		
Total	\$ 2,500,000	Total	\$ 2,500,000

ATTACHMENTS

Attachment 2 – Capital Project Tracking Sheet

Page 5

STAFF COMMENTS AND RECOMMENDATIONS

This capital improvement project would address a decaying of the University's outdoor track surface and subsurface infrastructure. The University represents that the project is consistent with campus long range and master plans. Project cost is estimated at \$2.5M. The University intends to finance the project by securing financing on the private market from a lender of its choice. The plan is to have a commitment letter from their lender by June 14, 2010. The University will utilize a portion of the revenues from the facility fee for repayment of the track loan over a 5 year term. This loan fits within the University's current facility fee projection and will not require any new fee. Staff recommends approval.

BOARD ACTION

A motion to approve the request by the University of Idaho to implement the Dan O'Brien Outdoor Track and Field Complex Renovation and Improvements project for a total project cost not to exceed \$2.5 million, and to authorize the University of Idaho to execute all requisite consulting, design, construction and vendor contracts necessary to fully implement the project.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

A motion to approve the request by the University of Idaho to obtain financing from a lender of its choice in the amount of \$2.5 million for the purpose of financing the Dan O'Brien Outdoor Track and Field Complex Renovation and Improvements project, and authorizing the Vice President for Finance & Administration to execute all necessary documents on behalf of the Board of Regents. Said financing shall be secured, if applicable, in accordance with Section 33-3804(j), Idaho Code, and at an interest rate not to exceed 5.50%.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

Office of the Idaho State Board of Education
Capital Project Tracking Sheet
As of May 5, 2010

History Narrative

- 1 Institution/Agency:** University of Idaho **Project:** Capital Project Authorization Request, Dan O'Brien Outdoor Track and Field Complex Renovation and Improvements
- 2 Project Description:** Design and construction of renovations and improvements at the Dan O'Brien Outdoor Track and Field Complex. The scope of work includes correction of surface and subsurface water issues by improvements to the surface and subsurface drainage systems, renovations to and rebuilding of the asphaltic concrete base at both the track and the field event ramps and approaches, and resurfacing of the track and field event ramps and approaches with a current, state-of-the-art synthetic track surface. The project will also include repairs and improvements to the concrete spectator bleachers and miscellaneous improvements and renovations to associated systems and spectator facilities as funding allows.
- 3 Project Use:** General Education Classes through the HPERD Department of the College of Education, student and community recreation, Varsity Track and Field use by the Department of Athletics.
- 4 Project Size:** N/A

	Sources of Funds				Use of Funds			
	PBF	ISBA	Other	Total Sources	Planning	Use of Funds Const	Other	Total Uses
Capital Project Authorization - Feb 2010			\$ 2,500,000	\$ 2,500,000	\$ 206,600	\$ 2,066,100	\$ 227,300	\$ 2,500,000
Total Project Costs	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000	\$ 206,600	\$ 2,066,100	\$ 227,300	\$ 2,500,000

History of Funding:	PBF	ISBA	Other Sources of Funds				Total Other	Total Funding
			Institutional Funds (Gifts/Grants)	Student Revenue	Other			
Capital Project Authorization Request - Feb 10			\$ 2,500,000				\$ 2,500,000	\$ 2,500,000
Total	\$ -	\$ -	\$ 2,500,000	\$ -	\$ -		\$ 2,500,000	\$ 2,500,000

Notes:

- 1) Design and Construction Phase Contingency amounts are included in the "Other" Category.

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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

UNIVERSITY OF IDAHO

SUBJECT

Cable Television for Student Housing

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.I.3

BACKGROUND/DISCUSSION

The University of Idaho issued a Request for Proposals to provide cable television for students living in University Housing. Two vendors responded to the RFP. The apparent successful vendor, pending board approval, is Time Warner Cable.

IMPACT

The cost per room is \$8.69/month for a yearly total of \$121,981.68. The initial five year term is \$609,908.40. There is one (1) renewal option for an additional five years making the total contract value \$1,219,816.80.

ATTACHMENTS

Attachment 1 – Proposed Contract	Page 3
Attachment 2 – Request for Proposal	Page 7
Attachment 3 – Time Warner Cable's Proposal	Page 33

STAFF COMMENTS AND RECOMMENDATIONS

The cost breakout for the proposed contract for cable services is as follows:

	Academic (Aug-May)	Summer (May-Aug)	
Student Rooms	1,508	155	
Cost per Room/month	\$8.69	\$8.69	
Total Cost per Month	\$13,105	\$1,347	
Total Annual Cost	\$117,941	\$4,041	<u>\$121,982</u>

The contract has a standard appropriations clause making the agreement subject to the appropriation of necessary funds from the State. The vendor modified the clause to provide that the Termination for Convenience clause should apply to the extent that the vendor should be reimbursed for its expenses in the event the contract were cancelled by the University for lack of appropriation. Whereas student housing is an auxiliary enterprise, the vendor's modification is not material.

Effective date of the contract, pending Board approval, is July 1, 2010. Staff recommends approval.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

BOARD ACTION

A motion to approve the agreement between the University of Idaho and Time Warner Cable, in substantial conformance with the forms submitted to the Board in Attachments 1 and 3.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

UNIVERSITY OF IDAHO
AGREEMENT NUMBER UI-676

The University of Idaho (hereinafter called the University) hereby awards to Time Warner Cable, (hereinafter called the Contractor) Agreement number UI-676 to furnish Cable Television to the University, as specified in University of Idaho Request for Proposals Number 10-19M, in accordance with the terms and conditions of the Request for Proposals.

This Agreement is supplemented by a) University of Idaho Request for Proposals Number 10-19M; b) Time Warner Cable proposal dated March 12, 2010; and c) University of Idaho General Terms and Conditions, which have been agreed to by the parties and by this reference are made a part hereof as though fully set forth herein. To the extent such terms, conditions, or provisions may be in conflict or be inconsistent, their order of authority shall be as follows: 1) University of Idaho Agreement Number UI-676 ; 2) University of Idaho Request for Proposals Number 10-19M; 3) Time Warner Cable proposal dated March 12, 2010; and 4) University of Idaho General Terms and Conditions.

1.1 NOTICES

Any notice under this Agreement shall be in writing and be delivered either in-person, delivery service, certified mail with return receipt requested, or by facsimile. All notices shall be addressed to the parties at the following addresses or at such other addresses as the parties may from time to time direct in writing:

the University:	University of Idaho Purchasing Services PO Box 441202 645 West Pullman Road Moscow, Idaho 83844-1202 Attn.: Julia R. McIrloy Phone: (208) 885-6123 Fax: (208) 885-6060
-----------------	---

the Contractor:	Time Warner Cable 828 West Pullman Road Moscow, Idaho 83843 Attn.: Stephen Hattrup Phone: (208) 892-5501
-----------------	--

Any notice shall be deemed to have been given on the earlier of : (a) actual delivery or refusal to accept delivery, (b) the date of mailing by certified mail, or (c) the day facsimile delivery is verified. Actual notice, however and from whomever received, shall always be effective.

1.2 SEVERABILITY

The terms and conditions of this Agreement are declared severable if any term or condition of this Agreement or the application thereof to any person(s) or circumstance(s) is held invalid. Such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application.

1.3 BID PRICE

The bid price shall include everything necessary for the prosecution and completion of this Agreement, including, but not limited to, furnishing all materials, equipment, management, superintendence, labor, and service, except as otherwise provided in this Agreement. Prices quoted on the Bid Form shall include all freight and/or delivery charges. In the event of a discrepancy between the unit price and the total price, the unit price will govern and the total price will be adjusted accordingly.

1.4 TERM OF AGREEMENT

The initial term of this agreement shall be five (5) years, commencing upon the date of execution by the University. The term of this agreement may, if mutually agreed, be extended by one (1) five-year increment, provided the Contractor receives written notice of each extension at least thirty (30) days prior to the expiration date of such term or extension. During extension periods, all terms and conditions of this Agreement shall remain in effect.

1.5 CONTINUATION DURING DISPUTES

The Contractor agrees that, notwithstanding the existence of any dispute between the parties, insofar as possible under the terms of the Agreement to be entered into, each party will continue to perform the obligations required of it during the continuation of any such dispute, unless enjoined or prohibited by any court.

1.6 INVOICES

All invoices must contain the name of the University department, purchase order number, itemization of materials and services, and correct Agreement pricing. A packing slip referencing current pricing must accompany each order.

Invoices for payment must be submitted by the Contractor to:

University of Idaho
Accounts Payable
PO Box 444244
Moscow, Idaho 83844-4244

1.7 ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the parties. No change thereto shall be valid unless communicated in writing in the stipulated manner and signed by the University and the Contractor.

The effective date of this contract is July 1, 2010

UNIVERSITY OF IDAHO

TIME WARNER CABLE

SIGN _____

SIGN _____

PRINT _____

PRINT _____

TITLE _____

TITLE _____

DATE _____

DATE _____

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Purchasing Services
645 West Pullman Road
P.O. Box 441202
Moscow, Idaho 83844-1202

REQUEST FOR PROPOSALS NO. 10-19M
FOR
CABLE/TELEVISION SATELLITE

For Additional Information, Please Contact:

Julia R. McIlroy, Senior Buyer

Phone (208) 885-6123

Fax (208) 885-6060

juliam@uidaho.edu

www.purchasing.uidaho.edu

Date Issued: February 12, 2010

Proposals Due: March 12, 2010

Pre-proposal Conference: March 3, 2010

UNIVERSITY OF IDAHO REQUEST FOR PROPOSALS NO. 10-19M

PROPOSAL RESPONSE CERTIFICATION

DATE

The undersigned, as Proposer, declares that they have read the Request for Proposals, and that the following proposal is submitted on the basis that the undersigned, the company, and its employees or agents, shall meet, or agree to, all specifications contained therein. It is further acknowledged that addenda numbers _____ to _____ have been received and were examined as part of the RFP document.

Name

Signature

Title

Company

Street Address

City, State, Zip

Telephone Number and Fax Number

Cell Phone Number

E-mail Address

State of Incorporation

Tax ID Number

Business Classification Type (Please check mark if applicable):

Minority Business Enterprise (MBE)	_____
Women Owned Business Enterprise (WBE)	_____
Small Business Enterprise (SBE)	_____
Veteran Business Enterprise (VBE)	_____
Disadvantaged Business Enterprise (DBE)	_____

Business Classification Type is used for tracking purposes, not as criteria for award.

SECTION 1 - INSTRUCTIONS TO PROPOSERS

1-1 SCOPE OF WORK

The University of Idaho (herein referred to as the University) is soliciting proposals for turnkey cable or television satellite system for University Housing Residence Halls, the Student Recreation Center (SRC) and Graduate Student Residences (GSR).

1-2 PROPOSAL SUBMISSION

Proposal must be **SEALED and CLEARLY IDENTIFIED** with the Request for Proposals' number, due date and time, Proposer's name and address, and submitted by March 12, 2010 to University of Idaho Purchasing Services, 645 West Pullman Road, P.O. Box 441202, Moscow, ID 83844-1202.

A facsimile response or an electronic response to this Request for Proposals does not meet the requirement of a sealed proposal and will not be accepted.

The proposal must be signed by such individual or individuals who have full authority from the Proposer to enter into a binding Agreement on behalf of the Proposer so that an Agreement may be established as a result of acceptance of the proposal submitted. By reference, the terms and conditions set forth in the Request for Proposals shall serve as the Agreement terms and conditions. In addition, the laws of the State of Idaho shall apply. No other terms and conditions will apply unless submitted as a part of the proposal response and accepted by the University.

Proposals received after the exact time specified for receipt will not be considered.

1-3 REQUEST FOR PROPOSAL SCHEDULE

2/12/10	Request for Proposals issued
3/3/10	Pre-Proposal Conference
3/12/10	Proposals Due @ 4:00 p.m.

1-4 INQUIRIES

All inquiries concerning this request shall be submitted in writing and received by the University's office of Purchasing Services by March 5, 2010 to:

Julia R. McIlroy, Senior Buyer
 University of Idaho
 Purchasing Services
 645 West Pullman Road
 P.O. Box 441202
 Moscow, ID 83844-1202
 Telephone: (208) 885-6123
 Fax: (208) 885-6060
 E-mail: juliam@uidaho.edu

Proposers should consider Purchasing Services as the first and prime point of contact on all matters related to the procedures associated with this RFP. If additional information is needed from any source, Purchasing Services will work with the Proposer and with the various offices of the University to gather that information.

1-5 INTERPRETATION, CORRECTIONS, OR CHANGES IN RFP

Any interpretation, correction, or change in the RFP will be made by addendum by the University. Interpretations, corrections, or changes to the RFP made in any other manner will not be binding, and no Proposer may rely upon any such interpretation, correction, or change.

1-6 MODIFICATION OR WITHDRAWAL OF PROPOSALS

A Proposer may modify or withdraw a proposal at any time prior to the specified time and date set for the proposal closing. Such a request for modification or withdrawal must be in writing, and executed by a person with authority as set forth under paragraph 1-2 above, or by facsimile notice subsequently confirmed in writing.

1-7 ERASURES AND INTERLINEATIONS

Erasures, interlineations, or other changes in the proposal must be initialed by the person(s) signing the proposal.

1-8 ACKNOWLEDGMENT OF ADDENDUMS TO RFP

Receipt of an addendum to this RFP must be acknowledged by a Proposer on the Proposal Response Certification (Attachment A).

1-9 PROPOSAL COPIES

Four (4) complete copies of the proposal shall be submitted to the University.

1-10 OFFER ACCEPTANCE PERIOD

A proposal shall constitute an offer to contract on the terms and conditions contained in this RFP and the proposal. Said proposal shall constitute an irrevocable offer for ninety (90) calendar days from the proposal opening date, even if the University makes one or more counter offers.

1-11 REJECTION OF PROPOSALS

The University in its sole discretion, expressly reserves the right to reject any or all proposals or portions thereof, to reissue a Request for Proposal, and to waive informalities, minor irregularities, discrepancies, and any other matter or shortcoming.

1-12 PROPOSAL PRICE

The prices submitted in the proposal shall include everything necessary for the prosecution and completion of the Agreement including, but not limited to, furnishing all materials and all management, supervision, labor and service, except as may be provided otherwise in the Agreement Documents. In the event of discrepancy between the unit prices and their extensions, the total price will be adjusted accordingly. In the event of discrepancy between the sum of the extended total prices, the Total Proposal Price will be adjusted accordingly. The proposal price shall not include any allowance for Idaho State sales/use tax.

The University will evaluate the total price for the basic requirements with any options(s) exercised at the time of award. Evaluation of options will not obligate the University to exercise the option(s).

The University may reject an offer if it is materially unbalanced as to process for the basic requirements and the option quantities. An offer is unbalanced when it is based on prices significantly less than cost for some work and prices that are significantly overstated for other work.

1-13 TERM OF AGREEMENT

The initial term of this agreement shall be five (5) year, commencing upon the date of execution by the university. The term of this agreement may, if mutually agreed upon in writing, be extended by five (5) years, provided written notice of each extension is given to the bidder at least thirty (30) days prior to the expiration date of such term or extension. In the event funding approval is not obtained by the University, this Agreement shall become null and void effective the date of renewal. During extension periods, all terms and conditions of this Agreement shall remain in effect.

1-14 AWARD OF AGREEMENT

The University shall make the award to the responsible Proposer whose proposal will be most advantageous to the University with respect to price, conformance to the specifications, quality, and other factors as evaluated by the University. The University is not required or constrained to award the Agreement to the Proposer proposing the lowest price.

The University may award an Agreement on the basis of initial offers received, without discussion; therefore, each initial offer should contain the offerer's best terms from a cost and technical standpoint.

1-15 PUBLIC AGENCY

The Contractor has agreed to extend contract usage to other public agencies, such as any city or political Subdivision of this state, including, but not limited to counties; school districts; highway districts; port authorities; instrumentalities of counties, cities or any political subdivision created under the laws of the State of Idaho; any agency of the state government; or any city or political subdivision of another state.

1-16 PROPOSAL CONFIDENTIALITY

Each Proposer agrees that the contents of each proposal submitted in response to this RFP is Confidential, proprietary, and constitutes trade secret information, as defined in Idaho Code 9-340D(1), as to all technical and financial data **LABELED CONFIDENTIAL BY THE PROPOSER**, and waives any right of access to such information, except as provided for by law. Except as determined by the University's Office of Purchasing Services, in its sole discretion, no information will be given regarding any proposals or evaluation progress until after an award is made, except as provided by law.

1-17 F.A.R. REQUIREMENT

All purchase orders and contracts issued by the University of Idaho are subject to F.A.R. 52.209-6. Supplier warrants that supplier or its principals are presently debarred, suspended or proposed for debarment by the Federal Government.

1-18 RECORD OF PURCHASES

Contractor will provide Purchasing Services a detailed usage report of items/services ordered, quantities, and pricing under this Agreement upon request.

1-19 APPEAL OF AWARD

A Proposer aggrieved by the award of an Agreement may file an appeal by writing to the Manager of Purchasing Services. The appeal must be received by the Manager of Purchasing Services within five working days after the award is made, must describe the basis for the appeal, and must include all argument and evidence the Proposer wishes the Manager of Purchasing Services to consider. Keeping track of the date an award is made is the responsibility of the Proposer(s).

1-20 PRE-PROPOSAL CONFERENCE AND SITE VISIT

A conference and site visit with interested Proposers will be held at 1:00p.m., March 3, 2010. University personnel in attendance will include representatives from Housing and Purchasing Services. This conference will enable Proposers to request clarification on any questions they have on the project. Participation in the conference is optional. The conference location is: UI Purchasing Services 645 West Pullman Road Moscow, ID.

SECTION 2 - INSTRUCTIONS FOR PREPARING PROPOSALS

2-1 GENERAL

To aid in the evaluation process, it is required that all responses comply with the items and sequence as presented in paragraph 2-2, RFP Response Outline. Paragraph 2-2 outlines the minimum requirements and packaging for the preparation and presentation of a response. Failure to comply may result in rejection of the response. The proposal should be specific and complete in every detail, prepared in a simple and straight-forward manner.

Proposers are expected to examine the entire Request for Proposals, including all specifications, standard provisions, and instructions. Failure to do so will be at the Proposer's risk. Each Proposer shall furnish the information required by the invitation. It is required that proposal entries be typewritten. Periods of time, stated in number of days, in this request or in the Proposer's response, shall be in calendar days. Propose your best price on each item.

2-2 RFP RESPONSE OUTLINE

- A. Response Sheet: The proposal Response Certification (page 5) shall be attached to the front of the proposal and shall contain the Proposer's certification of the submission. An official who has full authority to enter into an Agreement shall sign it.
- B. Background and History: Describe the company, organization, officers or partners, number of employees, and operating policies that would affect this Agreement. State the number of years your organization has been continuously engaged in business.
- C. References: The Proposer shall provide a minimum of three (3) references including names of persons who may be contacted, title of person, addresses, phone numbers, and e-mail, where products or services similar in scope to the requirements of this RFP have been provided.
- D. Experience and Support: Describe Proposer's experience in performing the requested services.
- E. Costs: Include itemized costs for all components and features to be delivered. Costs should be identified as one-time or continuing. Purchase prices, lease prices, installation charges, and maintenance charges must be identified. All equipment prices must be stated as FOB: Moscow, ID.
- F. Warranties: Describe warranties provided by the Proposer. Include discussions of any additional support provided after the sale.
- G. Proposer Exceptions: Describe any exceptions to the terms and conditions contained within this document.

SECTION 3 - TECHNICAL SPECIFICATIONS & BID FORM

The University of Idaho is soliciting proposals from vendors for a turnkey cable or television satellite system for University Housing Residence Halls, the Student Recreation Center (SRC) and Graduate Student Residences (GSR). The successful proposer will be required to furnish all labor and equipment to provide cable or satellite television services in accordance with University and contract specifications.

GENERAL DESCRIPTION. The successful proposer will be required to provide basic cable/satellite service (see para 3.A) to 1460 residence hall rooms, 15 residence hall apartments, 37 residence hall lounges and the SRC. Within the residence halls, the service will be provided only through the academic year, which runs from mid-August to mid-May of the following year. The SRC, Graduate Student Residences (see chart below) and one LLC will require calendar year long service. University Housing hosts summer school students in the one LLC and that building will change each summer. The estimated total usage during the non-peak (summer) months would be approximately 150 rooms. The chart below describes the volumes and locations of television outlets.

	Student Rooms	Apartments	Total Cable Outlets in System	Lounges	Grand Total Occupied Rooms and Lounges
Wallace--Gooding	160	3	163	6	169
Wallace---Stevenson	110	0	110	4	113
Wallace--Willey	159	3	162	6	168
Wallace--Ballard	110	0	110	4	114
Tower	209	1	210	6	215
McConnell	58	1	59	2	60
Targhee	30	0	30	1	31
LLC 1--GEM	64	0	64	1	65
LLC 2--Syringa	70	1	71	1	72
LLC 3--Global Village	64	1	65	1	65
LLC 4--Upham	70	1	71	1	72
LLC 5--CNR	70	1	71	1	72
LLC 6--Gault	68	1	69	1	70
LLC 7--Engineering	66	1	67	1	68
LC 8--Scholars	66	1	67	1	68
Graduate Student Residences	85	0	85	0	85
Student Recreation Center	1	0	1	0	1
	1460	15	1475	37	1512

Vendor billings to the University would be based upon occupied rooms within the described residence halls. That quantity becomes official on the 10th day following the start of each semester. The following table provides the average number of occupied rooms dating back to 2006.

Fall 2009	1282
Spring 2009	1200
Summer 2009	150
Fall 2008	1271
Spring 1008	1143
Summer 2008	150
Fall 2007	1280
Spring 2007	1293
Fall 2006	1338
Summer 2006	152
Spring 2006	1318

The current campus television system features two satellite dishes mounted atop the Wallace Center (one dish for local stations and one for national stations). The signal is encoded for fiber optics at Wallace and then sent underground to the SRC. A decoder changes the fiber signal into a digital signal whereupon it is sent in an underground tunnel system to the Living Learning Centers (8 ea), McConnell, Thepholus Tower and the Wallace complex, which includes the core building, Gooding, Willey, Stevenson and Ballard. Targhee Hall and Graduate Student Residences are fed a signal by separate satellite dishes and each room requires a receiver.

SCOPE OF WORK

A. The bid must list the basic package available to all students and the monthly fees (based on room occupancy) that will be assessed. The basic service should include:

KREM Spokane, WA (CBS)	A&E	C-SPAN 2
KUID	Bloomberg	ESPN
KXLY Spokane, WA (ABC)	BET	ESPN 2
MSNBC	CNBC	ESPN News
KHQ Spokane, WA (NBC)	FOOD	ESPN Classic
KSPS (PBS)	Fox News	CNN
Public Access	KQUP	USA
KAYV (FOX)	C-SPAN	Discovery

Nickelodeon	MTV-2 or CMT	Food Network
ABC Family	Comedy Central—Spike TV	Tech TV
AMC	E!	TLC
Weather	Sci-Fi	Animal Planet
CNN Headline News	TNT	TV Land
VH-1	NFL	Court TV

VH-1 Classic	College Sports	WE
MTV	Cartoon Network	FX

TBS	Lifetime
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The above list is meant to provide a guideline for the basic package. Based on student input and the service provider's package selection, certain stations may be added or deleted without impacting the cost of the service. This process would be included in the negotiations.

B. Where it is technically and economically feasible, the University would be interested in providing our students the capability to upgrade, at their personal expense, to a premium package that would include HBO, STARZ, Showtime, Cinemax and other "premium" channels. The students would have the right to negotiate separately with the cable/satellite provider for these services and the University would not be a part of those negotiations.

C. Targhee Hall is located across campus and separate from the other residence halls. The University is interested in a proposer installing a stand-alone cable/satellite TV system for Targhee Hall that does not require separate receivers for each room.

D. The contractor must supply a satellite/cable television service and equipment that is the latest technology in the industry.

E. The system will provide a University Information Channel. This channel shall be provided at no additional cost to the university.

F. The Television System must include an Emergency Notification System that will be compatible with the University's existing system.

TERM OF CONTRACT:

A. The term of the contract will be for five (5) years beginning on July 1, 2010. The contract can be extended after that 5 year period pursuant to the agreement of the University and the vendor.

INSTALLATION:

A. The successful vendor will specify all equipment and provide an installation plan which shall include the following as a minimum:

1. The signal strength needs to be consistent throughout all the buildings and rooms that receive service.
2. Maximum total rooms and lounges serviced during the academic year (August through May): 1512
Maximum Summer Service: 155 rooms.

B. HEADEND ROOM

The successful vendor will incur the cost of installing a state-of-the-art Headend room. The space will be provided by the University of Idaho at no cost to the successful vendor. The current space measures approximately 21 feet by 12 feet with 10 foot ceilings. Air conditioning is provided by a window type

unit mounted on an exterior wall. Current electrical capacity includes three 120 volt circuit breakers plus a separate circuit for room cooling.

1. The successful proposer will provide training to selected University Housing staff so that UH staff can provide routine preventative maintenance and repair to any part of the satellite/cable system. Should the discrepancy be beyond the repair capabilities of the UH staff, the successful proposer shall provide a qualified maintenance technician to remedy the discrepancy (see section C.2.)
2. Channel receivers, modulators will be property of the successful vendor. The equipment racks will remain the property of the university. The current racks are sufficient to hold modulators and other necessary equipment for the channel selection described in para. 3.A.
3. During the life of this contract, equipment shall be upgraded as technology and television industry standards change, subject to cost negotiations.

C. PREVENTATIVE MAINTENANCE

1. The successful vendor shall be required to train University Housing staff on routine preventative maintenance requirements on the headend room, the cable/satellite system, amplifiers and connections.
2. The successful vendor will present a plan that describes how quickly a technician will be on site to correct any service disruption.

D. COST SHEET

1. The University is requesting proposals from vendors for a turnkey cable/satellite television service. Evaluations shall be in accordance with the criteria in Section Five. Bids shall include proposed pricing for premium channels that will be invoiced and paid separately from the University Contract. Individual students would be responsible for their premium channel charges.

NOTE: All costs are to be included below. The University may add or delete rooms as external conditions dictate. Invoicing for the summer months and school year should be at the same rate in a given year.

Description	Unit Cost
<u>Year 1</u>	
a. Basic Cable/Satellite Service, including all Maintenance, per room X 1508 rooms from August to May	_____
b. Basic Cable/Satellite Service, including all Maintenance, per room X 155 rooms from May to August	_____
c. One time installation of all equipment in all Areas.	_____
d. Optional Premium Channels	_____

Year 2

- a. Basic Cable/Satellite service, including
all maintenance, per room X 1508 rooms
from August to May. _____

- b. Basic Cable/Satellite service, including

all maintenance, per room X 155 rooms from
May to August. _____
- c. Optional Premium Channels _____

Year 3

- a. Basic Cable/Satellite service, including
all maintenance, per room X 1508 rooms
from August to May. _____

- b. Basic Cable/Satellite service, including

all maintenance, per room X 155 rooms from
May to August. _____
- c. Optional Premium Channels _____

Year 4

- a. Basic Cable/Satellite service, including
all maintenance, per room, X 1508 room
from August to May. _____

- b. Basic Cable/Satellite Service, including
all maintenance, per room X 155 rooms
from May to August. _____
- c. Optional Premium Channels _____

Year 5

- a. Basic Cable/Satellite service, including
all maintenance per room, X 1508 rooms from
August to May. _____

- b. Basic Cable/Satellite service, including
all maintenance per room X 155 rooms from
May to August. _____

c. Optional Premium Channels

SECTION 4 - PROCUREMENT PROCESS

4-1 PROPOSER LIST AND QUALIFICATION EVALUATION

After the established date for receipt of proposals, a listing of Proposers submitting proposals will be prepared, and will be available for public inspection.

Qualifications and proposals submitted by interested Proposers will be reviewed and evaluated based on the evaluation factors set forth in the RFP.

4-2 PROPOSAL CLASSIFICATION

For the purpose of conducting discussions with individual offerers, if required, proposals will initially be classified as:

- A. Potentially Acceptable
- B. Unacceptable

Discussions may be conducted with any or all of the Proposers whose proposals are found acceptable or potentially acceptable. Offerers whose proposals are unacceptable will be notified promptly. The Manager of Purchasing will establish procedures and schedules for conducting oral and/or written discussions.

Proposers are advised that the University may award an Agreement on the basis of initial offers received, without discussions; therefore, each initial offer should contain the offerer's best terms from a cost and technical standpoint.

4-3 PROPOSER INVESTIGATION

The University will make such investigations as it considers necessary to obtain full information on the Proposers selected for discussions, and each Proposer shall cooperate fully in such investigations.

4-4 FINAL OFFERS AND AWARD OF AGREEMENT

Following any discussions with Proposers regarding their technical proposals, alternative approaches, or optional features, a number of the firms may be requested to submit best and final offers. The committee will rank the final Proposers for the project, giving due consideration to the established evaluation criteria. The committee will propose award to the proposal which is found to be most advantageous to the University, based on the factors set forth in the Request for Proposals.

SECTION 5 - EVALUATION PROCESS

The University reserves the right to reject any or all proposals, or portions thereof. The selection of a successful Proposer, if any, will be made based upon which proposal the University determines would best meet its requirements and needs.

5-1 EVALUATION CRITERIA

Vendor evaluation will be based on the material contained in the proposal and also information obtained from references provided by the proposer.

The University reserves the right during the Request for Proposal (RFP) evaluation process to arrange interviews with proposing companies and may ask for clarification and/or documentation in addition to that which was submitted in the proposal.

All proposals shall be reviewed to verify that the University's minimum requirements have been met. Proposals meeting the minimum requirements shall be reviewed and scored by a panel. The panel shall award points based on the criteria described below. The panel's assessment of points shall be final and the award shall be made to the proposer with the highest score.

1. Criteria
 - A. Pricing—Points shall be assigned on the price bid of the proposal. The lowest total yearly cost shall receive maximum points. 25 points
 - B. Technology—Points shall be assigned based on compliance with technology requirements put forth in this RFP. The University is considering either cable or satellite services, whichever is most cost effective, reliable, and meet student needs/requirements. 20 points
 - C. Educational Institution Experience
Points shall be assigned based on the experience of the proposer in working with educational institutions comparable to the University of Idaho 15 points
 - D. Channel Line-up
Points shall be assigned to the proposer who is able to meet stated channel line-up requirements 20 points
 - E. Installation/Maintenance/Emergency Response
Points shall be assigned to the proposer with a plan that includes prompt installation and emergency response as well as a total maintenance program. 20 points
- Total Points Possible per Proposal 100 Points

SECTION 6 - GENERAL CONTRACTUAL TERMS AND CONDITIONS

6-1 AGREEMENT TERMS AND CONDITIONS

The submission of a proposal herein constitutes the agreement of any Proposer that any Agreement to be drawn as the result of an award herein shall be prepared by the University and shall include at a minimum, all terms and conditions set forth in this RFP. The submission of a proposal shall further constitute the agreement of each Proposer that it will not insist on the use of standard contract agreements, documents, or forms, and that it waives any demand for the use of its standard agreements.

6-2 ASSIGNMENT

No assignment of this Agreement or of any right accruing under this Agreement shall be made, in part or in whole, by Contractor without the written consent of the University. Notwithstanding any assignment, Contractor shall remain fully liable on this Agreement and shall not be released from performing any of the terms, covenants, and conditions of this Agreement.

6-3 TERMINATION FOR CONVENIENCE

The University may terminate this Agreement, in whole or in part, at any time by written notice to the Contractor. The Contractor shall be paid its reasonable costs, including reasonable close-out costs and a reasonable profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim for payment. If the Contractor has any property in its possession belonging to the University, the Contractor will account for the same and dispose of it in the manner the University directs.

6-4 TERMINATION FOR DEFAULT

If the Contractor does not deliver the materials in accordance with the Contract delivery schedule, or if the Contract is for services and the Contractor fails to perform in the manner called for in the Contract, or if the Contractor fails to comply with any other provisions of the Contract, the University may terminate this Contract for default. Termination shall be effected by serving on the Contractor a notice of termination setting forth the manner in which the Contractor is in default. The Contractor will be paid a reasonable price for materials delivered and accepted, or services performed in accordance with the manner of performance set forth in the Contract.

6-5 APPLICABLE LAW AND FORUM

This Agreement shall be construed in accordance with, and governed by the laws of the State of Idaho. Any legal proceeding related to this Agreement shall be instituted in the courts of the county of Latah, state of Idaho, and Contractor agrees to submit to the jurisdiction of such courts.

6-6 LAWS, REGULATIONS AND PERMITS

The Contractor shall give all notices required by law and comply with all applicable Federal, State, and local laws, ordinances, rules and regulations relating to the conduct of the work. The Contractor shall be liable for all violations of the law in connection with work furnished by the Contractor, including the Contractor's subcontractors.

6-7 GENERAL QUALITY

All of the Contractor's work shall be performed with the highest degree of skill and completed in accordance with the Agreement Documents.

6-8 PROOF OF COMPLIANCE WITH AGREEMENT

In order that the University may determine whether the Contractor has complied with the requirements of the Agreement Documents, the Contractor shall, at any time when requested, submit to the University properly authenticated documents or other satisfactory proofs as to compliance with such requirements.

6-9 PAYMENT AND ACCEPTANCE

Except as otherwise provided herein, payments shall be due and payable within (30) days after acceptance of such goods or services or after receipt of properly completed invoice, whichever is later. No advance payment shall be made for goods or services furnished pursuant to this Agreement.

6-10 CONTINUATION DURING DISPUTES

The Contractor agrees that notwithstanding the existence of any dispute between the parties, insofar as possible under the terms of the Agreement to be entered into, each party will continue to perform the obligations required of it during the continuation of any such dispute, unless enjoined or prohibited by any court.

6-11 SEVERABILITY

If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application; to this end the terms and conditions of this Agreement are declared severable.

6-12 INTEGRATION

This Agreement constitutes the entire Agreement between the parties. No change thereto shall be valid unless in writing communicated in the stipulated manner, and signed by the University and the Contractor.

6-13 BINDING EFFECT

This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties hereto and their respective heirs, legal representatives, successors, and assigns.

6-14 APPROPRIATIONS CLAUSE

If the term of this Agreement is longer than one year, the University's obligations and liabilities hereunder are subject to the appropriation of funds from the State of Idaho, which appropriation shall be in the State of Idaho's sole discretion, from revenues legally available to the University for the ensuing fiscal year for the purposes of this Agreement. If the State of Idaho does not appropriate the funds for the purpose of this Agreement, the Agreement shall terminate and neither party shall have any further obligations hereunder.

6-15 IRS SECTION 501(C)(3) AND SECTION 115 CONSIDERATIONS

If any provision of this Agreement may cause the University to lose its status as an Internal Revenue Code Section 501(c)(3) corporation, this Agreement shall be voidable. In the alternative, at the sole option of the University, the offending provision(s) shall be modifiable such that the provision(s) will no longer cause the University to lose its

status as a 501(c)(3) corporation. The terms of the modification shall be subject to agreement in writing by all parties.

6-16 COMPLIANCE WITH GOVERNOR'S EXECUTIVE ORDER

In the event any provision of this Agreement shall cause the University to be in violation of any of the Governor of Idaho's Executive Orders, then this Agreement shall be voidable at the sole option of the University.

6-17 NON-USE OF NAMES AND TRADEMARKS

Contractor shall not use the name, trade name, trademark, or other designation of the University, or any contraction, abbreviation, or simulation any of the foregoing, in any advertisement or for any commercial or promotional purpose (other than in performing under this Agreement) without the University's prior written consent in each case.

6-18 CONTRACTOR REPRESENTATIONS

Contractor represents and warrants the following: (a) that it is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to provide the equipment and goods, complete the services, and perform its obligations required hereunder; (b) that it is able to furnish any of the plant, tools, materials, supplies, equipment, and labor required to complete the services required hereunder and perform all of its obligations hereunder and has sufficient experience and competence to do so; (c) that it is authorized to do business in Idaho, properly licensed by all necessary governmental and public and quasi-public authorities having jurisdiction over it and the services, equipment, and goods required hereunder, and has or will obtain all licenses and permits required by law; and (d) that it has visited the site of the project and familiarized itself with the local conditions under which this Agreement is to be performed.

6-19 REGENTS' APPROVAL

This Agreement may be subject to approval by the Regents of the University of Idaho, and if it is and if such approval is not granted this Agreement shall be void and neither party shall have any further obligations or liabilities hereunder.

6-20 SURVIVAL OF TERMS

The terms and provisions hereof, and all documents being executed hereunder, if any, including, without limitation, the representations and warranties, shall survive this Agreement and shall remain in full force and effect thereafter.

6-21 HEADINGS

The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

6-22 ADDITIONAL ACTS

Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by the parties, the parties hereby agree to perform, execute and/or deliver or cause to be performed, executed and/or delivered any and all such further acts, deeds and assurances as any party hereto may reasonably require to consummate the transaction contemplated hereunder.

6-23 TIME OF ESSENCE

All times provided for in this Agreement, or in any other document executed hereunder, for the performance of any act will be strictly construed, time being of the essence.

6-24 WAIVER

No covenant, term or condition or the breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term or condition shall not be deemed to be a waiver of any other covenant, term or condition herein. Acceptance by a party of any performance by another party after the time the same shall have become due shall not constitute a waiver by the first party of the breach or default of any such covenant, term or condition unless otherwise expressly agreed to by the first party in writing.

6-25 FORCE MAJEURE

Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (except for financial ability), shall excuse the performance, except for the payment of money, by such party for a period equal to any such prevention, delay or stoppage.

6-26 NO JOINT VENTURE

Nothing contained in this Agreement shall be construed as creating a joint venture, partnership, or agency relationship between the parties.

6-27 INFORMATION TRUE AND CORRECT

All documents, agreements and other information provided to the University by Contractor or which Contractor has caused to be provided to the University are true and correct in all respects and do not omit to state any material fact or condition required to be stated, necessary to make the statement or information not misleading, and there are no other agreements or conditions with respect thereto.

6-28 EQUAL OPPORTUNITY

Contractor represents and agrees that it will not discriminate in the performance of this Agreement or in any matter directly or indirectly related to this Agreement on the basis of race, sex, color, religion, national origin, disability, ancestry, or status as a Vietnam veteran. This non-discrimination requirement includes, but is not limited to, any matter directly or indirectly related to employment. Breach of this covenant may be regarded as a material breach of Agreement.

6-29 CONFIDENTIALITY

The parties hereto agree that the terms and conditions of this Agreement shall be held in confidence except as required by or for applicable disclosure laws, financing sources, enforcement of the Agreement, mergers and acquisitions, or as otherwise mutually agreed by the Parties, and such agreement shall not be withheld unreasonably.

6-30 UNIVERSITY'S RULES, REGULATIONS, AND INSTRUCTIONS

Contractor will follow and comply with all rules and regulations of the University and the reasonable instructions of University personnel. The University reserves the right to require the removal of any worker it deems unsatisfactory for any reason.

SECTION 7 – INDEMNITY, RISKS OF LOSS, INSURANCE

7-1 RISK OF LOSS

Until all improvements, equipment, or goods to be provided under this Agreement are installed on property owned or controlled by University and working properly, Contractor and its subcontractors of any tier shall bear all risks of all loss or damage to the improvements, equipment, or goods, excluding loss or damage caused by acts, omissions, or negligence of the University. Once all improvements, equipment, or goods to be provided under this Agreement are installed on property owned or controlled by University and working properly, the risk of all loss or damage shall be borne by University, excluding loss or damage caused by acts, omissions, or negligence of the Contractor. Contractors shall require its subcontractors of any tier to bear the same risk of loss and .

7-2 INDEMNIFICATION

Contractor shall indemnify, defend and hold the University and the State of Idaho harmless from and against any and all claims, losses, damages, injuries, liabilities and all costs, including attorneys fees, court costs and expenses and liabilities incurred in or from any such claim, arising from any breach or default in the performance of any obligation on Contractor's part to be performed under the terms of this Agreement, or arising from any act, negligence or the failure to act of Contractor, or any of its agents, subcontractors, employees, invitees or guests. Contractor, upon notice from the University, shall defend the University at Contractor's expense by counsel reasonably satisfactory to the University. Contractor, as a material part of the consideration of the University, hereby waives all claims in respect thereof against the University.

Contractor shall: (a) notify the University in writing as soon as practicable after notice of an injury or a claim is received; (b) cooperate completely with the University and/or the University's insurers in the defense of such injury or claim; and (c) take no steps such as admission of liability which would prejudice the defense or otherwise prevent the University from protecting the University's interests.

7-3 Insurance

7.3.1 General Requirements

7.3.1.1 Contractor and its subcontractor(s) of any tier are required to carry the types and limits of insurance shown in this insurance clause, section 8.0, and to provide University with a Certificate of Insurance ("certificate"). All certificates shall be coordinated by the Contractor and provided to the University within seven (7) days of the signing of the contract by the Contractor. Certificates shall be executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below. All certificates shall provide for thirty (30) days' written notice to University prior to cancellation, non-renewal, or other material change of any insurance referred to therein as evidenced by return receipt of United States certified mail. Said certificates shall evidence compliance with all provisions of this section 8.0. Exhibit A of this Agreement contains a Request for Certificate of Insurance which shall be given to the insurance broker or agent of the Contractor and its subcontractor(s) of any tier, upon award of bid to Contractor.

7.3.1.2 Additionally and at its option, Institution may request certified copies of required policies and endorsements. Such copies shall be provided within (10) ten days of the Institution's request.

7.3.1.3 All insurance required hereunder shall be maintained in full force and effect with insurers with Best's rating of AV or better and be licensed and admitted in Idaho. All policies required shall be written as primary policies and not contributing to nor in excess of any coverage University may choose to

maintain. Failure to maintain the required insurance may result in termination of this Agreement at University's option.

7.3.1.4 All policies except Workers Compensation and Professional Liability shall name University as Additional Insured. The Additional Insured shall be stated as: "State of Idaho and The Regents of the University of Idaho". Certificate Holder shall read: "University of Idaho." Certificates shall be mailed to: University of Idaho, Risk Management, P.O. Box 443162, Moscow, ID 83844-3162.

7.3.1.5 Failure of University to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Institution to identify a deficiency from evidence that is provided shall not be construed as a waiver of the obligation of Contractor and its subcontractor(s) of any tier to maintain such insurance.

7.3.1.6 No Representation of Coverage Adequacy. By requiring insurance herein, University does not represent that coverage and limits will necessarily be adequate to protect Contractor and its subcontractor(s) of any tier, and such coverage and limits shall not be deemed as a limitation on the liability of the Contractor and its subcontractor(s) of any tier under the indemnities granted to University in this Agreement.

8.1.7 Contractor is responsible for coordinating the reporting of claims and for the following: (a) notifying the Institution in writing as soon as practicable after notice of an injury or a claim is received; (b) cooperating completely with University in the defense of such injury or claim; and (c) taking no steps (such as admission of liability) which will prejudice the defense or otherwise prevent the University from protecting its interests.

7.3.2 Required Insurance Coverage.

Contractor and its subcontractor(s) of any tier shall at its own expense obtain and maintain:

7.3.2.1 Commercial General and Umbrella / Excess Liability Insurance. Contractor and its subcontractor(s) of any tier shall maintain Commercial General Liability ("CGL") written on an occurrence basis and with a limit of not less than \$1,000,000 each occurrence and in the aggregate. If such CGL insurance contains a general aggregate limit, it shall apply separately by location and shall not be less than \$1,000,000. CGL insurance shall be written on standard ISO occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under a contract including the tort liability of another assumed in a business contract. Waiver of subrogation language shall be included. If necessary to provide the required limits, the Commercial General Liability policy's limits may be layered with a Commercial Umbrella or Excess Liability policy.

7.3.2.2 Commercial Auto Insurance. Contractor and its subcontractor(s) of any tier shall maintain a Commercial Auto policy with a Combined Single Limit of not less than \$1,000,000; Underinsured and Uninsured Motorists limit of not less than \$1,000,000; Comprehensive; Collision; and a Medical Payments limit of not less than \$10,000. Coverage shall include Non-Owned and Hired Car coverage. Waiver of subrogation language shall be included.

7.3.2.3 Business Personal Property. Contractor and its subcontractor(s) of any tier shall purchase insurance to cover Business Personal Property of Contractor and its subcontractor(s) of any tier. In no event shall University be liable for any damage to or loss of personal property sustained by Contractor, even if such loss is caused by the negligence of Institution, its employees, officers or agents. Waiver of subrogation language shall be included.

7.3.2.4 Workers' Compensation. Contractor and its subcontractor(s) of any tier shall maintain all coverage statutorily required of the Contractor and its subcontractor(s) of any tier, and coverage shall be

in accordance with the laws of Idaho. Contractor and its subcontractor(s) of any tier shall maintain Employer's Liability with limits of not less than \$100,000 / \$500,000 / \$100,000.

7.3.2.4 Professional Liability. If professional services are supplied to Institution, Contractor and its subcontractor(s) of any tier, Contractor and its subcontractor(s) of any tier shall maintain Professional Liability (Errors & Omissions) insurance on a claims made basis, covering claims made during the policy period and reported within three years of the date of occurrence. Limits of liability shall be not less than one million dollars (\$1,000,000).

**UNIVERSITY OF IDAHO
GENERAL TERMS AND CONDITIONS**

1. THIS ORDER EXPRESSLY LIMITS ACCEPTANCE TO THE TERMS AND CONDITIONS STATED HEREIN. ALL ADDITIONAL OR DIFFERENT TERMS PROPOSED BY CONTRACTOR ARE OBJECTED TO AND ARE HEREBY REJECTED, UNLESS OTHERWISE PROVIDED FOR IN WRITING BY THE PURCHASING MANAGER, UNIVERSITY OF IDAHO.
2. CHANGES: No alteration in any of the terms, conditions, delivery, price, quality, quantity or specifications of this order will be effective without the written consent of the University of Idaho Department of Purchasing Services.
3. PACKING: No charges will be allowed for special handling, packing, wrapping, bags, containers, etc., unless otherwise specified.
4. DELIVERY: For any exceptions to the delivery date as specified on the order, Contractor shall give prior notification and obtain approval thereto from the University of Idaho Department of Purchasing Services. With respect to delivery under this order, time is of the essence and order is subject to termination for failure to deliver within the timeframe specified in this order.
5. SHIPPING INSTRUCTIONS: Unless otherwise instructed, all goods are to be shipped prepaid and allowed, FOB Destination.
6. ORDER NUMBERS: Agreement order numbers or purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.
7. REJECTION: All goods, materials, or services purchased herein are subject to approval by the University of Idaho. Any rejection of goods, materials, or services resulting from nonconformity to the terms, conditions or specifications of this order, whether the goods are held by the University of Idaho or returned, will be at Contractor's risk and expense.
8. QUALITY STANDARDS: Brand names, models, and specifications referenced in herein are meant to establish a minimum standard of quality, performance, or use required by the University. No substitutions will be permitted without written authorization of the University of Idaho Department of Purchasing Services.
9. WARRANTIES: Contractor warrants that all products delivered under this order shall be new, unless otherwise specified, free from defects in material and workmanship, and shall be fit for the intended purpose. All products found defective shall be replaced by the Contractor upon notification by the University of Idaho. All costs of replacement, including shipping charges, are to be borne by the Contractor.
10. PAYMENT, CASH DISCOUNT: Invoices will not be processed for payment nor will the period of computation for cash discount commence until receipt of a properly completed invoice or invoiced items are received and accepted, whichever is later. If an adjustment in payment is necessary due to damage or dispute, the cash discount period shall commence on the date final approval for payment is authorized. Payment shall not be considered late if a check or warrant is available or mailed within the time specified.
11. LIENS, CLAIMS AND ENCUMBRANCES: Contractor warrants and represents that all the goods and materials delivered herein are free and clear of all liens, claims or encumbrances of any kind.
12. TERMINATION: In the event of a breach by Contractor of any of the provisions of this Agreement, the University of Idaho reserves the right to cancel and terminate this Agreement forthwith upon giving written notice to the Contractor. Contractor shall be liable for damages suffered by the University of Idaho resulting from Contractor's breach of Agreement.
13. TRADEMARKS: Contractor shall not use the name, trade name, trademark, or any other designation of the University, or any contraction, abbreviation, adaptation, or simulation of any of the foregoing, in any advertisement or

for any commercial or promotional purpose (other than in performing under this Agreement) without the University's prior written consent in each case.

14. OSHA REGULATIONS: Contractor guarantees all items, or services, meet or exceed those requirements and guidelines established by the Occupational Safety and Health Act.
15. TAXES: The University of Idaho is exempt from payment of Idaho State Sales and Use Tax. In addition, the University is generally exempt from payment of Federal Excise Tax under a permanent authority from the District Director of the Internal Revenue Service. Exemption certificates will be furnished as required upon written request by Contractor. If Contractor is required to pay any taxes incurred as a result of doing business with the University of Idaho, it shall be solely responsible for the payment of those taxes. If Contractor is performing public works construction, it shall be responsible for payment of all sales and use taxes.
16. BINDING EFFECT: This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties and their respective heirs, legal representatives, successors and assigns.
17. ASSIGNMENTS: No Agreement, order, or any interest therein shall be transferred by Contractor to any other party without the approval in writing of the Purchasing Manager, University of Idaho. Transfer of an Agreement without approval may cause the rescission of the transferred Agreement at the option of the University of Idaho.
18. WAIVER: No covenant, term or condition, or the breach thereof, shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition herein. Acceptance by a party of any performance by another party after the time the same shall have become due shall not constitute a waiver by the first party of the breach or default unless otherwise expressly agreed to in writing.
19. FORCE MAJEURE: Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes thereof, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (except for financial ability), shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.
20. NO JOINT VENTURE: Nothing contained in this Agreement shall be construed as creating a joint venture, partnership, or employment or agency relationship between the parties.
21. PRICE WARRANTY FOR COMMERCIAL ITEMS: Contractor warrants that prices charged to the University of Idaho are based on Contractor's current catalog or market prices of commercial items sold in substantial quantities to the general public and prices charged do not exceed those charged by Contractor to other customers purchasing the same item in like or comparable quantities.
22. NONDISCRIMINATION: Contractor represents and agrees that it will not discriminate in the performance of this Agreement or in any matter directly or indirectly related to this Agreement on the basis of race, sex, color, religion, national origin, disability, ancestry, or status as a Vietnam veteran. This non-discrimination requirement includes, but is not limited to, any matter directly or indirectly related to employment. Breach of this covenant may be regarded as a material breach of Agreement.
23. UNIVERSITY REGULATIONS: Contractor shall follow and comply with all rules and regulations of the University and the reasonable instructions of University personnel.
24. GOVERNING LAW: This Agreement shall be construed in accordance with, and governed by the laws of the State of Idaho. Any legal proceeding related to this Agreement shall be instituted in the courts of the county of Latah, state of Idaho, and Contractor agrees to submit to the jurisdiction of such courts.

UNIVERSITY OF IDAHO - REQUEST FOR PROPOSAL

Exhibit A – Request for Certificate of Insurance from Contractor*

***If bid is awarded to Contractor**

Page 1 of 2

Give this form to your insurance agent / broker

Agents/ Brokers: RETURN A COPY OF THESE INSTRUCTIONS WITH YOUR CERTIFICATE.

Certificates without a copy of these instructions will not be accepted.

Contractor and its subcontractors of any tier (“Insured”) are required to carry the types and limits of insurance shown in this Request, and to provide University of Idaho (“Certificate Holder”) with a Certificate of Insurance within seven (7) days of the signing of this Contract.

- Certificate Holder shall read:

State of Idaho and the Regents of the University of Idaho
Attn: Risk Management
P.O. Box 443162
Moscow, ID 83844-3162

- Description area of certificate shall read: Attn: Contract for Services
- All certificates shall provide for thirty (30) days’ written notice to Certificate Holder prior to cancellation or material change of any insurance referred to in the certificate.
- All insurers shall have a Best’s rating of AV or better and be licensed and admitted in Idaho.
- All policies required shall be written as primary policies and not contributing to nor in excess of any coverage Certificate Holder may choose to maintain.
- All policies (except Workers Compensation and Professional Liability) shall name the following as Additional Insured: The Regents of the University of Idaho, a public corporation, state educational institution, and a body politic and corporate organized and existing under the Constitution and laws of the state of Idaho.
- Failure of Certificate Holder to demand a certificate or other evidence of full compliance with these insurance requirements or failure of Certificate Holder to identify a deficiency from evidence that is provided shall not be construed as a waiver of Insured’s obligation to maintain such insurance.
- Failure to maintain the required insurance may result in termination of this grant or contract at the Certificate Holder’s option.
- By requiring this insurance, Certificate Holder does not represent that coverage and limits will necessarily be adequate to protect Insured, and such coverage and limits shall not be deemed as a limitation on Insured’s liability under the terms of the grant or contract.

- A copy of this certificate request must be sent with the Certificate.
UNIVERSITY OF IDAHO - REQUEST FOR PROPOSAL

Exhibit A – Request for Certificate of Insurance from Contractor*

***If bid is awarded to Contractor**

Page 2 of 2

Required Insurance Coverage. Insured shall obtain insurance of the types and in the amounts described below.

- Commercial General and Umbrella Liability Insurance. Insured shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 each occurrence and in the aggregate. If such CGL insurance contains a general aggregate limit, it shall apply separately by location and shall not be less than \$1,000,000. CGL insurance shall be written on standard ISO occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract including the tort liability of another assumed in a business contract. Waiver of subrogation language shall be included. If necessary to provide the required limits, the Commercial General Liability policy's limits may be layered with a Commercial Umbrella or Excess Liability policy.
- Commercial Auto Insurance. Insured shall maintain a Commercial Automobile Policy with a Combined Single Limit of not less than \$1,000,000; Underinsured and Uninsured Motorists limit of not less than \$1,000,000; Comprehensive; Collision; and a Medical Payments limit of not less than \$5,000. Coverage shall include Non-Owned and Hired Car coverage. Waiver of subrogation language shall be included.
- Business Personal Property and/or Personal Property. Insured shall purchase insurance to cover Insured's personal property. In no event shall Certificate Holder be liable for any damage to or loss of personal property sustained by Insured, whether or not insured, even if such loss is caused by the negligence of Certificate Holder, its employees, officers or agents.
- Workers' Compensation. Where required by law, Insured shall maintain all statutorily required Workers Compensation coverages. Coverage shall include Employer's Liability, at minimum limits of \$100,000 / \$500,000 / \$100,000.
- Professional Liability. If professional services are supplied to the Institution, Insured shall maintain Professional Liability (Errors & Omissions) insurance on a claims made basis, covering claims made during the policy period and reported within three years of the date of occurrence. Limits of liability shall be not less than one million dollars (\$1,000,000).

If you have additional questions, please contact:

Carry Salonen, Risk Specialist, University of Idaho.
PH (208) 885-7177. FAX (208) 885-9490
csalonen@uidaho.edu

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Submittal by e-mail

Purchasing Services
645 West Pullman Road
P.O. Box 441202
Moscow, Idaho 83844-1202

REQUEST FOR PROPOSALS NO. 10-19M
FOR
CABLE/TELEVISION SATELLITE

For Additional Information, Please Contact:

Julia R. McIlroy, Senior Buyer

Phone (208) 885-6123

Fax (208) 885-6060

juliam@uidaho.edu

www.purchasing.uidaho.edu

Date Issued: February 12, 2010

Proposals Due: March 12, 2010

Pre-proposal Conference: March 3, 2010

UNIVERSITY OF IDAHO REQUEST FOR PROPOSALS NO. 10-19M

PROPOSAL RESPONSE CERTIFICATION

MARCH 12, 2010
DATE

The undersigned, as Proposer, declares that they have read the Request for Proposals, and that the following proposal is submitted on the basis that the undersigned, the company, and its employees or agents, shall meet, or agree to, all specifications contained therein. It is further acknowledged that addenda numbers 1 to 7 have been received and were examined as part of the RFP document.

Stephen Hattrup
Name

Stephen Hattrup
Signature

Sr. Director - Finance
Title

TIME WARNER NY CABLE LLC
Company

828 WEST PULLMAN ROAD
Street Address

MOSCOW, IDAHO 83843
City, State, Zip

208-892-5501 208-882-9100 - DEENA GIBBS LOCAL OPERATIONS
Telephone Number and Fax Number MANAGER

208-596-5948
Cell Phone Number

deena.gibbs@twcable.com
E-mail Address

DELEWARE
State of Incorporation

83-0353318
Tax ID Number

Business Classification Type (Please check mark if applicable):

Minority Business Enterprise (MBE)	_____
Women Owned Business Enterprise (WBE)	_____
Small Business Enterprise (SBE)	_____
Veteran Business Enterprise (VBE)	_____
Disadvantaged Business Enterprise (DBE)	_____

Business Classification Type is used for tracking purposes, not as criteria for award.

SECTION 1 - INSTRUCTIONS TO PROPOSER

1-1 SCOPE OF WORK

The University of Idaho (herein referred to as the University) is soliciting proposals for turnkey cable or television satellite system for University Housing Residence Halls, the Student Recreation Center (SRC) and Graduate Student Residences (GSR).

Read and Understood

1-2 PROPOSAL SUBMISSION

Proposal must be **SEALED and CLEARLY IDENTIFIED** with the Request for Proposals' number, due date and time, Proposer's name and address, and submitted by March 12, 2010 to University of Idaho Purchasing Services, 645 West Pullman Road, P.O. Box 441202, Moscow, ID 83844-1202.

A facsimile response or an electronic response to this Request for Proposals does not meet the requirement of a sealed proposal and will not be accepted.

The proposal must be signed by such individual or individuals who have full authority from the Proposer to enter into a binding Agreement on behalf of the Proposer so that an Agreement may be established as a result of acceptance of the proposal submitted. By reference, the terms and conditions set forth in the Request for Proposals shall serve as the Agreement terms and conditions. In addition, the laws of the State of Idaho shall apply. No other terms and conditions will apply unless submitted as a part of the proposal response and accepted by the University.

Proposals received after the exact time specified for receipt will not be considered.

Read and Understood

1-3 REQUEST FOR PROPOSAL SCHEDULE

2/12/10	Request for Proposals issued
3/3/10	Pre-Proposal Conference
3/12/10	Proposals Due @ 4:00 p.m.

Read and Understood

1-4 INQUIRIES

All inquiries concerning this request shall be submitted in writing and received by the University's office of Purchasing Services by March 5, 2010 to:

Julia R. McIlroy, Senior Buyer
University of Idaho
Purchasing Services
645 West Pullman Road
P.O. Box 441202
Moscow, ID 83844-1202
Telephone: (208) 885-6123
Fax: (208) 885-6060
E-mail: juliam@uidaho.edu

Proposers should consider Purchasing Services as the first and prime point of contact on all matters related to the procedures associated with this RFP. If additional information is needed from any source, Purchasing Services will work with the Proposer and with the various offices of the University to gather that information.

Read and Understood

1-5 INTERPRETATION, CORRECTIONS, OR CHANGES IN RFP

Any interpretation, correction, or change in the RFP will be made by addendum by the University. Interpretations, corrections, or changes to the RFP made in any other manner will not be binding, and no Proposer may rely upon any such interpretation, correction, or change.

Read and Understood

1-6 MODIFICATION OR WITHDRAWAL OF PROPOSALS

A Proposer may modify or withdraw a proposal at any time prior to the specified time and date set for the proposal closing. Such a request for modification or withdrawal must be in writing, and executed by a person with authority as set forth under paragraph 1-2 above, or by facsimile notice subsequently confirmed in writing.

Read and Understood

1-7 ERASURES AND INTERLINEATIONS

Erasures, interlineations, or other changes in the proposal must be initialed by the person(s) signing the proposal.

Read and Understood

1-8 ACKNOWLEDGMENT OF ADDENDUMS TO RFP

Receipt of an addendum to this RFP must be acknowledged by a Proposer on the Proposal Response Certification (Attachment A).

Read and Understood

1-9 PROPOSAL COPIES

Four (4) complete copies of the proposal shall be submitted to the University.

Read and Understood

1-10 OFFER ACCEPTANCE PERIOD

A proposal shall constitute an offer to contract on the terms and conditions contained in this RFP and the proposal. Said proposal shall constitute an irrevocable offer for ninety (90) calendar days from the proposal opening date, even if the University makes one or more counter offers.

Read and Understood

1-11 REJECTION OF PROPOSALS

The University in its sole discretion, expressly reserves the right to reject any or all proposals or portions thereof, to reissue a Request for Proposal, and to waive informalities, minor irregularities, discrepancies, and any other matter or shortcoming.

Read and Understood

1-12 PROPOSAL PRICE

The prices submitted in the proposal shall include everything necessary for the prosecution and completion of the Agreement including, but not limited to, furnishing all materials and all management, supervision, labor and service, except as may be provided otherwise in the Agreement Documents. In the event of discrepancy between the unit

prices and their extensions, the total price will be adjusted accordingly. In the event of discrepancy between the sum of the extended total prices, the Total Proposal Price will be adjusted accordingly. The proposal price shall not include any allowance for Idaho State sales/use tax.

The University will evaluate the total price for the basic requirements with any options(s) exercised at the time of award. Evaluation of options will not obligate the University to exercise the option(s).

The University may reject an offer if it is materially unbalanced as to process for the basic requirements and the option quantities. An offer is unbalanced when it is based on prices significantly less than cost for some work and prices that are significantly overstated for other work.

Read and Understood

1-13 TERM OF AGREEMENT

The initial term of this agreement shall be five (5) year, commencing upon the date of execution by the university. The term of this agreement may, if mutually agreed upon in writing, be extended by five (5) years, provided written notice of each extension is given to the bidder at least thirty (30) days prior to the expiration date of such term or extension. In the event funding approval is not obtained by the University, this Agreement shall become null and void effective the date of renewal. During extension periods, all terms and conditions of this Agreement shall remain in effect.

Read and Understood

1-14 AWARD OF AGREEMENT

The University shall make the award to the responsible Proposer whose proposal will be most advantageous to the University with respect to price, conformance to the specifications, quality, and other factors as evaluated by the University. The University is not required or constrained to award the Agreement to the Proposer proposing the lowest price.

The University may award an Agreement on the basis of initial offers received, without discussion; therefore, each initial offer should contain the offerer's best terms from a cost and technical standpoint.

Read and Understood

1-15 PUBLIC AGENCY

The Contractor has agreed to extend contract usage to other public agencies, such as any city or political Subdivision of this state, including, but not limited to counties; school districts; highway districts; port authorities; instrumentalities of counties, cities or any political subdivision created under the laws of the State of Idaho; any agency of the state government; or any city or political subdivision of another state.

Read and Understood. Exception: The pricing in this response to RFP is based upon the existing franchises under which TWC operates its business and the costs TWC will incur in order to deliver services as described in this RFP to the locations identified in this RFP as per section 3. Pricing for other public agencies, such as any city or political Subdivision of this state, including, but not limited to counties; school districts; highway districts; port authorities; instrumentalities of counties, cities or any political subdivision created under the laws of the State of Idaho; any agency of the state government; or any city or political subdivision of another state are subject to state law regarding Franchise and also site inspection and TWC's evaluation of costs incurred in order to provide service, and may vary from the pricing offered to University of Idaho herein.

1-16 PROPOSAL CONFIDENTIALITY

Each Proposer agrees that the contents of each proposal submitted in response to this RFP is Confidential, proprietary, and constitutes trade secret information, as defined in Idaho Code 9-340D(1), as to all technical and financial data **LABELED CONFIDENTIAL BY THE PROPOSER**, and waives any right of access to

such information, except as provided for by law. Except as determined by the University's Office of Purchasing Services, in its sole discretion, no information will be given regarding any proposals or evaluation progress until after an award is made, except as provided by law.

Read and Understood

1-17 F.A.R. REQUIREMENT

All purchase orders and contracts issued by the University of Idaho are subject to F.A.R. 52.209-6. Supplier warrants that supplier or its principals are presently debarred, suspended or proposed for debarment by the Federal Government.

Read and Understood

1-18 RECORD OF PURCHASES

Contractor will provide Purchasing Services a detailed usage report of items/services ordered, quantities, and pricing under this Agreement upon request.

Read and Understood

1-19 APPEAL OF AWARD

A Proposer aggrieved by the award of an Agreement may file an appeal by writing to the Manager of Purchasing Services. The appeal must be received by the Manager of Purchasing Services within five working days after the award is made, must describe the basis for the appeal, and must include all argument and evidence the Proposer wishes the Manager of Purchasing Services to consider. Keeping track of the date an award is made is the responsibility of the Proposer(s).

Read and Understood

1-20 PRE-PROPOSAL CONFERENCE AND SITE VISIT

A conference and site visit with interested Proposers will be held at 1:00p.m., March 3, 2010. University personnel in attendance will include representatives from Housing and Purchasing Services. This conference will enable Proposers to request clarification on any questions they have on the project. Participation in the conference is optional. The conference location is: UI Purchasing Services 645 West Pullman Road Moscow, ID.

Read and Understood

SECTION 2 - INSTRUCTIONS FOR PREPARING PROPOSALS

2-1 GENERAL

To aid in the evaluation process, it is required that all responses comply with the items and sequence as presented in paragraph 2-2, RFP Response Outline. Paragraph 2-2 outlines the minimum requirements and packaging for the preparation and presentation of a response. Failure to comply may result in rejection of the response. The proposal should be specific and complete in every detail, prepared in a simple and straight-forward manner.

Proposers are expected to examine the entire Request for Proposals, including all specifications, standard provisions, and instructions. Failure to do so will be at the Proposer's risk. Each Proposer shall furnish the information required by the invitation. It is required that proposal entries be typewritten. Periods of time, stated in number of days, in this request or in the Proposer's response, shall be in calendar days. Propose your best price on each item.

Read and Understood2-2 RFP RESPONSE OUTLINE

- A. Response Sheet: The proposal Response Certification (page 5) shall be attached to the front of the proposal and shall contain the Proposer's certification of the submission. An official who has full authority to enter into an Agreement shall sign it.
- B. Background and History: Describe the company, organization, officers or partners, number of employees, and operating policies that would affect this Agreement. State the number of years your organization has been continuously engaged in business.

Company History:

A pioneer in the cable industry, Time Warner Cable owns and manages the most advanced, best-clustered cable television operations in the country, with over 93% of its approximately 13 million customers in systems serving 100,000 people or more. Through technological innovation, a fully upgraded fiber-based network and a commitment to increasing choice and value for our customers, Time Warner Cable brings the digital age into America's communities and is transforming the way Americans receive information and entertainment.

Corporate Facts and Figures

Time Warner Cable service passes more than 16 million U.S. homes, and serves nearly 13 million customers. Time Warner Cable currently serves customers in the following 21 states: Alabama, Arizona, California, Colorado, Hawaii, Idaho, Indiana, Kansas, Maine, Missouri, North Carolina, Nebraska, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, South Carolina, Texas, Wisconsin and West Virginia. The number of Time Warner Cable digital video customers is expanding rapidly and has approached 7 million customers, reflecting high customer satisfaction with this popular service.

Time Warner Cable offers its customers Road Runner. Road Runner, Time Warner Cable's own Internet access service was established in 1996. Time Warner Cable also offers businesses and telecommuters Road Runner Business Class. In total, Time Warner Cable provides high-speed broadband services to more than 8 million residential customers and a growing number of businesses. Time Warner Cable leads the industry in deploying video on demand and subscription-based VOD services. Time Warner Cable brings VOD and SVOD service to all of its operating divisions. Time Warner Cable is also taking a lead role in offering other new products to its customers including High Definition Television (HDTV) - at no additional charge for HD, Digital Video recording (DVR) functionality and home networking to interconnect multiple computers and other devices in the household with a single broadband connection. Time Warner Cable also provides VoIP (Voice over Internet Protocol) telephony service to 2,000,000 people.

Time Warner Cable employs nearly 15,000 people across the US. Time Warner Cable's corporate offices are located in Herndon, VA.

Time Warner Cable Inc. is a Delaware corporation and is the successor to the businesses of America
Television and Communications Corp. and Warner Cable.

Time Warner Cable Inc. was a subsidiary of Time Warner Inc. (NYSE: TWX), and became a completely independent entity in 2009. TWX was formerly known as AOL Time Warner Inc., which was formed in 2001 through the merger of America Online Inc. and the original Time Warner Inc. (now known as Historic TW Inc.). The Time Warner family of companies includes America Online, Warner Bros., HBO, The Warner Music Group, CNN, Turner Broadcasting Systems and Time Inc. magazines.

Our President and CEO is Glenn Britt. Our CO is Landel Hobbs. Our CFO is Robert Marcus.

In Coeur D'Alene, Idaho we have 47 employees including 29 Technicians, 3 Technical Supervisors and 1 Head End Technician. In Moscow, Idaho we have 21 employees including 11 Technicians, 1 Technical Supervisor and 1 Head End Technician. After hour on site technical support is available at no cost. In addition to the local technical support, Time Warner Cable also provides local customer care thru an office located at 828 W. Pullman Rd, Moscow, ID. Office hours are Monday thru Friday 8:00am to 5:30pm. The Time Warner Cable Customer Care Center operates 24 hours per day, seven days per week, 365 days per year. If at anytime after normal business hours for the local office, the University of Idaho requires technical support, our Customer Care Center will dispatch local technicians in order to meet our 4 hour support commitment. Our Area General Manager for the Idaho systems is Correen Stauffer.

- C. References: The Proposer shall provide a minimum of three (3) references including names of persons who may be contacted, title of person, addresses, phone numbers, and e-mail, where products or services similar in scope to the requirements of this RFP have been provided.

University of Nebraska, Lincoln Nebraska: We have served the University for 25 years with video service.
UNL Associate Housing Director

Glenn Schumann
1115 N. 16th Street
Lincoln, NE 68588
Off: 402-472-3590
Cell: 402-610-6103

We provide our Standard video services to 4,100 Dormitory units of Student Housing via bulk bill, with plans to add 565 new dormitory units this year. Each of the students located in the dormitories receiving bulk services, can also purchase additional services directly from us We also provide Standard video service via bulk to all UNL offices, classrooms, Memorial Stadium/UNL Athletics, Haymarket Park, and the 69 skybox suites at the stadium- through separate bulk accounts- a total of an additional 250 non-student housing UNL bulk units. Additionally, we provide video service to 31 Fraternity and Sorority houses.

Indiana State University, Terre Haute, Indiana: We have served the University for 24 years with video service.

Les Anne Dant.
Assistant Director of Residential Life
Indiana State University
Residential Life
Terre Haute, IN 47809
Office: 812.237.3993
ldant@isugw.indstate.edu

We provide our Standard video service (Basic, CPST, WGN and TBS) to 2,143 units. Each of the students located in the dormitories receiving bulk services, can also purchase additional services directly from us.

This includes service to buildings containing 400 units of Married Student Housing.

ATTACHMENT 3

University of Missouri, Kansas City: We have served the University ever since this dormitory was built with video service, in 2004.

David Johnston

Director of Networking / Telecommunications

204 Newcomb Hall

5100 Rockhill Road

Kansas City, MO 64110-2499

816-235-1199

johnstond@umkc.edu

We provide Video service to their Oak Street Residence Hall, the only on-campus housing available, for 346 rooms.

This service started when UMKC built this dormitory, in 2004.

Kansas City Kansas School District USD# 500

Joe Fives

Director of Technology

625 Minnesota Avenue

Kansas City, KS 66101

913-279-2286

joe.fives@kckps.org

We provide video and internet service to 45 school buildings.

Time Warner Cable leases to Kansas City, KS SD a 45 site GigE diverse path Network and also provides 100 Mbps Internet Access with a diverse pathway. This is managed bandwidth, Ethernet, and is used for data, VOIP, and can be used for video applications such as long distance learning, as well. Additionally, we provide diverse GigE ethernet services that connect all of the 45 buildings, using CWDM and DWDM technologies over our fiber network. We also provide diverse 200 Mbps internet service to the School District over our fiber network.

Shawnee Mission School District USD #512

William Sandburg

Information Services Director

Indian Creek Technology Center

4401 W 103rd St.

Overland Park, KS 66207

icsandbu@smsd.k12.ks.us

We provide video and internet service to 55 school buildings.

Time Warner Cable leases to Shawnee Mission Schools a 55 site GigE diverse path Network and also provides 100 Mbps Internet Access with a diverse pathway. This is managed bandwidth, Ethernet, and is used for data, VOIP, and can be used for video applications such as long distance learning, as well. Additionally, we provide diverse GigE Ethernet services to all of the 55 buildings, using CWDM and DWDM technologies over our fiber network.

We also provide diverse 100 Mbps internet service to the School District over our fiber network.

See Attachment # 2 for more school service references.

- D. Experience and Support: Describe Proposer's experience in performing the requested services.

Time Warner Cable (TWC) provides full service and support for all of the services we provide. We have a full staff of local technicians to support all of the services we provide. As you can see from our references, we have a very successful history of providing service to our University and School District customers.

TWC has been providing services to University of Nebraska and Indiana State University for 25 years each and to University of Missouri-Kansas City ever since their dormitory was built.

We utilize a hybrid fiber and coaxial distribution system (HFC) to provide our services. We have a fiber-optic trunk that carries all of our services. This fiber trunk connects to fiber-optic cable that runs through the neighborhoods surrounding the university to our Optical Hubs and from the Hub we run our fiber directly to nodes that serve discrete groups of customers. From the nodes we utilize coaxial cable to provide our video, high speed data and digital phone products. We are also capable of providing advanced services directly over fiber when this is appropriate.

We have approximately 63 miles of fiber -optic distribution cable in the Moscow / Pullman area. For the service to the University of Idaho, we will install coaxial cable as needed in the buildings, so that there will be a continuous connection from the University back through our HFC system to our Head end.

- E. Costs: Include itemized costs for all components and features to be delivered. Costs should be identified as one-time or continuing. Purchase prices, lease prices, installation charges, and maintenance charges must be identified. All equipment prices must be stated as FOB: Moscow, ID.

Read and Understood. The only costs to the University of Idaho will be the monthly bill for the services, as described in section 3D.

- F. Warranties: Describe warranties provided by the Proposer. Include discussions of any additional support provided after the sale.

Read and Understood. For the term of our Agreement with the University, we will provide full support and service, in order to provide our services with minimal interruptions. We do not charge for support and service. We will respond to calls for service restoration within 4 hours.

Our customer care staff is available 24 / 7, 365 days per year, and our technical support staff is available 24 / 7, 365 days per year.

- G. Proposer Exceptions: Describe any exceptions to the terms and conditions contained within this document.

Read and Understood

SECTION 3 - TECHNICAL SPECIFICATIONS & BID FORM

The University of Idaho is soliciting proposals from vendors for a turnkey cable or television satellite system for University Housing Residence Halls, the Student Recreation Center (SRC) and Graduate Student Residences (GSR). The successful proposer will be required to furnish all labor and equipment to provide cable or satellite television services in accordance with University and contract specifications.

GENERAL DESCRIPTION. The successful proposer will be required to provide basic cable/satellite service (see para 3.A) to 1460 residence hall rooms, 15 residence hall apartments, 37 residence hall lounges and the SRC. Within the residence halls, the service will be provided only through the academic year, which runs from mid-August to mid-May of the following year. The SRC, Graduate Student Residences (see chart below) and one LLC will require calendar year long service. University Housing hosts summer school students in the one LLC and that building will change each summer. The estimated total usage during the non-peak (summer) months would be approximately 150 rooms. The chart below describes the volumes and locations of television outlets.

	Student Rooms	Apartments	Total Cable Outlets in System	Lounges	Grand Total Occupied Rooms and Lounges
Wallace--Gooding	160	3	163	6	169
Wallace--Stevenson	110	0	110	4	113
Wallace--Willey	159	3	162	6	168
Wallace--Ballard	110	0	110	4	114
Tower	209	1	210	6	215
McConnell	58	1	59	2	60
Targhee	30	0	30	1	31
LLC 1--GEM	64	0	64	1	65
LLC 2--Syringa	70	1	71	1	72
LLC 3--Global Village	64	1	65	1	65
LLC 4--Upham	70	1	71	1	72
LLC 5--CNR	70	1	71	1	72
LLC 6--Gault	68	1	69	1	70
LLC 7--Engineering	66	1	67	1	68
LC 8--Scholars	66	1	67	1	68
Graduate Student Residences	85	0	85	0	85
Student Recreation Center	1	0	1	0	1
	1460	15	1475	37	1512

Vendor billings to the University would be based upon occupied rooms within the described residence halls. That quantity becomes official on the 10th day following the start of each semester. The following table provides the average number of occupied rooms dating back to 2006.

Fall 2009	1282
Spring 2009	1200
Summer 2009	150
Fall 2008	1271
Spring 2008	1143
Summer 2008	150
Fall 2007	1280
Spring 2007	1293
Fall 2006	1338
Summer 2006	152
Spring 2006	1318

The current campus television system features two satellite dishes mounted atop the Wallace Center (one dish for local stations and one for national stations). The signal is encoded for fiber optics at Wallace and then sent underground to the SRC. A decoder changes the fiber signal into a digital signal whereupon it is sent in an underground tunnel system to the Living Learning Centers (8 ea), McConnell, Thepholus Tower and the Wallace complex, which includes the core building, Gooding, Willey, Stevenson and Ballard. Targhee Hall and Graduate Student Residences are fed a signal by separate satellite dishes and each room requires a receiver.

Read and Understood. TWC will use existing University owned coaxial cable where it is up to specifications and available for TWC to use and we will install coaxial cable where it is required in order to serve all of the locations listed. There will not be a need for any receivers or additional equipment for our Standard video service, provided the TV's being used are cable-ready.

SCOPE OF WORK

A. The bid must list the basic package available to all students and the monthly fees (based on room occupancy) that will be assessed. The basic service should include:

KREM Spokane, WA (CBS)	A&E	C-SPAN 2
KUID	Bloomberg	ESPN
KXLY Spokane, WA (ABC)	BET	ESPN 2
MSNBC	CNBC	ESPN News
KHQ Spokane, WA (NBC)	FOOD	ESPN Classic
KSPS (PBS)	Fox News	CNN
Public Access	KQUP	USA
KAYV (FOX)	C-SPAN	Discovery

Nickelodeon	MTV-2 or CMT	Food Network
ABC Family	Comedy Central—Spike TV	Tech TV
AMC	E!	TLC

Weather	Sci-Fi	Animal Planet
CNN Headline News	TNT	TV Land
VH-1	NFL	Court TV
VH-1 Classic	College Sports	WE
MTV	Cartoon Network	FX

TBS	Lifetime
-----	----------

The above list is meant to provide a guideline for the basic package. Based on student input and the service provider's package selection, certain stations may be added or deleted without impacting the cost of the service. This process would be included in the negotiations.

Read and Understood Exceptions: NFL network is unavailable. Tech TV (G4), Bloomberg, ESPN News, ESPN Classic, VH-1 Classic, are available at extra expense for individual subscription. In addition to the channels listed in 3A, we include the following:

KLEW, QVC, KGFX, KSKN, My Network TV, KXMN, TV Guide Channel, HSN, Disney and a International Channel.

See Attachment # 1 for a complete listing of the channel lineup and our pricing for additional channels. The offering for all locations includes the channels marked as Basic and Expanded Basic

B. Where it is technically and economically feasible, the University would be interested in providing our students the capability to upgrade, at their personal expense, to a premium package that would include HBO, STARZ, Showtime, Cinemax and other "premium" channels. The students would have the right to negotiate separately with the cable/satellite provider for these services and the University would not be a part of those negotiations.

Read and Understood

See attachment #1 for a full listing of the available additions to the service offering. These include multiplexed HBO, multiplexed Showtime, multiplexed Starz, multiplexed Cinemax, International Foreign Language channels, Digital Tier service, HD Premium channels, free HD channels, Video on demand options with also in most cases, our high speed internet access and our digital phone services for those who want even more services.

The pricing is listed on the attachment #1.

C. Targhee Hall is located across campus and separate from the other residence halls. The University is interested in a proposer installing a stand-alone cable/satellite TV system for Targhee Hall that does not require separate receivers for each room.

Read and Understood Our service meets this requirement, with no additional expense to the University. TV's must be cable-ready.

D. The contractor must supply a satellite/cable television service and equipment that is the latest technology in the industry.

Read and Understood

E. The system will provide a University Information Channel. This channel shall be provided at no additional cost to the university.

Read and Understood

F. The Television System must include an Emergency Notification System that will be compatible with the University's existing system.

Read and Understood

TERM OF CONTRACT:

A. The term of the contract will be for five (5) years beginning on July 1, 2010. The contract can be extended after that 5 year period pursuant to the agreement of the University and the vendor.

Read and Understood

INSTALLATION:

A. The successful vendor will specify all equipment and provide an installation plan which shall include the following as a minimum:

1. The signal strength needs to be consistent throughout all the buildings and rooms that receive service.
2. Maximum total rooms and lounges serviced during the academic year (August through May): 1512
Maximum Summer Service: 155 rooms.

Read and Understood. Upon award, we will provide our construction and installation plan. All services will be provides as per our specifications, which will be sufficient for provision of all services proposed herein with consistent signal strength for all locations specified in this RFP.

B. HEADEND ROOM

The successful vendor will incur the cost of installing a state-of-the-art Headend room. The space will be provided by the University of Idaho at no cost to the successful vendor. The current space measures approximately 21 feet by 12 feet with 10 foot ceilings. Air conditioning is provided by a window type unit mounted on an exterior wall. Current electrical capacity includes three 120 volt circuit breakers plus a separate circuit for room cooling.

1. The successful proposer will provide training to selected University Housing staff so that UH staff can provide routine preventative maintenance and repair to any part of the satellite/cable system. Should the discrepancy be beyond the repair capabilities of the UH staff, the successful proposer shall provide a qualified maintenance technician to remedy the discrepancy (see section C.2.)
2. Channel receivers, modulators will be property of the successful vendor. The equipment racks will remain the property of the university. The current racks are sufficient to hold modulators and other necessary equipment for the channel selection described in para. 3.A.
3. During the life of this contract, equipment shall be upgraded as technology and television industry standards change, subject to cost negotiations.

Read and Understood. Due to the system for delivery of services we use, HFC, we will not require any headend room, circuit breakers or air conditioning or cooling. We will provide sufficient training for your staff so they understand our services and method of delivery. We will respond to service calls within 4 hours of notification.

There will not be any equipment upgrade costs during the life of contract for U of I.

C. PREVENTATIVE MAINTENANCE

1. The successful vendor shall be required to train University Housing staff on routine preventative maintenance requirements on the headend room, the cable/satellite system, amplifiers and connections.
2. The successful vendor will present a plan that describes how quickly a technician will be on site to correct any service disruption.

Read and Understood. Our response time to arrive on site to correct any service disruption will be within 4 hours of notification.

D. COST SHEET

1. The University is requesting proposals from vendors for a turnkey cable/satellite television service. Evaluations shall be in accordance with the criteria in Section Five. Bids shall include proposed pricing for premium channels that will be invoiced and paid separately from the University Contract. Individual students would be responsible for their premium channel charges.

NOTE: All costs are to be included below. The University may add or delete rooms as external conditions dictate. Invoicing for the summer months and school year should be at the same rate in a given year.

<u>Description</u>	<u>Unit Cost</u>
<u>Year 1</u>	
a. Basic Cable/Satellite Service, including all = \$13,104.52 per month including all maintenance	\$8.69 per month per room x 1508
August to May	
b. Basic Cable/Satellite Service, including all rooms = \$1,346.95 per month including all Maintenance, per room X 155 rooms from May to August	\$8.69 per month per room x 155
c. One time installation of all equipment in all equipment charges.	no installation charges or
Areas.	
d. Optional Premium Channels	see attachment 1
<u>Year 2</u>	
a. Basic Cable/Satellite service, including all maintenance, per room X 1508 rooms from August to May.	same as year 1
b. Basic Cable/Satellite service, including all maintenance, per room X 155 rooms from	same as year 1

May to August.

- c. Optional Premium Channels same as year 1

Year 3

- a. Basic Cable/Satellite service, including all maintenance, per room X 1508 rooms from August to May. same as year 1

- b. Basic Cable/Satellite service, including all maintenance, per room X 155 rooms from May to August. same as year 1

- c. Optional Premium Channels same as year 1

Year 4

- a. Basic Cable/Satellite service, including all maintenance, per room, X 1508 room from August to May. same as year 1

- b. Basic Cable/Satellite Service, including all maintenance, per room X 155 rooms from May to August. same as year 1

- c. Optional Premium Channels same as year 1

Year 5

- a. Basic Cable/Satellite service, including all maintenance per room, X 1508 rooms from August to May. same as year 1

- b. Basic Cable/Satellite service, including all maintenance per room X 155 rooms from May to August. same as year 1

- c. Optional Premium Channels same as year 1

SECTION 4 - PROCUREMENT PROCESS

4-1 PROPOSER LIST AND QUALIFICATION EVALUATION

After the established date for receipt of proposals, a listing of Proposers submitting proposals will be prepared, and will be available for public inspection.

Qualifications and proposals submitted by interested Proposers will be reviewed and evaluated based on the evaluation factors set forth in the RFP.

Read and Understood

4-2 PROPOSAL CLASSIFICATION

For the purpose of conducting discussions with individual offerers, if required, proposals will initially be classified as:

- A. Potentially Acceptable
- B. Unacceptable

Discussions may be conducted with any or all of the Proposers whose proposals are found acceptable or potentially acceptable. Offerers whose proposals are unacceptable will be notified promptly. The Manager of Purchasing will establish procedures and schedules for conducting oral and/or written discussions.

Proposers are advised that the University may award an Agreement on the basis of initial offers received, without discussions; therefore, each initial offer should contain the offerer's best terms from a cost and technical standpoint.

Read and Understood

4-3 PROPOSER INVESTIGATION

The University will make such investigations as it considers necessary to obtain full information on the Proposers selected for discussions, and each Proposer shall cooperate fully in such investigations.

Read and Understood

4-4 FINAL OFFERS AND AWARD OF AGREEMENT

Following any discussions with Proposers regarding their technical proposals, alternative approaches, or optional features, a number of the firms may be requested to submit best and final offers. The committee will rank the final Proposers for the project, giving due consideration to the established evaluation criteria. The committee will propose award to the proposal which is found to be most advantageous to the University, based on the factors set forth in the Request for Proposals.

Read and Understood

SECTION 5 - EVALUATION PROCESS

The University reserves the right to reject any or all proposals, or portions thereof. The selection of a successful Proposer, if any, will be made based upon which proposal the University determines would best meet its requirements and needs.

5-1 EVALUATION CRITERIA

Vendor evaluation will be based on the material contained in the proposal and also information obtained from references provided by the proposer.

The University reserves the right during the Request for Proposal (RFP) evaluation process to arrange interviews with proposing companies and may ask for clarification and/or documentation in addition to that which was submitted in the proposal.

All proposals shall be reviewed to verify that the University's minimum requirements have been met. Proposals meeting the minimum requirements shall be reviewed and scored by a panel. The panel shall award points based on the criteria described below. The panel's assessment of points shall be final and the award shall be made to the proposer with the highest score.

1. Criteria

- A. Pricing—Points shall be assigned on the price bid of the proposal. The lowest total yearly cost shall receive maximum points. 25 points
- B. Technology—Points shall be assigned based on compliance with technology requirements put forth in this RFP. The University is considering either cable or satellite services, whichever is most cost effective, reliable, and meet student needs/requirements. 20 points
- C. Educational Institution Experience
Points shall be assigned based on the experience of the proposer in working with educational institutions comparable to the University of Idaho 15 points
- D. Channel Line-up
Points shall be assigned to the proposer who is able to meet stated channel line-up requirements 20 points
- E. Installation/Maintenance/Emergency Response
Points shall be assigned to the proposer with a plan that includes prompt installation and emergency response as well as a total maintenance program. 20 points

Total Points Possible per Proposal 100 Points

Read and Understood

SECTION 6 - GENERAL CONTRACTUAL TERMS AND CONDITIONS

6-1 AGREEMENT TERMS AND CONDITIONS

The submission of a proposal herein constitutes the agreement of any Proposer that any Agreement to be drawn as the result of an award herein shall be prepared by the University and shall include at a minimum, all terms and conditions set forth in this RFP. The submission of a proposal shall further constitute the agreement of each Proposer that it will not insist on the use of standard contract agreements, documents, or forms, and that it waives any demand for the use of its standard agreements.

Read and Understood. Exception: Any terms or conditions added to those contained herein, are subject to mutual agreement between TWC and U of I.

6-2 ASSIGNMENT

No assignment of this Agreement or of any right accruing under this Agreement shall be made, in part or in whole, by Contractor without the written consent of the University. Notwithstanding any assignment, Contractor shall remain fully liable on this Agreement and shall not be released from performing any of the terms, covenants, and conditions of this Agreement.

Read and Understood. Exception: TWC reserves the right to assign this Agreement to any affiliate capable of fulfilling our obligations under this Agreement.

6-3 TERMINATION FOR CONVENIENCE

The University may terminate this Agreement, in whole or in part, at any time by written notice to the Contractor. The Contractor shall be paid its reasonable costs, including reasonable close-out costs and a reasonable profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim for payment. If the Contractor has any property in its possession belonging to the University, the Contractor will account for the same and dispose of it in the manner the University directs.

Read and Understood

6-4 TERMINATION FOR DEFAULT

If the Contractor does not deliver the materials in accordance with the Contract delivery schedule, or if the Contract is for services and the Contractor fails to perform in the manner called for in the Contract, or if the Contractor fails to comply with any other provisions of the Contract, the University may terminate this Contract for default.

Termination shall be effected by serving on the Contractor a notice of termination setting forth the manner in which the Contractor is in default. The Contractor will be paid a reasonable price for materials delivered and accepted, or services performed in accordance with the manner of performance set forth in the Contract.

Read and Understood Exception: Contractor should be given 30 days to cure any default. In no event shall either party be liable to the other for any indirect, consequential, special, incidental, reliance, or punitive damages (including but not limited to any lost profits) arising out of, or relating to the services, or either parties performance or non-performance under the terms of this agreement, even if advised of the possibility of such damages.

6-5 APPLICABLE LAW AND FORUM

This Agreement shall be construed in accordance with, and governed by the laws of the State of Idaho. Any legal proceeding related to this Agreement shall be instituted in the courts of the county of Latah, state of Idaho, and Contractor agrees to submit to the jurisdiction of such courts.

Read and Understood

6-6 LAWS, REGULATIONS AND PERMITS

The Contractor shall give all notices required by law and comply with all applicable Federal, State, and local laws, ordinances, rules and regulations relating to the conduct of the work. The Contractor shall be liable for all violations of the law in connection with work furnished by the Contractor, including the Contractor's subcontractors.

Read and Understood

6-7 GENERAL QUALITY

All of the Contractor's work shall be performed with the highest degree of skill and completed in accordance with the Agreement Documents.

Read and Understood

6-8 PROOF OF COMPLIANCE WITH AGREEMENT

In order that the University may determine whether the Contractor has complied with the requirements of the Agreement Documents, the Contractor shall, at any time when requested, submit to the University properly authenticated documents or other satisfactory proofs as to compliance with such requirements.

Read and Understood

6-9 PAYMENT AND ACCEPTANCE

Except as otherwise provided herein, payments shall be due and payable within (30) days after acceptance of such goods or services or after receipt of properly completed invoice, whichever is later. No advance payment shall be made for goods or services furnished pursuant to this Agreement.

Read and Understood. Please note that the billing system we use generates bills in advance. However, we accept the terms of 6.9 and will accept payment after receipt of services and within (30) days as stated in 6.9.

6-10 CONTINUATION DURING DISPUTES

The Contractor agrees that notwithstanding the existence of any dispute between the parties, insofar as possible under the terms of the Agreement to be entered into, each party will continue to perform the obligations required of it during the continuation of any such dispute, unless enjoined or prohibited by any court.

Read and Understood

6-11 SEVERABILITY

If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application; to this end the terms and conditions of this Agreement are declared severable.

Read and Understood

6-12 INTEGRATION

This Agreement constitutes the entire Agreement between the parties. No change thereto shall be valid unless in writing communicated in the stipulated manner, and signed by the University and the Contractor.

Read and Understood

6-13 BINDING EFFECT

This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties hereto and their respective heirs, legal representatives, successors, and assigns.

Read and Understood

6-14 APPROPRIATIONS CLAUSE

If the term of this Agreement is longer than one year, the University's obligations and liabilities hereunder are subject to the appropriation of funds from the State of Idaho, which appropriation shall be in the State of Idaho's sole discretion, from revenues legally available to the University for the ensuing fiscal year for the purposes of this Agreement. If the State of Idaho does not appropriate the funds for the purpose of this Agreement, the Agreement shall terminate and neither party shall have any further obligations hereunder.

Read and Understood. Exception: TWC is making a significant capital investment in distribution system fiber and cable for this project. The terms of section 6.3 should apply in this eventuality to the extent that TWC should be reimbursed for its expenses in the event that this Agreement is cancelled by University of Idaho for failure to appropriate funds.

6-15 IRS SECTION 501(C)(3) AND SECTION 115 CONSIDERATIONS

If any provision of this Agreement may cause the University to lose its status as an Internal Revenue Code Section 501(c)(3) corporation, this Agreement shall be voidable. In the alternative, at the sole option of the University, the offending provision(s) shall be modifiable such that the provision(s) will no longer cause the University to lose its status as a 501(c)(3) corporation. The terms of the modification shall be subject to agreement in writing by all parties.

Read and Understood

6-16 COMPLIANCE WITH GOVERNOR'S EXECUTIVE ORDER

In the event any provision of this Agreement shall cause the University to be in violation of any of the Governor of Idaho's Executive Orders, then this Agreement shall be voidable at the sole option of the University.

Read and Understood. Exception: TWC is making a significant capital investment in distribution system fiber and cable for this project. The terms of section 6.3 should apply in this eventuality to the extent that TWC should be reimbursed for its expenses in the event that this Agreement is cancelled by University of Idaho in order to comply with Governor's executive order.

6-17 NON-USE OF NAMES AND TRADEMARKS

Contractor shall not use the name, trade name, trademark, or other designation of the University, or any contraction, abbreviation, or simulation any of the foregoing, in any advertisement or for any commercial or promotional purpose (other than in performing under this Agreement) without the University's prior written consent in each case.

Read and Understood

6-18 CONTRACTOR REPRESENTATIONS

Contractor represents and warrants the following: (a) that it is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to provide the equipment and goods, complete the services, and perform its obligations required hereunder; (b) that it is able to furnish any of the plant, tools, materials, supplies, equipment, and labor required to complete the services required hereunder and perform all of its obligations hereunder and has sufficient experience and competence to do so; (c) that it is authorized to do business in Idaho, properly licensed by all necessary governmental and public and quasi-public authorities having jurisdiction over it and the services, equipment, and goods required hereunder, and has or will obtain all licenses and permits required by law; and (d) that it has visited the site of the project and familiarized itself with the local conditions under which this Agreement is to be performed.

Read and Understood

6-19 REGENTS' APPROVAL

This Agreement may be subject to approval by the Regents of the University of Idaho, and if it is and if such approval is not granted this Agreement shall be void and neither party shall have any further obligations or liabilities hereunder.

Read and Understood. Exception: Prior to commencement of construction by TWC of our distribution system, U of I will provide TWC with written notice of approval by Regents.

TWC is making a significant capital investment in distribution system fiber and cable for this project. If U of I awards this service to TWC and requires that TWC initiate construction prior to approval by Regents, then TWC will be reimbursed for its actual construction expenses incurred in the event such approval is not granted and the Agreement is voided by U of I.

6-20 SURVIVAL OF TERMS

The terms and provisions hereof, and all documents being executed hereunder, if any, including, without limitation, the representations and warranties, shall survive this Agreement and shall remain in full force and effect thereafter.

Read and Understood

6-21 HEADINGS

The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

Read and Understood

6-22 ADDITIONAL ACTS

Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by the parties, the parties hereby agree to perform, execute and/or deliver or cause to be performed, executed and/or delivered any and all such further acts, deeds and assurances as any party hereto may reasonably require to consummate the transaction contemplated hereunder.

Read and Understood

6-23 TIME OF ESSENCE

All times provided for in this Agreement, or in any other document executed hereunder, for the performance of any act will be strictly construed, time being of the essence.

Read and Understood**6-24 WAIVER**

No covenant, term or condition or the breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term or condition shall not be deemed to be a waiver of any other covenant, term or condition herein. Acceptance by a party of any performance by another party after the time the same shall have become due shall not constitute a waiver by the first party of the breach or default of any such covenant, term or condition unless otherwise expressly agreed to by the first party in writing.

Read and Understood**6-25 FORCE MAJEURE**

Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (except for financial ability), shall excuse the performance, except for the payment of money, by such party for a period equal to any such prevention, delay or stoppage.

Read and Understood**6-26 NO JOINT VENTURE**

Nothing contained in this Agreement shall be construed as creating a joint venture, partnership, or agency relationship between the parties.

Read and Understood**6-27 INFORMATION TRUE AND CORRECT**

All documents, agreements and other information provided to the University by Contractor or which Contractor has caused to be provided to the University are true and correct in all respects and do not omit to state any material fact or condition required to be stated, necessary to make the statement or information not misleading, and there are no other agreements or conditions with respect thereto.

Read and Understood**6-28 EQUAL OPPORTUNITY**

Contractor represents and agrees that it will not discriminate in the performance of this Agreement or in any matter directly or indirectly related to this Agreement on the basis of race, sex, color, religion, national origin, disability, ancestry, or status as a Vietnam veteran. This non-discrimination requirement includes, but is not limited to, any matter directly or indirectly related to employment. Breach of this covenant may be regarded as a material breach of Agreement.

Read and Understood**6-29 CONFIDENTIALITY**

The parties hereto agree that the terms and conditions of this Agreement shall be held in confidence except as required by or for applicable disclosure laws, financing sources, enforcement of the Agreement, mergers and acquisitions, or as otherwise mutually agreed by the Parties, and such agreement shall not be withheld unreasonably.

Read and Understood

6-30 UNIVERSITY'S RULES, REGULATIONS, AND INSTRUCTIONS

Contractor will follow and comply with all rules and regulations of the University and the reasonable instructions of University personnel. The University reserves the right to require the removal of any worker it deems unsatisfactory for any reason.

Read and Understood

SECTION 7 – INDEMNITY, RISKS OF LOSS, INSURANCE

7-1 RISK OF LOSS

Until all improvements, equipment, or goods to be provided under this Agreement are installed on property owned or controlled by University and working properly, Contractor and its subcontractors of any tier shall bear all risks of all loss or damage to the improvements, equipment, or goods, excluding loss or damage caused by acts, omissions, or negligence of the University. Once all improvements, equipment, or goods to be provided under this Agreement are installed on property owned or controlled by University and working properly, the risk of all loss or damage shall be borne by University, excluding loss or damage caused by acts, omissions, or negligence of the Contractor. Contractors shall require its subcontractors of any tier to bear the same risk of loss and .

Read and Understood

7-2 INDEMNIFICATION

Contractor shall indemnify, defend and hold the University and the State of Idaho harmless from and against any and all claims, losses, damages, injuries, liabilities and all costs, including attorneys fees, court costs and expenses and liabilities incurred in or from any such claim, arising from any breach or default in the performance of any obligation on Contractor's part to be performed under the terms of this Agreement, or arising from any act, negligence or the failure to act of Contractor, or any of its agents, subcontractors, employees, invitees or guests. Contractor, upon notice from the University, shall defend the University at Contractor's expense by counsel reasonably satisfactory to the University. Contractor, as a material part of the consideration of the University, hereby waives all claims in respect thereof against the University.

Contractor shall: (a) notify the University in writing as soon as practicable after notice of an injury or a claim is received; (b) cooperate completely with the University and/or the University's insurers in the defense of such injury or claim; and (c) take no steps such as admission of liability which would prejudice the defense or otherwise prevent the University from protecting the University's interests.

Read and Understood. Exception: Contractor's indemnification of the University and the State will be limited to acts of gross negligence or willful misconduct.

7-3 Insurance

7.3.1 General Requirements

7.3.1.1 Contractor and its subcontractor(s) of any tier are required to carry the types and limits of insurance shown in this insurance clause, section 8.0, and to provide University with a Certificate of Insurance ("certificate"). All certificates shall be coordinated by the Contractor and provided to the University within seven (7) days of the signing of the contract by the Contractor. Certificates shall be executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below. All certificates shall provide for thirty (30) days' written notice to University prior to cancellation, non-renewal, or other material change of any insurance referred to therein as evidenced by return receipt of United States certified mail. Said certificates shall evidence compliance with all provisions of this section 8.0. Exhibit A of this Agreement contains a Request for Certificate of Insurance which shall be given to the insurance broker or agent of the Contractor and its subcontractor(s) of any tier, upon award of bid to Contractor.

7.3.1.2 Additionally and at its option, Institution may request certified copies of required policies and endorsements. Such copies shall be provided within (10) ten days of the Institution's request.

7.3.1.3 All insurance required hereunder shall be maintained in full force and effect with insurers with Best's rating of AV or better and be licensed and admitted in Idaho. All policies required shall be written as primary policies and not contributing to nor in excess of any coverage University may choose to maintain. Failure to maintain the required insurance may result in termination of this Agreement at University's option.

7.3.1.4 All policies except Workers Compensation and Professional Liability shall name University as Additional Insured. The Additional Insured shall be stated as: "State of Idaho and The Regents of the University of Idaho". Certificate Holder shall read: "University of Idaho." Certificates shall be mailed to: University of Idaho, Risk Management, P.O. Box 443162, Moscow, ID 83844-3162.

7.3.1.5 Failure of University to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Institution to identify a deficiency from evidence that is provided shall not be construed as a waiver of the obligation of Contractor and its subcontractor(s) of any tier to maintain such insurance.

7.3.1.6 No Representation of Coverage Adequacy. By requiring insurance herein, University does not represent that coverage and limits will necessarily be adequate to protect Contractor and its subcontractor(s) of any tier, and such coverage and limits shall not be deemed as a limitation on the liability of the Contractor and its subcontractor(s) of any tier under the indemnities granted to University in this Agreement.

8.1.7 Contractor is responsible for coordinating the reporting of claims and for the following: (a) notifying the Institution in writing as soon as practicable after notice of an injury or a claim is received; (b) cooperating completely with University in the defense of such injury or claim; and (c) taking no steps (such as admission of liability) which will prejudice the defense or otherwise prevent the University from protecting its interests.

Read and Understood

7.3.2 Required Insurance Coverage.

Contractor and its subcontractor(s) of any tier shall at its own expense obtain and maintain:

7.3.2.1 Commercial General and Umbrella / Excess Liability Insurance. Contractor and its subcontractor(s) of any tier shall maintain Commercial General Liability ("CGL") written on an occurrence basis and with a limit of not less than \$1,000,000 each occurrence and in the aggregate. If such CGL insurance contains a general aggregate limit, it shall apply separately by location and shall not be less than \$1,000,000. CGL insurance shall be written on standard ISO occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under a contract including the tort liability of another assumed in a business contract. Waiver of subrogation language shall be included. If necessary to provide the required limits, the Commercial General Liability policy's limits may be layered with a Commercial Umbrella or Excess Liability policy.

7.3.2.2 Commercial Auto Insurance. Contractor and its subcontractor(s) of any tier shall maintain a Commercial Auto policy with a Combined Single Limit of not less than \$1,000,000; Underinsured and Uninsured Motorists limit of not less than \$1,000,000; Comprehensive; Collision; and a Medical Payments limit of not less than \$10,000. Coverage shall include Non-Owned and Hired Car coverage. Waiver of subrogation language shall be included.

7.3.2.3 Business Personal Property. Contractor and its subcontractor(s) of any tier shall purchase insurance to cover Business Personal Property of Contractor and its subcontractor(s) of any tier. In no event shall University be liable for any damage to or loss of personal property sustained by Contractor,

even if such loss is caused by the negligence of Institution, its employees, officers or agents. Waiver of subrogation language shall be included.

7.3.2.4 Workers' Compensation. Contractor and its subcontractor(s) of any tier shall maintain all coverage statutorily required of the Contractor and its subcontractor(s) of any tier, and coverage shall be in accordance with the laws of Idaho. Contractor and its subcontractor(s) of any tier shall maintain Employer's Liability with limits of not less than \$100,000 / \$500,000 / \$100,000.

7.3.2.4 Professional Liability. If professional services are supplied to Institution, Contractor and its subcontractor(s) of any tier, Contractor and its subcontractor(s) of any tier shall maintain Professional Liability (Errors & Omissions) insurance on a claims made basis, covering claims made during the policy period and reported within three years of the date of occurrence. Limits of liability shall be not less than one million dollars (\$1,000,000).

Read and Understood

**UNIVERSITY OF IDAHO
GENERAL TERMS AND CONDITIONS**

1. **THIS ORDER EXPRESSLY LIMITS ACCEPTANCE TO THE TERMS AND CONDITIONS STATED HEREIN. ALL ADDITIONAL OR DIFFERENT TERMS PROPOSED BY CONTRACTOR ARE OBJECTED TO AND ARE HEREBY REJECTED, UNLESS OTHERWISE PROVIDED FOR IN WRITING BY THE PURCHASING MANAGER, UNIVERSITY OF IDAHO.**
 2. **CHANGES:** No alteration in any of the terms, conditions, delivery, price, quality, quantity or specifications of this order will be effective without the written consent of the University of Idaho Department of Purchasing Services.
 3. **PACKING:** No charges will be allowed for special handling, packing, wrapping, bags, containers, etc., unless otherwise specified.
 4. **DELIVERY:** For any exceptions to the delivery date as specified on the order, Contractor shall give prior notification and obtain approval thereto from the University of Idaho Department of Purchasing Services. With respect to delivery under this order, time is of the essence and order is subject to termination for failure to deliver within the timeframe specified in this order.
 5. **SHIPPING INSTRUCTIONS:** Unless otherwise instructed, all goods are to be shipped prepaid and allowed, FOB Destination.
 6. **ORDER NUMBERS:** Agreement order numbers or purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.
 7. **REJECTION:** All goods, materials, or services purchased herein are subject to approval by the University of Idaho. Any rejection of goods, materials, or services resulting from nonconformity to the terms, conditions or specifications of this order, whether the goods are held by the University of Idaho or returned, will be at Contractor's risk and expense.
 8. **QUALITY STANDARDS:** Brand names, models, and specifications referenced in herein are meant to establish a minimum standard of quality, performance, or use required by the University. No substitutions will be permitted without written authorization of the University Of Idaho Department Of Purchasing Services.
 9. **WARRANTIES:** Contractor warrants that all products delivered under this order shall be new, unless otherwise specified, free from defects in material and workmanship, and shall be fit for the intended purpose. All products found defective shall be replaced by the Contractor upon notification by the University of Idaho. All costs of replacement, including shipping charges, are to be borne by the Contractor.
 10. **PAYMENT, CASH DISCOUNT:** Invoices will not be processed for payment nor will the period of computation for cash discount commence until receipt of a properly completed invoice or invoiced items are received and accepted, whichever is later. If an adjustment in payment is necessary due to damage or dispute, the cash discount period shall commence on the date final approval for payment is authorized. Payment shall not be considered late if a check or warrant is available or mailed within the time specified.
 11. **LIENS, CLAIMS AND ENCUMBRANCES:** Contractor warrants and represents that all the goods and materials delivered herein are free and clear of all liens, claims or encumbrances of any kind.
 12. **TERMINATION:** In the event of a breach by Contractor of any of the provisions of this Agreement, the University of Idaho reserves the right to cancel and terminate this Agreement forthwith upon giving written notice to the Contractor. Contractor shall be liable for damages suffered by the University of Idaho resulting from Contractor's breach of Agreement.
- Exception: Contractor should be given 30 days to cure any default or breach. In no event shall either party be liable to the other for any indirect, consequential, special, incidental, reliance, or punitive damages (including but not limited to any lost profits) arising out of or relating to the services or either parties performance or non-performance under the terms of this agreement, even if advised of the possibility of such damages.**

13. **TRADEMARKS:** Contractor shall not use the name, trade name, trademark, or any other designation of the University, or any contraction, abbreviation, adaptation, or simulation of any of the foregoing, in any advertisement or for any commercial or promotional purpose (other than in performing under this Agreement) without the University's prior written consent in each case.
14. **OSHA REGULATIONS:** Contractor guarantees all items, or services, meet or exceed those requirements and guidelines established by the Occupational Safety and Health Act.
15. **TAXES:** The University of Idaho is exempt from payment of Idaho State Sales and Use Tax. In addition, the University is generally exempt from payment of Federal Excise Tax under a permanent authority from the District Director of the Internal Revenue Service. Exemption certificates will be furnished as required upon written request by Contractor. If Contractor is required to pay any taxes incurred as a result of doing business with the University of Idaho, it shall be solely responsible for the payment of those taxes. If Contractor is performing public works construction, it shall be responsible for payment of all sales and use taxes.
16. **BINDING EFFECT:** This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties and their respective heirs, legal representatives, successors and assigns.
17. **ASSIGNMENTS:** No Agreement, order, or any interest therein shall be transferred by Contractor to any other party without the approval in writing of the Purchasing Manager, University of Idaho. Transfer of an Agreement without approval may cause the rescission of the transferred Agreement at the option of the University of Idaho.
Exception: TWC reserves the right to assign this Agreement to any affiliate capable of fulfilling our obligations under this Agreement.
18. **WAIVER:** No covenant, term or condition, or the breach thereof, shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition herein. Acceptance by a party of any performance by another party after the time the same shall have become due shall not constitute a waiver by the first party of the breach or default unless otherwise expressly agreed to in writing.
19. **FORCE MAJEURE:** Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes thereof, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (except for financial ability), shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.
20. **NO JOINT VENTURE:** Nothing contained in this Agreement shall be construed as creating a joint venture, partnership, or employment or agency relationship between the parties.
21. **PRICE WARRANTY FOR COMMERCIAL ITEMS:** Contractor warrants that prices charged to the University of Idaho are based on Contractor's current catalog or market prices of commercial items sold in substantial quantities to the general public and prices charged do not exceed those charged by Contractor to other customers purchasing the same item in like or comparable quantities.
Exception: Contractor warrants that prices charged to the University of Idaho are based on Contractor's current catalog or market prices of commercial items sold in substantial quantities to the general public but also notes that because the prices quoted herein include the amortization over the term of this Agreement, of Contractor's construction and installation costs that will be incurred prior to initiation of service to the U of I, Contractor is unable to warrant that the prices charged will not exceed those charged by Contractor to other customers purchasing the same item in like or comparable quantities, because in order to initiate service to those other customers, TWC may incur significantly reduced construction and installation expenses prior to initiation of service.
22. **NONDISCRIMINATION:** Contractor represents and agrees that it will not discriminate in the performance of this Agreement or in any matter directly or indirectly related to this Agreement on the basis of race, sex, color, religion, national origin, disability, ancestry, or status as a Vietnam veteran. This non-discrimination requirement includes, but

is not limited to, any matter directly or indirectly related to employment. Breach of this covenant may be regarded as a material breach of Agreement.

23. **UNIVERSITY REGULATIONS:** Contractor shall follow and comply with all rules and regulations of the University and the reasonable instructions of University personnel.
24. **GOVERNING LAW:** This Agreement shall be construed in accordance with, and governed by the laws of the State of Idaho. Any legal proceeding related to this Agreement shall be instituted in the courts of the county of Latah, state of Idaho, and Contractor agrees to submit to the jurisdiction of such courts.

Read and Understood

UNIVERSITY OF IDAHO - REQUEST FOR PROPOSAL

Exhibit A – Request for Certificate of Insurance from Contractor****If bid is awarded to Contractor****Page 1 of 2****Give this form to your insurance agent / broker****Agents/ Brokers: RETURN A COPY OF THESE INSTRUCTIONS WITH YOUR CERTIFICATE.****Certificates without a copy of these instructions will not be accepted.**

Contractor and its subcontractors of any tier ("Insured") are required to carry the types and limits of insurance shown in this Request, and to provide University of Idaho ("Certificate Holder") with a Certificate of Insurance within seven (7) days of the signing of this Contract.

- Certificate Holder shall read:

State of Idaho and the Regents of the University of Idaho
 Attn: Risk Management
 P.O. Box 443162
 Moscow, ID 83844-3162

- Description area of certificate shall read: Attn: Contract for Services
- All certificates shall provide for thirty (30) days' written notice to Certificate Holder prior to cancellation or material change of any insurance referred to in the certificate.
- All insurers shall have a Best's rating of AV or better and be licensed and admitted in Idaho.
- All policies required shall be written as primary policies and not contributing to nor in excess of any coverage Certificate Holder may choose to maintain.
- All policies (except Workers Compensation and Professional Liability) shall name the following as Additional Insured: The Regents of the University of Idaho, a public corporation, state educational institution, and a body politic and corporate organized and existing under the Constitution and laws of the state of Idaho.
- Failure of Certificate Holder to demand a certificate or other evidence of full compliance with these insurance requirements or failure of Certificate Holder to identify a deficiency from evidence that is provided shall not be construed as a waiver of Insured's obligation to maintain such insurance.
- Failure to maintain the required insurance may result in termination of this grant or contract at the Certificate Holder's option.
- By requiring this insurance, Certificate Holder does not represent that coverage and limits will necessarily be adequate to protect Insured, and such coverage and limits shall not be deemed as a limitation on Insured's liability under the terms of the grant or contract.
- A copy of this certificate request must be sent with the Certificate.

Exhibit A – Request for Certificate of Insurance from Contractor****If bid is awarded to Contractor****Page 2 of 2**

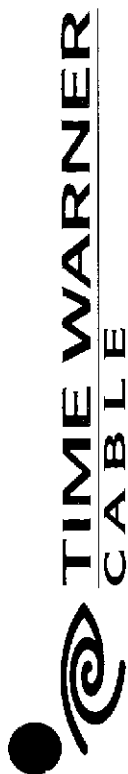
Required Insurance Coverage. Insured shall obtain insurance of the types and in the amounts described below.

- Commercial General and Umbrella Liability Insurance. Insured shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 each occurrence and in the aggregate. If such CGL insurance contains a general aggregate limit, it shall apply separately by location and shall not be less than \$1,000,000. CGL insurance shall be written on standard ISO occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract including the tort liability of another assumed in a business contract. Waiver of subrogation language shall be included. If necessary to provide the required limits, the Commercial General Liability policy's limits may be layered with a Commercial Umbrella or Excess Liability policy.
- Commercial Auto Insurance. Insured shall maintain a Commercial Automobile Policy with a Combined Single Limit of not less than \$1,000,000; Underinsured and Uninsured Motorists limit of not less than \$1,000,000; Comprehensive; Collision; and a Medical Payments limit of not less than \$5,000. Coverage shall include Non-Owned and Hired Car coverage. Waiver of subrogation language shall be included.
- Business Personal Property and/or Personal Property. Insured shall purchase insurance to cover Insured's personal property. In no event shall Certificate Holder be liable for any damage to or loss of personal property sustained by Insured, whether or not insured, even if such loss is caused by the negligence of Certificate Holder, its employees, officers or agents.
- Workers' Compensation. Where required by law, Insured shall maintain all statutorily required Workers Compensation coverages. Coverage shall include Employer's Liability, at minimum limits of \$100,000 / \$500,000 / \$100,000.
- Professional Liability. If professional services are supplied to the Institution, Insured shall maintain Professional Liability (Errors & Omissions) insurance on a claims made basis, covering claims made during the policy period and reported within three years of the date of occurrence. Limits of liability shall be not less than one million dollars (\$1,000,000).

If you have additional questions, please contact:

Carry Salonen, Risk Specialist, University of Idaho.
PH (208) 885-7177. FAX (208) 885-9490
csalonen@uidaho.edu

Attachment 1: Channel lineup and Pricing for Additional services
Attachment 3: Additional local school references



Broadcast Basic

2	KREM 2 CBS Spokane WA
3	KLEW 3 CBS Lewiston ID
4	KXLY 4 ABC Spokane WA
5	QVC
6	KHQ 6 NBC Spokane WA
7	KSPS 7 PBS Spokane WA
8	COLLEGE INFORMATION CHANNEL
9	KAYU-Fox 28 Spokane WA
10	KWSU 10 PBS Pullman WA
11	Palouse Bulletin
12	KUID 12 PBS Moscow ID
13	PEG
14	KGPX 34 ION Spokane WA
15	KSKN 22 CW Spokane WA
16	COLLEGE EMERGENCY ALERT
17	My Network TV-KXMN
19	HSN
20	TV Guide Channel
21	C-SPAN
22	C-SPAN 2

Expanded Basic

23	Disney Channel
24	ESPN
25	ESPN2
26	Fox Sports Northwest
27	CNN
28	USA Network
29	The Discovery Channel
30	Nickelodeon
31	ABC Family
32	AMC
33	A&E
34	Headline News
35	The Weather Channel
36	VH1
37	MTV
38	TNT
39	Comedy Central
40	Spike TV
41	E! Entertainment Television
42	Syfy

63	MSNBC
64	Oxygen
65	BET
66	MTV2
70	International Channel
98	College Sports
148	Speed Channel

43	Fox News Channel
44	CNBC
45	TLC
46	Cartoon Network
47	CMT
48	Northwest Cable News
49	Animal Planet
50	TV Land
51	TruTV
52	Travel Channel
53	History
54	FX
55	Bravo
56	TBS
57	HGTV
58	Lifetime
59	Hallmark Channel
60	ShopNBC
61	Food Network
62	EWTN / Inspiration

** Equipment per room should not be required to receive the channel listing above. i.e. receivers

Student Add-On Options That Can Be Billed Directly to the Student

Movie Channels	International Channels**	Ancillary Services
\$8.00 - \$14.00	\$15.00 ea.	Pricing will vary depending on packaging
THE MOVIE CHANNEL TIER	Filipino Channel	High Speed Internet
STARZ TIER	TV Asia	Digital Phone
HBO TIER - 12 channels	TV Japan	Digital Equipment
Showtime TIER	TV Russia	\$7.99
Cinemax TIER	Zhong Tian Channel	Standard Receiver
** multiple channels offered within each movie tier	CCTV-4	High Definition Receiver
	TV 5	High Definition Digital Video Recorder (DVR)
	RAI	Pricing will vary
	ART Network	Video On Demand / Pay-Per-View**

** Specific channel listings for the digital tiers are attached

Channel listing for optional packages

Digital Choice Red \$9.00

101	Golf Channel
102	ESPN Classic
103	ESPN News
104	Current
105	Fuse
106	NBA TV
108	Nick Jr.
109	Disney XD
110	Boomerang
111	Discovery Kids
113	Sundance
114	Discovery Health
115	FiTV
117	BBC America
118	CSPAN3
119	CHBC World
120	Halogen
121	EWTN
122	Daystar
123	BYU
124	Fox Business Channel
126	Military Channel
127	Fox Reality -Nat Geo Wild 3/28
128	Fox Movie Channel
130	American Life TV
134	MTV Jams
135	MTV Tr3s
136	GAC
137	Centric (BET J)
138	Chiller
140	Sleuth
142	The Science Channel
143	Style Network
144	WE
146	TBN
147	VH1 Classic Rock
148	Speed Channel
150	Versus
153	Fox Soccer Channel

Digital Choice Blue \$9.00

162	ESPN-U
163	Fox Soccer Channel
164	Tennis Channel
165	Nick Too
166	Nicktoons
167	Teen Nick
168	G4
169	FamilyNet
160	Gospel Music Channel
161	GSN
163	DIY Network
164	Fine Living
166	Biography
167	National Geographic Channel
168	Investigative Discovery
169	Fuel TV
171	Bloomberg TV
176	Independent Film Channel
177	Lifetime Movie Network
181	Logo
183	History International Channel
186	CMT Pure Country
187	MTV Hits
192	MLB Network
193	The Sportsman Channel
194	Reelz Channel
196	Turner Classic Movies
196	SoapNet
197	The Outdoor Channel
198	Ovation
199	The Word Network
200	VH1 Soul

Movie Pack \$8.00

276	Encore
277	Encore (West)
278	Encore Action
279	Encore Action (West)
280	Encore Drama
281	Encore Drama (West)
282	Encore Love
283	Encore Love (West)
284	Encore Mystery
285	Encore Mystery (West)
286	Encore WAM
288	Encore Westerns
289	Encore Westerns (West)
290	Flix
291	Flix (West)
292	Fox Movie Channel
293	Independent Film Channel
295	Sundance

Sports Pack \$8.00

261	CBS College Sports Network
262	FCS Atlantic
263	FCS Central
264	FCS Pacific
265	Fuel TV
266	NBA TV
267	The Sportsman Channel
268	The Tennis Channel
269	Fox Soccer Channel
260	Golf Channel
261	ESPN News
262	Outdoor Channel
263	ESPN-U
264	Game Show Network



PREMIUM CHANNELS OFFERINGS IN DETAIL

HOME BOX OFFICE

401	HBO
404	HBO (West)
406	HBO 2
408	HBO 2 (West)
410	HBO Comedy (West)
411	HBO Family
412	HBO Family (West)
413	HBO Latino
415	HBO Latino (West)
416	HBO Signature
418	HBO Signature (West)
418	HBO Zone (West)

Showtime

426	Showtime
427	Showtime (West)
428	Showtime Too
429	Showtime Too (West)
430	Showtime Showcase
431	Showtime Showcase (West)
432	Showtime Beyond
433	Showtime Beyond (West)
434	Showtime Extreme
435	Showtime Extreme (West)
436	Showtime FamilyZone
437	Showtime FamilyZone (West)
438	Showtime Next
439	Showtime Next (West)
440	Showtime Women

Cinemax

450	@Max
452	5 StarMax
453	ActionMAX
454	ActionMAX (West)
456	Cinemax
457	Cinemax (West)
458	MoreMax
459	Moremax (West)
460	OuterMax
462	ThrillerMAX (West)
463	W Max

THE MOVIE CHANNEL

470	TMC
471	TMC (West)
472	TMC Xtra
473	TMC Xtra (West)

STARZ

480	Starz
481	Starz (West)
482	Starz Cinema
483	Starz Cinema (West)
484	Starz Comedy
485	Starz Edge
487	Starz in Black
490	Starz Kids and Family

PREMIUM PRICING

- 1st Premium = \$14
- 2nd Premium = \$12
- 3rd Premium = \$10
- 4th Premium = \$8
- 5th Premium = \$8



HIGH DEFINITION OPTIONS
** MUST HAVE AN HD RECEIVER

HD Basic ** FREE WITH AN HD BOX

702	CBS HD - KREM 2 (Spokane)
703	KLEW-HD
704	ABC HD - KXLY 4 (Spokane)
706	NBC HD - KHQ 6 (Spokane)
707	PBS HD - KSPS 7 (Spokane)
709	KAYU-HD FOX (Spokane)
710	KWSU-HD
712	PBS HD - KUID 12 (Moscow)
715	KSKN-HD

HD Expanded ** FREE WITH AN HD BOX

676	Hallmark Channel HD
676	MTV HD
677	VH1 HD
678	BET HD
679	CMT HD
680	Spike HD
681	Nickelodeon HD
682	Comedy Central HD
751	HD Theater
752	TNT HD
753	ESPN HD
764	ESPN 2 HD
765	Palladia-HD
756	A&E-HD
757	TBS-HD
758	Lifetime Movie Network-HD*
759	BRAVO-HD
760	FX-HD
761	Hallmark Movie Channel-HD*
762	AMC-HD
763	DISCOVERY-HD
764	TLC-HD
765	ANIMAL PLANET-HD
766	SCIENCE-HD*
767	NATIONAL GEO-HD *
768	HISTORY-HD
770	HGTV-HD
771	FOOD NET-HD
772	CARTOON NETWORK-HD
774	ABC FAMILY-HD
775	DISNEY-HD
776	DISNEY XD-HD*
777	USA-HD
778	Syfy-HD
779	Golf Ch HD*
780	SPEED CH-HD *
781	OUTDOOR CH-HD *
782	ESPNews-HD *
783	ESPN U-HD *
784	Versus -HD*
785	CNN-HD
786	Fox News-HD
788	CNBC-HD
790	Weather Channel HD
791	Travel Channel HD
799	Fox Sports Northwest HD

HD Pack - \$8.00

551	Smithsonian-HD
554	MGM-HD
565	RFD-HD
566	Universal HD
567	MAV-HD

** CHANNELS LISTED WITH AN ** MUST
HAVE CORRESPONDING DIGITAL TIER
IN ORDER TO RECEIVE

Franklin Elementary
 850 SE Klemgard
 Pullman, WA 99163
 509 334 5641
 Brian Moore – Principal
brianm@psd267.wednet.edu
 estimated student body – 310

Jefferson Elementary
 1150 NW Bryant St
 Pullman, WA 99163
 509 332 2617
 Craig Nelson – Principal
cnelson@psd267.wednet.edu
 estimated student body – 405

Lincoln Middle School
 315 SE Crestview
 Pullman, WA 99163
 509 334 3411
 Cameron Grow – Principal
cgrow@psd267.wednet.edu

Pullman High School
 510 NW Larry St
 Pullman, WA 99163
 509 332 1551
 Joe Thornton – Principal
jthornton@psd267.wednet.edu

Sunnyside Elementary
 425 SW Shirly
 Pullman, WA 99163
 509 334 1800
 Rick Bates – Principal
rbates@psd267.wednet.edu

Lena Whitmore Elementary
 110 South Blaine
 Moscow, ID 83843
 208 882 2621
 Tony McDonnell – Principal
mcdonnell@msd281.org

Logos School
 110 Baker St
 Moscow, ID 83843
 208 882 1226
 Matt Whitling - Principal
logosmain@turbonet.com
 Estimated student body – 236

McDonald Elementary
 2323 E D St
 Moscow, ID 83843
 208 882 0228
 Laurue Austin – Principal
austinl@msd281.org
 estimated student body – 450

Moscow High School
 402 E 5th St
 Moscow, ID 83843
 208 882 2591
 Bob Celebrezze – Principal
celebreb@sd281.k12.id.us

Moscow Junior High School
 1410 E D St
 Moscow, ID 83843
 208 882 3577
 Dale Kleinert – Principal
dkleiner@msd281.org
 estimated student body – 600

J Russell School
 119 N Adams St
 Moscow, ID 83843
 208 882 2715
 Edward Norman – Principal
normane@msd281.org
 estimated student body – 170

St Marys Catholic Elementary
 School
 412 N Monroe St
 Moscow, ID 83843
 208 882 2121
 Sister Margaret Johnson – Principal
sistern@stmarysmoscow.com

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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

UNIVERSITY OF IDAHO

SUBJECT

Capital Project Construction Phase Authorization Request - ASUI Kibbie Activity Center (Kibbie Dome) Enhancement Project

REFERENCE

August 2006	Information Item, Technical Assessment & Feasibility Study, Proposed University of Idaho Events Pavilion and ASUI Kibbie Activity Center Improvements. Business Affairs and Human Resources Agenda, Section II, Item No. 7, page 14 of the approved minutes.
February 2007	Information Item, UPDATE: Technical Assessment & Feasibility Study, Proposed University of Idaho (UI) Events Pavilion and ASUI Kibbie Activity Center Improvements. Notification of the Immediate Code Compliance, Guest and Participant Safety Issues documented in the Technical Assessment & Feasibility Study. Business Affairs and Human Resources Agenda, Section II, Item No. 7, page 12 of the approved minutes.
April 2007	Capital Project Authorization, Replace Artificial Turf, ASUI Kibbie Activity Center. Business Affairs and Human Resources Agenda—Finance Agenda, Item No. 9, page 19 of the approved minutes.
December 2007	Capital Project Design Phase Authorization, ASUI Kibbie Activity Center (Kibbie Dome) Life Safety Improvements. Business Affairs and Human Resources Agenda—Finance Agenda, Item No. 8, page 8 of the approved minutes.
December 2008	Capital Project Initial Construction Phase Authorization, and Construction Loan Authorization, ASUI Kibbie Activity Center (Kibbie Dome) Life Safety Improvements. Business Affairs and Human Resources Agenda—Finance Agenda, Item Nos. 2 & 3, page 13 of the approved minutes.
February 2010	Capital Project Design Phase Authorization, ASUI Kibbie Activity Center (Kibbie Dome) Enhancement Project. Business Affairs and Human Resources Agenda—Finance Agenda, Item No. 3, page 14 of the approved minutes
February 2010	Capital Project Construction Phase Authorization, ASUI Kibbie Activity Center (Kibbie Dome) Life Safety Improvements – East End Wall Replacement.

BUSINESS AFFAIRS AND HUMAN RESOURCES

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Business Affairs and Human Resources Agenda—
Finance Agenda, Item No. 4, page 15 of the approved
minutes

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.K.1
and Section V.K.2,

BACKGROUND/ DISCUSSION

In 2006, the University initiated a Technical Assessment & Feasibility Study of a proposed events pavilion and of the Kibbie Dome. A team of consultants headed by Opsis Architecture and Hastings-Chivetta conducted a technical evaluation of the facility and identified a series of life safety improvements necessary for the Kibbie Dome.

The University is currently proceeding with these life safety improvements. Installation of a new turf play surface in the Kibbie Dome was authorized by the Board in April of 2007 and the installation was completed in September of 2007. The initial phase of construction of life safety improvements to include replacement of the west end wall, installation of fire detection and suppression systems in the interstitial roof truss space and additional west end field level egress was authorized by the board in December of 2008. That initial phase of life safety improvements is now complete. The replacement of the west wall portion of the scope of work of the project was completed in August of 2009 and has not only improved safety in the Kibbie Dome, it has transformed the character of the Kibbie Dome.

In February of 2010, the Board of Regents authorized the University to proceed with the replacement of the east end wall – the final phase of the Life Safety Improvements project. That project is now underway. Preliminary work and material ordering and gathering is currently in progress and the project is planned to enter the active construction phase of the work later this year.

In addition to the on-going life safety improvements, the Technical Assessment & Feasibility Study recommended a further series of amenity renovations intended to give a 'face-lift' to the 35 year old facility, enhancing the functionality of the facility, and improving spectator comfort through concession and seating upgrades. These amenity renovations are separate and distinct from the life safety improvements, and, they are to be funded by a separate source of developed and gifted funds.

Overall Project Description

The ASUI Kibbie Activity Center Enhancement Project consists of the following elements:

- Construction of a new Media and Game Operations Box to be located above the north concourse and seating area of the Kibbie Dome.

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

- Conversion of the existing Media and Game Operations Box currently located above the south concourse seating area of the Kibbie Dome. This existing structure will be expanded and renovated to serve as a Club Level in support of enhanced spectator seating opportunities, including alcohol service in a controlled environment to patrons of the Club Level, Suite Seating and Club Seating
- Construction of suite-style seating boxes to be located on the south concourse/seating area
- Construction of Club Seating areas to be located on the south concourse/seating area.
- Additional miscellaneous improvements aimed at enhancement of spectator comfort and upgraded seating in the ASUI Kibbie Activity Center.

The University has worked diligently over the course of the past year to identify and refine the improvements and enhancements necessary to achieve the goals and intent of the Technical Assessment & Feasibility Study in the most efficient and achievable manner. This currently, proposed scope is much reduced and much more efficient than that originally envisioned. This allows the University to meet the goals and intents of the original vision while providing much greater value to our stakeholders.

Relocation of the media and game management operations to a new location above the north concourse will allow a purpose-built space supporting these needs that is fully compliant with the functional needs of the media, coaching and facility management staffs in a code compliant and fully accessible facility.

This relocation further frees up the south side concourse and structures to be expanded and renovated in a manner creating enhanced seating opportunities and spectator comfort facilities on par with the current state of the art for modern, exciting spectator venues and arenas. Location of these facilities on the south concourse allows a versatility of use in support of a variety of events, to include the Lionel Hampton International Jazz Festival, varsity football, varsity men's and women's basketball, regional and community events, etc.

The total Capital Project Cost to include design, construction and associated soft costs for this series of enhancements and improvements is \$5,310,000. The Design Phase cost to include architectural fees, survey costs, plan check fees and other associated miscellaneous costs for this effort is estimated at \$671,000.

Existing Board of Regents Authorization

At the February 18, 2010, meeting, the Board of Regents authorized the University to begin the design phase of the project. Since that time, the University has completed contracts with the architect and has initiated the design phase. Initial meetings with the stakeholders were held in March of 2010, and are on-going as the project progresses.

Funding

Concurrent with the planning and design, the University has engaged in fundraising activities. The University has enjoyed success in this endeavor and sufficient gift pledges are currently in place to fully service the estimated project cost. Thus, the project will be 100% privately funded. The University of Idaho Foundation has cash in hand for this project of approximately \$1.5 million and additional recorded pledges of \$4.8 million to be collected over the next five years. Additional pledges are being sought to meet an overall fund raising goal of \$6.8 million. The schedule of current pledge payments and the timing of construction expenses indicate that the University will need to borrow approximately \$2.9 million to cover the project cash flow needs for the months of July through November 2011. It is the intent of the University to secure a bank loan to cover these cash flow requirements. The loan capital will be limited to the absolute minimum required to meet the difference between the projected cash flow needs and the available cash gifts. The repayment schedule for this loan will be for 4 to 5 years, depending on final bank terms and the schedule for pledge payments. Pledged gifts would cover all financing costs associated with the loan. Current pledges include funding for a planned Maintenance Endowment for the facility of approximately \$590,000. If necessary, these Maintenance funds could be used toward loan repayment.

Current Authorization Request

With this item, the University seeks authorization for the remainder of the project and the Construction Phase in the additional amount of \$4,639,000. This request will bring the total project authorization to \$5,310,000.

This project directly supports the University's strategic plan and its education and outreach goals. It is fully consistent with the stated goals and intents of the Technical Assessment & Feasibility Study for the ASUI Kibbie Activity Center as described both herein and to the Board in previous presentations, the University's Long Range Campus Development Plan (LRCDP), and the Campus Infrastructure Master Plan. The Kibbie Activity Center is an iconic structure which serves a wide variety of campus and community needs, supporting general education, recreational, athletic, and community events. It also serves as a staging and response center in regional emergencies.

IMPACT

The immediate fiscal impact of this effort is \$5,310,000. As stated above, this consists of the \$671,000 design phase authorization currently in place and a \$4,639,000 construction phase authorization.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

<u>Funding</u>		<u>Estimate Budget</u>	
State	\$ 0	Construction	\$ 4,102,250
Federal (Grant):	\$ 0	A/E & Consultant Fees	\$ 671,000
Other (UI/Bond)	\$ 0	Contingency	\$ <u>536,750</u>
Private	\$ <u>5,310,000</u>		
Total	\$ 5,310,000	Total	\$ 5,310,000

ATTACHMENTS

Attachment 1 – Capital Project Tracking Sheet

Page 7

STAFF COMMENTS AND RECOMMENDATIONS

The Board approved design for this project in February. The University is now requesting final project approval. The University represents that the project is consistent with campus long range and master plans. Project cost is estimated at \$5.3M. The project will be financed entirely with pledged private donations. However, in order to manage the project cash flow, the University intends to seek a bridge loan from a lender of its choice of approximately \$2.9M. The plan is to have a commitment letter from their lender by June 14, 2010. Staff recommends approval.

BOARD ACTION

A motion to approve the request by the University of Idaho to implement the construction phase Kibbie Activity Center Enhancement Project, for a total project cost not to exceed \$5,310,000, and to authorize the University of Idaho to execute all requisite consulting, design and vendor contracts necessary to fully implement the project.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

A motion to approve the request by the University of Idaho to obtain financing from a lender of its choice for approximately \$2.9 million for the purpose of partially financing the Kibbie Activity Center Enhancement Project, and to authorize the Vice President for Finance & Administration to execute all necessary documents on behalf of the Board of Regents. Said financing shall be secured, if applicable, in accordance with Section 33-3804(j), Idaho Code, and at an interest rate not to exceed 5.50%.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

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Office of the Idaho State Board of Education
Capital Project Tracking Sheet
As of May 6, 2010

History Narrative

- 1 Institution/Agency:** University of Idaho **Project:** ASUI Kibbie Activity Center (Kibbie Dome) Enhancement Project, Moscow, ID
- 2 Project Description:** Implement enhancements and improvements to the Dome. In accordance with the vision of the Technical Assessment & Feasibility Study, the project scope includes a series of amenity renovations intended to give a 'face-lift' to the 35 year old facility, enhancing the functionality of the facility, and improving spectator comfort through concession and seating upgrades. These amenity renovations are separate and distinct from the Life Safety Improvements, and, they are to be funded by a separate source of developed and gifted funds.
- 3 Project Use:** Functional and amenity renovations within the Dome.
- 4 Project Size:** N/A

	Sources of Funds				Use of Funds			
	PBF	ISBA	Other	Total Sources	Planning	Use of Funds Const	Other	Total Uses
Initial Design Phase Authorization - Feb 2010	\$ -	\$ -	\$ 671,000	\$ 671,000	\$ 671,000	\$ -	\$ -	\$ 671,000
Construction Phase Authorization - Jun 2010	\$ -	\$ -	\$ 4,639,000	\$ 4,639,000	\$ -	\$ 4,102,250	\$ 536,750	\$ 4,639,000
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Project Costs	\$ -	\$ -	\$ 5,310,000	\$ 5,310,000	\$ 671,000	\$ 4,102,250	\$ 536,750	\$ 5,310,000

History of Funding:	PBF	ISBA	Other Sources of Funds		Total Other	Total Funding
			Institutional Funds (Gifts/Grants)	Student Revenue		
Initial Authorization Request - Design Phase Feb 2010	\$ -		\$ 671,000		\$ 671,000	\$ 671,000
Add'l Authorization Request - Construction Phase Jun 2010	\$ -		\$ 4,639,000		\$ 4,639,000	\$ 4,639,000
	\$ -		\$ -		\$ -	\$ -
					-	-
					-	-
Total	\$ -	\$ -	\$ 5,310,000	\$ -	\$ 5,310,000	\$ 5,310,000

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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

UNIVERSITY OF IDAHO

SUBJECT

Request for approval of sponsorship agreement

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.I.6.b

BACKGROUND/DISCUSSION

The University of Idaho has an offer from Litehouse, Inc. for sponsorship and naming rights. Under the agreement, Litehouse will pay \$200,000 per year from 2011 through 2015 in exchange for naming the ASUI Kibbie Dome premium seating area the "Litehouse Center" and for other promotional considerations in conjunction with University of Idaho athletic events and marketing as follows:

- Litehouse logo placed on the Kibbie Dome football field beginning with the first home game played in the Kibbie Dome for the Fall 2010 football season and continuing through the last Home football game played in the Kibbie Dome for the Fall 2020 football season.
- Placement of the Litehouse logo at the Litehouse Suite entrance on the main concourse.
- Placement of the Litehouse logo and approved branding on all Vandal Scholarship Fund mailings and the bi-monthly Athletic Director Newsletter.
- The University of Idaho Department of Athletics will feature current Litehouse products exclusively for all athletic events and events surrounding athletic game day experiences.
- President Nellis and the University will actively support discussions between Sodexo, Inc. and Litehouse for Litehouse products to be preferred for campus food service through Sodexo. The choice of vendors and products used by Sodexo for University food service ultimately remains with Sodexo.

IMPACT

This five-year sponsorship agreement is worth \$1 million.

ATTACHMENTS

Attachment 1 – Proposed Agreement

Page 3

STAFF COMMENTS AND RECOMMENDATIONS

Litehouse is a Sandpoint-based company best known for its salad dressings. Both the company's CEO and its Chairman of the Board (sons of the company's founder) are UI alumni. This sponsorship agreement is a cornerstone for the private financing of the ASUI Kibbie Dome enhancement project. Staff recommends approval.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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BOARD ACTION

A motion to approve the request by the University of Idaho to enter into a sponsorship agreement with Litehouse, Inc. in substantial conformance to the form submitted to the Regents as Attachment 1, and to authorize the Vice President of Finance and Administration to execute the agreement.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

University of Idaho Agreement

THIS AGREEMENT is executed and effective as of the 2nd day of April 2010, by and between Litehouse Inc. ("Litehouse"), and The Regents of the University of Idaho (University). **In consideration** of the facts and circumstances and the mutual agreements set forth herein, in reliance upon those agreements, and for good and other valuable consideration, Litehouse and the University agree as follows:

1. Litehouse agrees to pay the University \$200,000 on or before the 30th day of June each year, commencing June 30th, 2011, and continuing until paid in full no later than the 30th day of June, 2015. See payment schedule below.
 - \$200,000 due on or before the 30th of June, 2011
 - \$200,000 due on or before the 30th of June, 2012
 - \$200,000 due on or before the 30th of June, 2013
 - \$200,000 due on or before the 30th of June, 2014
 - \$200,000 due on or before the 30th of June, 2015

2. In return, the University will provide the Litehouse the following benefits from August 1, 2010 through December 31, 2020:
 1. Logo placed on the ASUI-Kibbie Dome football field beginning with the first home game played in the ASUI Kibbie Dome for the Fall 2010 football season and continuing through the last Home football game played on the ASUI-Kibbie Dome football field for the Fall 2020 football season.
 2. Litehouse Center – the area encompassing the proposed premium seat area (club room, suites, club seating) will be called the Litehouse Center and will include the Litehouse logo on the outside of this area and inside the Club Room.
 3. Litehouse Suite and Tickets:
 - a. Litehouse shall be entitled to use of one Vandal Suite for entertaining guests and clients for all home football games;
 - b. Litehouse shall receive eight (8) season tickets for home football games; and
 - c. Litehouse will have the right of first refusal for eight (8) tickets to any other public ticketed event or activity held in the ASUI-Kibbie Dome.
 4. Placement of the Litehouse logo at the Litehouse Suite entrance on the main concourse.
 5. Placement of the Litehouse logo and approved branding on all Vandal Scholarship Fund mailings and the bi-monthly Athletic Director Newsletter.
 6. The University of Idaho Department of Athletics will feature current Litehouse products exclusively for all athletic events and events surrounding athletic game day experiences. To the extent Litehouse develops or acquires new products after the date of this agreement, such products will be considered for exclusive feature for athletic events and athletic game day, provided such exclusivity does not violate then existing contractual obligations of the University.
 7. President M. Duane Nellis and the University will actively support discussions between Sodexo, Inc. and Litehouse for Litehouse products to be preferred for campus food service through Sodexo. The parties acknowledge that while the University can encourage discussions with Sodexo, the choice of vendors and products used by Sodexo for University food service remains with Sodexo. A determination by Sodexo to utilize other products shall not, in and of itself, be a default or grounds for termination of this agreement.

3. Litehouse Logo approval and license. University has approved the Litehouse logo to be used in conjunction with this agreement (a rendition of which is attached hereto as Exhibit "A"). Litehouse shall make no changes to the logo during the term hereof without prior written consent of the University, to ensure the logo remains appropriate for use in conjunction with University programs and facilities. University is hereby granted a license by Litehouse for the use of the logo for the purposes set out in this agreement. Included in the University's license granted hereunder is the right of the University to utilize the Litehouse logo in University marketing materials and media materials that relate to University programs which utilize the ASUI-Kibbie Dome facility wherein the Litehouse Center is to be located.

4. **Regents' approval.** This Agreement is subject to approval by the Regents of the University of Idaho, and if such approval is not granted this Agreement shall be void and neither party shall have any further obligations or liabilities hereunder.
5. **Attorneys' Fees.** In the event of any controversy, claim or action being filed or instituted between the parties to this Agreement to enforce the terms and conditions of this Agreement or arising from the breach of any provision hereof, the prevailing party will be entitled to receive from the other party all costs, damages, and expenses, including reasonable attorneys' fees, incurred by the prevailing party, whether or not such controversy or claim is litigated or prosecuted to judgment. The prevailing party will be that party who was awarded judgment as a result of trial or arbitration, or who receives a payment of money from the other party in settlement of claims asserted by that party.
6. **Counterparts.** This Agreement may be executed in any number of counterparts and once so executed by all parties thereto, each such counterpart shall be deemed to be an original instrument but all such counterparts together shall constitute but one agreement.
7. **Venue; Governing Law.** Any legal proceeding instituted between the parties shall be in the courts of the County of Latah, state of Idaho, and each of the parties agrees to submit to the jurisdiction of such courts. It is further agreed that this Agreement shall be governed by the laws of the State of Idaho as an agreement to be performed within the State of Idaho.
8. **Grammatical Usage.** In construing this Agreement, feminine or neuter pronouns shall be substituted for those masculine in form and vice versa, and plural terms shall be substituted for singular and singular for plural in any place in which the context so requires.
9. **Survival of Terms.** The terms and provisions of this Agreement, and all documents being executed hereunder, if any, including, without limitation, the representations and warranties shall survive the expiration or termination of this Agreement, unless otherwise stated in this Agreement.
10. **Binding Effect.** This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties and their respective heirs, legal representatives, successors and assigns.
11. **Headings.** The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

The University of Idaho:

Donors:

By: _____

University of Idaho

(*Litehouse Inc.*)

By: _____

Rob Spear, Director of Athletic

(*Litehouse Inc.*)

UNIVERSITY OF IDAHO

SUBJECT

Formation of an Applied Research Entity

REFERENCE

February 2010

Executive Session

APPLICABLE STATUTE, RULE, OR POLICY

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

BACKGROUND/DISCUSSION

The University is requesting authority to participate in establishing an Applied Research Entity to be known as the University of Idaho Laboratory of Applied Science and Research, Inc. (LASR), to expand on the University's fiscal impact within the state, and to transfer, over time, the University's Center for Advanced Microelectronics and Biomolecular Research (CAMBR) operations into the entity.

LASR entity

The applied research entity is a concept that has been used at other research institutions as a means of fostering research, transferring technology, and creating opportunities for research relationships and projects with the private sector that are not feasible within the context of the University proper. LASR will be a not-for-profit corporation, established as a separate legal entity for the purpose of supporting the University's research efforts. LASR will create additional opportunities for faculty and student participation in research and opportunities for technology transfer into the private sector as a means of economic growth in the State of Idaho. In addition, LASR will be an economic driver in the region, as an employer of researchers and staff.

LASR will act in the nature of a technology transfer entity under the exception to the Board's policy on affiliated foundations (see SBOE/Regents Policy V.E.2.) In that regard, and recognizing the separate legal status of the entity, the University would apply all applicable policies of the Regents and the University with respect to all transactions with LASR, including mandated approvals of contracts pursuant to SBOE/Regents Policy V.I. and Regents approval of any asset transfers to the entity.

Attached hereto are draft articles of incorporation, corporate bylaws and a general operating agreement which outline the University's participation in the governance of LASR. As stated above, specific transactions for specific projects between LASR and the University will be subject to separate contracting pursuant to Regents review as per policy.

BUSINESS AFFAIRS AND HUMAN RESOURCES

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CAMBR transfer

CAMBR was created at the University of Idaho in 2001 to conduct research in microelectronics including ultra-low power and radiation tolerant integrated processors, primarily for NASA., and to explore the integration of microelectronics into biochemistry and bio-molecular applications. CAMBR has operated as an essentially self-funding center at the University since its inception.

CAMBR was created and remains located at the University's research park in Post Falls, Idaho. The nature of CAMBR as a self-funded center and its location in the Post Falls research park makes it an ideal candidate to provide the initial population of research talent for implementation of LASR, and to provide an initial business base for LASR operations. CAMBR can bring with it a historically stable inventory of research projects and the ability to continue its relationship with NASA. CAMBR also will provide a proven research team with a broad knowledge base in electronics, applicable to many areas of business in Idaho and the Pacific Northwest, including utilities, engineering companies and manufacturing.

Attached is a transition budget for the initial operations of LASR based on projections for CAMBR operations and projects to be transferred to LASR as well as potential projects to be developed by the LASR staff. The University anticipates a transition period throughout fiscal year 2011 to encompass the initial incorporation of LASR and establishment of the initial directors and management team. The transition will also accommodate time for LASR to establish a federal F&A return rate for federal funding and then an orderly transition of current operations and projects now under CAMBR. In this time the University and LASR will also negotiate and submit for approval a services agreement for University support services for LASR.

IMPACT

Creation and operation of LASR is intended to be financially neutral to the University. LASR will fund its own operations from revenues from research grants and contracts.

ATTACHMENTS

Attachment 1 – Articles of Incorporation	Page 5
Attachment 2 – Corporate By Laws	Page 11
Attachment 3 – General Operating Agreement	Page 23
Attachment 4 – Transition Budget	Page 25

STAFF COMMENTS AND RECOMMENDATIONS

While CAMBR is a research center within the University, its employees and operations are largely self-funded with soft funding. Its status as a University unit, however, actually can limit its flexibility in working with the private sector. Businesses are sometimes reluctant to engage in applied research work with

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

public institutions due to heightened sensitivities surrounding confidentiality and ownership of intellectual property. In addition, university research generally has a more long-term, academic focus. In contrast, LASR's non-profit status would provide it with the flexibility to take on short-term applied research projects, which would be more closely aligned to the needs of the private sector. At the same time, the University would still be available for backup for longer-term questions or problems. In addition, LASR would provide an independent venue for faculty and student to engage in applied research work with opportunities for technology transfer.

Staff recommends approval.

BOARD ACTION

A motion to approve the request by the University of Idaho to participate in the formation of the applied research entity to be known as LASR in substantial conformance with the documents attached to the Board materials, and to then accomplish the transfer of operations of the Center for Advanced Microelectronics and Biomolecular Research to the applied research entity.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

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ARTICLES OF INCORPORATION
OF
UNIVERSITY OF IDAHO
LABORATORY OF APPLIED SCIENCE & RESEARCH, INC.

The undersigned, being over the age of eighteen (18) years, and for the purpose of forming a nonprofit corporation under the provisions of the Idaho Nonprofit Corporation Act, Title 30, Chapter 3 of the Idaho Code, hereby certifies and adopts the following Articles of Incorporation:

Article One

The name of the corporation is the UNIVERSITY OF IDAHO LABORATORY OF APPLIED SCIENCE & RESEARCH, INC., and its existence shall be perpetual.

Article Two

The address of the registered office of the corporation in the State of Idaho is 110 E. Wallace Avenue, Coeur d'Alene, ID 83814, and the name of its registered agent at that address is Paul W. Daugharty, P.A.

Article Three

The name and mailing address of the incorporator of the corporation is Paul W. Daugharty, P.A., 110 E. Wallace Avenue, Coeur d'Alene, ID 83814.

Article Four

1. The Corporation is formed for the purpose of engaging in any lawful act for which a nonprofit may be organized under Title 30, Chapter 3 of the Idaho Code lawful nonprofit purposes and objectives, which include but are not otherwise limited to, the following:

- a. Conducting research in areas deemed appropriate by the governing Board of Directors and consistent with the charitable, scientific, literary, research, educational, and service goals of the University of Idaho.
- b. Acquiring and disseminating knowledge, supporting the education, research, and public service functions of the University of Idaho.
- c. Executing, administering, letting and performing any and all contracts, subcontracts and agreements desirable and proper in order to perform and complete the activities of the Corporation including, without limitation, contracts and agreements with the University of Idaho and other entities.
- d. Acquiring facilities by lease, purchase, or otherwise, and operating such as may be desirable in order to carry out the charitable, scientific, literary,

research, educational, and service programs of both the Corporation and the University of Idaho.

- e. Receiving real and personal property from public and private sources, receiving grants and other monies from agencies of the United States, grants, contributions and endowments from foundations, public and private corporations, and the general public, without limitation.
- f. Employing personnel and engaging contractors and consultants in order to accomplish the purposes of the Corporation.
- g. Using and/or applying the whole, or any part of, the resources generated by the Corporation exclusively for charitable, scientific, literary, research, educational, or service purposes to benefit the Corporation and the University of Idaho.

2. Stock will not be issued. If and when the Corporation is dissolved, its assets will be distributed pursuant to the provisions of Article Ten. None of the assets will be distributed to private individuals.

3. The Corporation will not have members.

Article Five

The Corporation will seek a federal tax exemption as defined under Internal Revenue Code §501(c)(3) for its own income and will seek a ruling that contributions to the organization are federally tax deductible. If the Corporation becomes tax exempt in either category, it will perform any act required to retain tax exempt status and will refrain from any activities forbidden by Internal Revenue Code §501(c)(3).

Article Six

At all times, the Corporation's investments and investment policy will be consistent with its nonprofit purpose, and income and assets will be generated only to carry out the nonprofit purpose.

Article Seven

1. The number of Directors of this Corporation shall be fixed in the Bylaws and may be changed from time to time by amending the Bylaws.

2. The Corporation shall have Officers as provided in the Bylaws. Such Officers shall be elected or appointed by the Directors of the Corporation at such time, and in such manner, and for such terms as may be prescribed in the Bylaws. The Officers and Directors of the Corporation will not be personally liable for the Corporation's debts and

liabilities, and their personal property is exempt from seizure or levy to pay obligations of the Corporation.

3. The powers of the Corporation will include all powers granted by the State of Idaho to nonprofit Corporations including those set forth pursuant to Title 30, Chapter 3 of the Idaho Code. In addition, the Corporation's powers shall include the following, to the extent not prohibited by the State of Idaho or Federal Law:

- a. To solicit, collect, receive, hold, invest, distribute, and disburse funds in the form of donations, gifts, bequests, and subscription;
- b. The power to accept gifts from individuals, corporations and foundations in furtherance of the Corporation's nonprofit purpose; and
- c. To borrow funds with or without security, on terms at least as favorable as those offered on the open market, to carry out the Corporation's nonprofit purpose as authorized by the Corporation's Directors.

Notwithstanding the foregoing, the Corporation's powers shall be limited as follows:

- i. The Corporation shall not have nor exercise any power of authority expressly, by interpretation or by operation of law, nor shall it directly or indirectly engage in any activity that would prevent it from qualifying and continuing to qualify as described in Article V.
- ii. No part of the assets or net earnings of the Corporation shall ever inure to the benefit of or be distributable to its Directors, Officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered and to make reimbursement in reasonable amounts for expenses actually incurred.

4. The initial Directors of this Corporation shall be nine (9) in number and their names and addresses are as follows:

<u>Name</u>	<u>Address</u>

5. The term of the initial Directors shall be until the first annual meeting of the Corporation or until their successors are elected and qualified.

Article Eight

_____ The Corporation's Board of Directors shall not be individually liable for the debts or obligations of the Corporation. Furthermore, no Director or Officer of the Corporation shall be personally liable to the Corporation for civil claims arising from acts or omissions made in the performance of his or her duties, unless the acts or omissions are the result of intentional misconduct.

Article Nine

Power to amend the organization's Articles of Incorporation and Bylaws will rest with the Board of Directors. An amendment can be had by the affirmative vote of sixty-six and two-thirds of the Directors, present and voting at a regular or special meeting.

Article Ten

Upon dissolution or final liquidation, the assets of the Corporation remaining after discharge of the debts and obligations of the Corporation shall be distributed exclusively to the University of Idaho, or to such other charitable, scientific, literary, research or educational organizations designated by the University of Idaho which would then qualify under the provisions of the Internal Revenue Code §501(c)(3).

Article Eleven

The undersigned, being the incorporator hereinbefore named, for the purpose of forming a corporation to do business both within and without the State of Idaho, and in pursuance of the Idaho Non-Profit Corporation Act, does hereby make and file these Articles of Incorporation, and does hereby declare and certify that this is her act and deed and the facts herein stated are true.

IN WITNESS WHEREOF, these Articles of Incorporation are executed in duplicate on the ____ day of _____ 2010.

_____, Incorporator

STATE OF IDAHO)
 ss.
County of Kootenai)

On this ____ day of _____, 2010, before me, the undersigned Notary Public in and for said state, personally appeared _____, being first duly sworn under oath, known or identified to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same.

WITNESS my hand and official seal.

Notary Public for Idaho
Residing at _____
My commission expires: _____

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BYLAWS
OF
UNIVERSITY OF IDAHO
LABORATORY OF APPLIED SCIENCE & RESEARCH, INC.

Article One
Guiding Philosophy

The Directors, Officers and employees of the Corporation will strive to:

- * Promote ethical work standards where the highest quality of achievement is aspired to and expected.
- * Appoint and retain the highest caliber of staff and students that can be attracted where integrity, intelligence, self-motivation, expertise, performance, commitment, and fairness are prime considerations.
- * Create an efficient operation in which each individual expeditiously performs multiple tasks, as needed, to maximize quality output at the most attractive cost-performance tradeoff.
- * Create a stimulating, challenging, and fair work environment in which individuals are able to learn and advance professionally.
- * Foster cooperative research endeavors with public and private enterprises including institutions of learning, private businesses, individuals, and government agencies, leading to the dissemination and application of knowledge, discoveries, inventions, and technology for the greatest public good.
- * Enhance the University of Idaho's ability to meet its mission and goals by cooperative use of Corporation and University of Idaho resources including, facilities, faculty, researchers, staff and students.

Article Two
Board of Directors

a. Number. The number of directors on the Board of Directors shall be no fewer than five (5) or more than nine (9). Provided, however, the number shall always be odd.

b. Ex-Officio Directors on the Board. Ex-Officio Directors on the Board shall include the Corporation's President and other key persons as approved by a majority vote of the

Board of Directors. Ex-Officio Directors shall not count against the number of Directors allowed in these Bylaws. Provided, however, the number of Ex-Officio Directors shall not exceed five (5) and Ex-Officio Directors shall not be entitled to vote on any matter coming before the Board of Directors.

c. Manner of Selection and Vacancies. Appointments to fill vacancies or make additions to the Board of Directors shall be made by the President of the University of Idaho with the concurrence of the Board of Directors. Provided, however, the President of the University of Idaho shall request nominations from the Board of Directors. Such recommendations and nominations shall be made by resolution of a majority of the Board of Directors at a regularly scheduled meeting.

The University of Idaho will have representation on the Board of Directors, including the University's Vice-President of Research and the University's Vice-President of Finance and Administration (or their designees), provided however, the University's representation of the Board of Directors shall not constitute a majority of the full membership on the Board.

d. Term. Each Director, whether by initial appointment or appointment to a vacancy, shall serve for a term of two (2) to five (5) years as designated by the Chairman of the Board of Directors. The Chairman shall manage the length and/or start dates of terms to preclude, to the extent possible, more than three (3) new Directors being appointed in an one year. A person filling a vacancy is eligible for reappointment in the same manner as set forth in paragraph (c) above. A Director may resign at any time by delivering a written resignation to the President, a Vice-President, or the Recording Secretary. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any Director may be removed by majority vote of the Board of Directors, upon adequate opportunity for hearing before the Board of Directors.

e. Actions by the Board.

- i. The Directors shall only act as a board, and the individual Directors shall have no power as such. At all meetings of the Board of Directors, the presence of a majority of the then total appointed and acting number of Directors shall be necessary and sufficient to constitute a quorum for transacting business. Except as otherwise required herein, in the Articles of Incorporation, or by statute, the action of a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. The actions of a majority of the Board of Directors shall be valid and binding, if reduced to writing and signed by such majority, though not taken at a regular or special meeting. Provided, however, such writing must be transmitted to the Recording Secretary with five (5) business days and attached to the minutes of the next meeting of the Board of Directors.

- ii. The Board of Directors provides oversight and direction for the Corporation's policies, procedures and resource allocations, makes recommendations for the development of Corporation projects, assists in the development of effective relationships between the University of Idaho and various Corporation programs, and seeks to enhance and strengthen the research capabilities at the University of Idaho.
- iii. Ex-Officio Directors have all rights of participation in discussion and contribution, except for voting at meetings of the Board of Directors. Provided, however, they may be excluded from specific matters by the Chair of the Board of Directors or by a majority vote of the Board.
- iv. The property, affairs, and business of the Corporation shall be subject to oversight by the Board of Directors.
- v. The Board of Directors may from time to time organize standing or ad hoc committees to provide greater insight into specific areas for which the Corporation's Board of Directors is responsible. Said committees are to be chaired by a Director and serve with other Directors and non-directors who have expertise relating to specific committee responsibilities. Committee chair or member assignments may change at any time as approved by the Board of Directors.

f. Conflict of Interest.

- i. A Director is considered to have a conflict of interest if: (1.) the Director has existing or potential financial or other interest in a matter before the Board which might reasonably appear to impair the Director's independent, unbiased judgment in the discharge or responsibility; or (2.) the Director is aware that a family member, or any organization of which the family member is an officer, director, employee, member, partner, trustee or controlling stockholder, has existing or potential financial interest in any matter before the Board.
- ii. Any possible conflict of interest on the part of any Director or officer shall be disclosed to the Board of Directors and made a matter of record, either through an annual procedure or when the interest becomes relevant to any matter before the Board.
- iii. Any Director having a possible conflict of interest regarding a matter before the Board shall not vote or use his or her personal influence on the matter. Such Director shall not be counted in determining the meeting quorum regarding actions related to the potential conflict. The minutes of the meeting shall reflect such disclosure, abstention from voting, and the resulting quorum for action on the matter. The

foregoing requirements shall not be construed as preventing the Director from briefly stating his or her position in the matter, or from answering pertinent questions from other Directors since his or her knowledge may be of assistance. Provided, however, the Director may not participate in any debate regarding the matter.

- iv. This paragraph (f) shall not prohibit a Director, or an organization in which a Director has a financial interest from pursuing s Corporation purchase or contract.

g. Meetings.

- i. Regular Meetings. The Board of Directors shall meet quarterly unless otherwise determined by the Board. Directors may appear by telephone or streaming video if approved by the Chair. The first regular meeting held during the first quarter of each fiscal year shall be the annual meeting. The specific time and place of each regular meeting shall be fixed by the Chair of the Board of Directors. The purpose of the regular Board meetings shall be to establish or update policies, appoint officers, review finances, review on-going programs, plan and prioritize future directions, and perform any other appropriate functions as necessary for business operations as allowed pursuant to State and federal law. Directors, Ex-Officio Directors and Officers are invited to submit agenda items to the Recording Secretary or Chair of the Board of Directors fifteen (15) days prior to the subject quarterly meeting date. Ten (10) days prior to the meeting date the Recording Secretary shall give written notice of the time, place and location of such meeting to each Director. The Chair of the Board of Directors shall prepare an agenda for issuance by the Recording Secretary with said notice.
- ii. Special Meetings. Special meetings, in addition to a regular meeting, may be called by the Chair of the Board of Directors, or by written request to the Recording Secretary from a majority of the Directors. Written notice of the time, place and subject matter of each special meeting shall be given to each Director at least ten (10) days before the meeting date.

h. Leadership of the Board. The Corporation's Board may elect, by a majority vote, a Chair and Vice Chair, and may appoint a Recording Secretary.

i. Chair. The Chair of the Corporation's Board shall serve to carry out the goals and objectives of the Corporation, and shall:

- * Have and exercise general charge and supervision of the affairs of the Corporation and the Corporation's Board.

- * Provide oversight and guidance to the Corporation's President or designee who is responsible for the administration of the affairs of the Corporation.
- * Do and perform such other duties as assigned by the Board.

ii. Vice Chair. The Vice Chair of the Corporation's Board shall serve to carry out the goals and objectives of the Corporation, and shall:

- * In the absence of the Chair of the Corporation's Board, carry out all obligations and responsibilities assigned the Chair.
- * Do and perform such other duties as assigned by the Chair.
- * Do and perform such other duties as assigned by the Board.

iii. Recording Secretary. The recording Secretary may also serve as Administrative Assistant. Duties shall include:

- * Prepare and distribute notices, agendas, waivers and minutes of all Board meetings.
- * Keep records containing the name of all Directors, Ex-Officio Directors and Officers of the Corporation, including their place of residence.
- * Perform such other duties as assigned by the Chair.

iv. Administrative Assistant. The Administrative Assistant may also serve as Recording Secretary. Duties shall include:

- * Have custody of and maintain the corporate seal and such corporate books, documents, archives and papers as instructed.
- * File all reports required by Idaho law.
- * Perform such other duties as assigned by the Corporation's President or Chair.

Article Three Officers

a. Membership. Corporation Officers may consist of a President, Treasurer, Vice President for Business Operations, and as many Vice Presidents and Division Executives as the Board may appoint. One person may hold more than one position as appointed by

the Board. Provided, however, no person holding two or more offices may act in or execute any instrument in the capacity of more than one office.

b. Appointment. Corporation Officers shall be appointed and/or reappointed at an annual meeting of the Board of Directors and each shall serve until resignation, removal, or until a successor is appointed. A vacancy may be filled by the Board at a regular or special meeting.

c. Removal. Any Officer may be removed by a majority vote of the Board at either a special meeting or regular meeting.

d. Salaries. The salaries or other compensation of Officers shall be reviewed annually, adjusted if necessary and approved by the Board or designated committee. No Officer shall be prevented from receiving a salary or compensation by reason of the fact that they are also a Director.

e. Surety Bonds. If required by the Board, an Officer shall execute to the Corporation a bond in such amount and with such surety or sureties as directed, contingent upon the faithful performance of such Officer's duties, including responsibility for negligence and for the accounting of all property, monies, or securities of the Corporation which may come into his or her hands.

f. Duties and Authority. The responsibilities and authority of Officers and other leaders shall be as follows:

i. President. The President of the Corporation is an Officer and serves at the will of the Board. The duties of the President include:

- * Direct day-to-day business affairs of the Corporation consistent with the direction of the Board.
- * Advise, guide and direct the employees or representatives of the Corporation as they carry out the plans and programs, ensuring consistency with Board approved policy and procedure.
- * Exercise signature authority required by law to commit the Corporation and its assets and resources to the achievement of its mission, limited only by the Articles of Incorporation, these bylaws and Idaho law.
- * Oversee the human resources of the Corporation to assure that each individual is fairly treated in all aspects of their career.

- * Formulate policies for consideration and ratification by the Board.
- * Establish goals and objectives for the Corporation and ensure that operations are being carried out in concurrence with stated goals.
- * Oversee the adequacy and soundness of the Corporation's financial structure.
- * Represent the Corporation with the University of Idaho, funding agencies and the community.

ii. Vice President of Business Operations. Duties of the Vice President of Business Operations include:

- * Assist the Board and the President in the oversight and execution of the business of the Corporation.
- * Manage, review and direct accounting, communications, contracts and pricing, corporate events, information technology and logistics areas and audits, budgets and fiscal planning associated with these areas of assigned responsibility.
- * Assure compliance with laws and regulations as well as terms and conditions of contractual commitments within the specific areas of assigned responsibility. Provide on-site services where necessary in order to meet the needs of individual research organizations or divisions.
- * Have such other powers and duties as the President and Board may determine or as delegated or assigned by the Chair.

iii. Treasurer. Duties of the Treasurer include:

- * Have custody of all funds, property and securities of the Corporation.
- * File or cause to be filed all financial, business and tax reports required by the federal or state tax codes.
- * Execute and issue leases, invoices, receipts, vouchers and checks and make payment on behalf of the Corporation.

- * Keep accurate and full account of monies and obligations of the Corporation, and make such records available to the Board or other Officer upon reasonable times upon request.
- * Have such other powers and duties as the President and Board may determine or as delegated and assigned by the Chair.

iv. Division Executives. Duties of Division Executives, if appointed, include:

- * Have full authority to conduct the oversight and management affairs of the division, including commitment of resources to fully operate the division.
- * Establish and manage projects to assure the success of the research and creative work efforts.
- * Direct the affairs of the division, deciding the scope and depth of the technical direction, making scientific decisions, and driving the success of the division.
- * Assuring that all division activity is in accordance with the non-profit status of the Corporation.
- * Perform other duties as the President and Board may determine.

Article Four
Execution Of Instruments

a. Contracts. All contracts which are to be executed by the Corporation shall be signed by someone authorized by company policies such as the President or Vice President for Business Operations.

b. Other Instruments. Other instruments such as promissory notes, drafts, checks, endorsements and leases shall be signed by the officers or individuals as determined by resolution of the Board.

c. Classified Contracts. Contracts of a classified nature shall be handled and signed by those with specific and appropriate clearances. The Board may, by resolution, authorize such classified contracts to be managed and controlled by the President or Vice President for Business Operations.

d. Loans. No loan or advance shall be contracted on behalf of the Corporation. No negotiable paper or other evidence of its obligation under any loan or advance shall be issue in the Corporation's name. No property of the Corporation shall be mortgaged,

pledged, hypothecated, or transferred as security for payment of any loan, advance, indebtedness, or liability of the Corporation unless and except as expressly authorized by resolution of the Board.

Article Five
Voting Upon Stock Of Other Corporations

Unless otherwise ordered by the Corporation's Board of Directors, the Chair shall have full power and authority on behalf of the Corporation to vote either in person or by proxy at any meeting of the stockholders of any corporation in which the Corporation may hold stock.

Article Six
Gifts And Contributions

The Corporation will seek a federal tax exemption as defined under Internal Revenue Code §501(c)(3) for its own income and will seek a ruling that contributions to the organization are federally tax deductible. If the Corporation becomes tax exempt in either category, it will perform any act required to retain tax exempt status and will refrain from any activities forbidden by Internal Revenue Code §501(c)(3). As such, the following shall apply:

a. Solicitations. Contributions and gifts may be solicited by representatives assigned by the Chair to promote, sponsor and carry out the purposes of the Corporation.

b. Deposit and Use of Contributions. Unless otherwise provided by the donor, all contributions received by the Corporation shall be deposited and held by the Corporation and may be used and disbursed by the Board to promote, sponsor and carry out the purposes for which the Corporation is organized.

c. Restricted Gifts. The limitations and restrictions upon any grant, gift, donation, bequest or devise shall be respected. Restricted gifts shall conform to all applicable state and federal laws and regulations.

d. Operating Expenses. The operating expenses of the Corporation may be defrayed by funds contributed directly to the Corporation or from income and other resources of the Corporation, from whatever source realized, except as restricted or specified in paragraph (c) above.

Article Seven
Liability And Indemnification

Directors, Ex-Officio Directors, Officers and employees of the Corporation shall not be individually or personally liable for the debts or obligations of the Corporation and shall be indemnified by the Corporation against all financial loss, damage, costs and expense incurred by or imposed upon them in connection with or resulting from any civil or criminal

action, suit, proceeding, claim of investigation in which they may be involved by reason of any action taken or omitted to be taken by them in good faith as a Director, Ex-Officio Director, Officer or employee of the Corporation.

Provided, however, the indemnification set forth above is subject to the condition that a majority of the Board, provided a quorum is present, who are not parties to such action, suit proceeding, claim of investigation or, if there be no such quorum, independent counsel selected by a quorum of the entire Board, shall be of the opinion that the involved person or persons exercised and used the same degree of care and skill as a prudent person would have exercised or used under the circumstances, or that such person took or omitted to take such action in reliance upon advice of counsel of the Corporation, or upon information furnished by a Director or Officer of the Corporation, and accepted in good faith and prudence by such person.

The indemnification set forth above shall inure to the benefit of the heirs, executors and personal representative of any Director, Officer or employee and shall not be exclusive of any other rights to which such person may be entitled by law or equity or under any resolution adopted by the Board.

Article Eight

Independent Audit And Fiscal Year

After the close of each fiscal year, the Corporation's Board of Directors shall cause an audit, as required by law or as directed by the Board, of all Corporation assets and accounts to be made. The fiscal year of the Corporation shall be from _____ through _____.

Article Nine

Items of Value

_____ Funds, grants, property, intellectual property, rights, claims, and every other item of value received, acquired, or developed by the Corporation shall be held by the Corporation and invested, sold, reinvested, marketed, or otherwise managed under the direction of the Board.

Article Ten

Corporate Seal

The seal of the Corporation shall be in the form of a circle and shall bear the full name of the Corporation and the date of incorporation. The specific form of the Corporation seal shall be adopted by resolution of the Board.

Article Eleven

Amendments

These bylaws may be altered, amended, repealed, or new bylaws adopted by an affirmative vote of a majority of the Board at any regular or special meeting, subject to prior

notification of such proposed action in a published agenda, and with a copy of the specified changes to be considered provided in advance to each Director.

Approved and adopted by Resolution of the Board of Directors on this ____ day of _____ 2010.

University of Idaho Laboratory of Applied
Science & Research, Inc.

By _____
_____, Chair

Attest:

By _____
_____, Recording Secretary

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COOPERATIVE AGREEMENT
between
University of Idaho
and
University of Idaho Laboratory of Applied Science & Research, Inc.

This Agreement is made and entered this ____ day of _____, 2010, by and between the UNIVERSITY OF IDAHO, (hereinafter "Idaho") and the UNIVERSITY OF IDAHO LABORATORY OF APPLIED SCIENCE & RESEARCH, INC., (hereinafter "Corporation"). The use of the phrase "the parties hereto" shall be understood to refer to Idaho and the Corporation.

RECITALS

- A. The Corporation's mission is aligned with the mission of Idaho and a purpose of the Corporation is to support Idaho as set forth in the Articles of Incorporation filed on the ____ day of _____, 2010.
- B. The parties hereto recognize that both parties benefit from the general relationship existing between them.
- C. The parties hereto wish to formalize their agreement concerning the terms and conditions of said relationship.

NOW, THEREFORE, for good and valuable consideration, including but not limited to the covenants and conditions set forth in this Agreement, the Corporation and Idaho agree as follows:

1. **Joint Participation.** The parties hereto recognize that joint participation and regular interaction among employees of both the Corporation and Idaho is beneficial and encouraged. This may include service on committees, councils, review boards and/or other activities identified by either party for the mutual benefit and interest of both parties.

2. **Idaho's Representation on Corporation's Board.** Idaho will be allowed representation on the Corporation's Board of Directors as set forth in the Bylaws. Provided, however, Idaho's representation on the Board shall not constitute a majority of the Board.

3. **Financial Matters.** Neither the Corporation or Idaho may obligate the other party without prior written approval.

4. **Cost Recovery.** The parties hereto shall allocate costs associated with reciprocal operations in a fair and equitable manner so that the full and independent costs of such operations

can be recovered by the respective parties.

5. Classified Activities. The Corporation shall be responsible for site security and providing all applicable registrations, approvals and reviews.

6. Export Activities. The Corporation shall be responsible for all matters pertaining to export control and providing all applicable registrations, approvals and reviews.

7. Research Compliance and Export Control. The Corporation shall be responsible for all matters pertaining to research compliance and export controls.

8. Subsequent Agreements. The parties hereto anticipate that they may enter into subsequent written agreements on a project by project basis setting forth the parties respective duties and obligations in regard to such projects. As such, the parties hereto acknowledge and agree that any such agreement shall govern for the purpose of any such specified project.

9. Entire Agreement. This Agreement represents the entire agreement between the parties hereto and shall be binding upon and inure to the benefit of the heirs, executors, administrators, and assigns of the respective parties.

10. Cooperation of the Parties. The parties hereto agree to do all acts and things necessary to make, execute and deliver any and all written instruments as shall from time to time be reasonably required to carry out the terms and conditions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

University of Idaho

University of Idaho Laboratory of Applied
Science & Research, Inc.

By: _____ By: _____
_____, President _____, Chair

LASR transition budget - year ending June 30, 2011**ATTACHMENT 4**

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Totals
Expenses													
1 Salaries - research	74,561	74,561	74,561	74,561	74,561	74,561	74,561	74,561	74,561	74,561	74,561	74,561	894,732
2 Salaries - service center	8,372	8,372	8,372	8,372	8,372	8,372	8,372	8,372	8,372	8,372	8,372	8,372	100,464
3 Salaries - admin	6,109	6,109	6,109	6,109	6,109	6,109	6,109	6,109	6,109	6,109	6,109	6,109	73,308
4 Salary - director	0	0	0	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	112,500
5 Fringes	27,867	27,867	27,867	31,617	31,617	31,617	31,617	31,617	31,617	31,617	31,617	31,617	368,154
6 Facility rent	12,854	12,854	12,854	12,854	12,854	12,854	12,854	12,854	12,854	12,854	12,854	12,854	154,248
7 Communication	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	15,840
8 Software & tools	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	126,000
9 Supplies	500	500	500	500	500	500	500	500	500	500	500	500	6,000
10 Travel	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
11 Legal/Accounting	0	0	0	5,000	5,000	5,000	1,000	1,000	1,000	1,000	1,000	1,000	21,000
12 UI support	0	0	0	0	0	0	10,000	10,000	10,000	10,000	10,000	10,000	60,000
13 Other													0
14													
15 Total expenses	143,083	143,083	143,083	164,333	164,333	164,333	170,333	170,333	170,333	170,333	170,333	170,333	1,944,246
16													
17 Funding sources													
18													
19 Existing grants - salaries	385,400												385,400
20 Existing grants - fringe	190,357												190,357
21 Existing grants - other	549,200												549,200
22 New / pending grants					716,643								716,643
23 F & A return			31,500	126,000		31,500			31,500			31,500	252,000
24 State funding												75,000	75,000
25 Other													
26													
27 Funding Balance	1,124,957	981,874	870,291	853,208	1,405,518	1,272,685	1,108,352	938,019	799,186	628,853	458,520	394,687	2,168,600
28 Expenses	143,083	143,083	143,083	164,333	164,333	164,333	170,333	170,333	170,333	170,333	170,333	170,333	
29 Net remaining funds	981,874	838,791	727,208	688,875	1,241,185	1,108,352	938,019	767,686	628,853	458,520	288,187	224,354	224,354
30													
31	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Totals

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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

LEWIS-CLARK STATE COLLEGE

SUBJECT

LCSC requests Board approval to refinance the current interim financing for Clearwater Hall (residence facility)--total request is for \$4,685,000.

REFERENCE

October 2004	LCSC informed Board of shortage of residence hall space for Lewiston campus.
December 2004	Board asked for needs analysis and competitive RFP.
January 2005	Board asked LCSC to explore possibility of having private firm(s) build new residence halls, and/or advantages of self-financing without a lease.
March 2005	Board approved sale of tax-exempt bonds to fund the construction of a residence hall; however, at Board request, LCSC postponed action until private firms had time to develop proposals.
October 2005	After LCSC was contacted by two firms (each proposing to fund and build a residence hall) the Board approved the sale of lots to provide land for private development of (College Place) residence hall.
June 2006	Board approved management agreement for the first of two privately-developed residence halls (College Place) located adjacent to Campus.
November 2006	Board approved management agreement for the second of two-privately built residence halls (Clearwater Hall) located in downtown Lewiston.
April 2008	Board authorized LCSC to make offer to purchase the residential portion of Clearwater Hall for the higher of \$3.8M or appraised value.
December 2008	Board authorized LCSC to purchase entire facility (upstairs residential space, first-floor "commercial" space, furniture/fixtures/equipment, and land for \$4.5M, subject to subsequent Board approval of financing.
February 2009	Board authorized LCSC to obtain interim financing for \$4.5M from Wells Fargo for the purchase of the Clearwater Hall residential facility in Lewiston, Idaho.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Sections V.F.1. ("General Powers)

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

BACKGROUND/DISCUSSION

LCSC is seeking approval to refinance the interim financing associated with the purchase of the Clearwater Hall residential facility. Approved by the Board in February 2009, this financing was executed as a promissory note issued on April 23, 2009. The note carries a fixed rate of 4.0% and matures on March 1, 2011.

LCSC has received a proposal from Wells Fargo Bank N.A. to refinance this debt. With a current balance of \$4,393,043, the refinancing would carry a rate of 3.51% fixed for a period of 48 months. Payments of principal and interest would be based upon a 15 year amortization, and total loan costs would approximate \$35,100. Executed as a promissory note, this refinancing would extend the current interim financing agreement at a more favorable interest rate and would carry no prepayment penalties.

In addition, LCSC will consolidate two outstanding small notes (4% Wells Fargo notes previously issued under an existing line of credit) as part of the refinancing agreement. These notes currently are renewed on an annual basis and, if included in this refinancing at 3.51%, would reduce the existing interest obligation. With current balances of approximately \$236,300 and \$55,200, when combined with the Clearwater Hall refinancing, the total refinancing request is \$4,685,000 (rounded to the nearest \$1,000).

Financial statement covenants of borrower for the refinancing include:

- Unrestricted net liquid assets equal to or greater than \$7,500,000.
- Ratio of Total Liabilities to Net Worth – not greater than 1 to 1.
- Debt coverage not less than 1.25 to 1.

LCSC will continue its ongoing effort to secure long-term financing for the Clearwater Hall project when market conditions are favorable. In the meantime, the proposed interim refinancing will provide a better interest rate for a longer period, if needed, than the current interim financing arrangement.

IMPACT

Board approval of the proposed refinancing will give LCSC greater flexibility to explore permanent long term financing while providing a lower interest rate over a longer time period for the interim period and capturing the same favorable interest rate for two other outstanding small promissory notes.

ATTACHMENTS

Attachment 1: Board Authorizing Resolution	Page 5
Attachment 2: Board Office Certification	Page 9
Attachment 3: Loan Agreement (To be provided)	Page 11
Attachment 4: Promissory Note (To be provided)	Page 27
Attachment 5: Wells Fargo Commitment Letter Excerpt	Page 33

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

STAFF COMMENTS AND RECOMMENDATIONS

This is a request by LCSC to refinance the note financing the off-campus Clearwater Hall residential facility and two smaller promissory notes. The term would be for four years at a fixed rate of 3.51%. The refinancing would provide more favorable interest rates than the current notes carry and provide the College additional time to seek long-term financing for Clearwater Hall. The new note would have no prepayment penalty.

The loan agreement contains certain financial covenants, and the College has represented to staff that it currently satisfies these financial benchmarks and is positioned to continue to do so during the term of the loan.

This request to refinance presents an opportunity for the College to consolidate debt at a favorable term and rate. Staff recommends approval.

BOARD ACTION

To approve the request by Lewis-Clark State College to refinance the current promissory note financing (4.00% for 2 years) for the Clearwater Hall residence facility, and for two other small promissory notes, through a new note from Wells Fargo Bank, N.A., for an amount not to exceed \$4,700,000 at 3.51% interest for a period of 4 years), secured by facility rental revenue, by signing the attached Board Authorizing Resolution and Board Office Certification, and to grant approval for the college's Vice President for Finance & Administration to sign any necessary documents on behalf of the Board of Trustees.

Motion by _____ Seconded by _____ Carried Yes ___No___

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AUTHORIZING RESOLUTION

A RESOLUTION OF THE STATE BOARD OF EDUCATION ACTING AS THE BOARD OF TRUSTEES OF LEWIS-CLARK STATE COLLEGE, AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED LOAN AGREEMENT AND A PROMISSORY NOTE WITH WELLS FARGO BANK, NATIONAL ASSOCIATION AND RELATED DOCUMENTS WITH RESPECT TO THE REFINANCING OF THE ACQUISITION OF A FACILITY FOR STUDENT RESIDENTIAL HOUSING AND OTHER COLLEGE PROGRAMS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, THE STATE BOARD EDUCATION ACTING AS BOARD OF TRUSTEES OF LEWIS-CLARK STATE COLLEGE (the “College”), a body politic and corporate and institution of higher education duly organized, existing and authorized by the Constitution and laws of the State of Idaho, to borrow money and issue notes or bonds to finance and refinance the acquisition of facilities for student residential housing and other College programs in Lewiston, Idaho through promissory notes (the “Project”); and

WHEREAS, the College desires to refinance certain prior promissory notes for the Project through an Amended and Restated Loan Agreement (the “Agreement”) and Promissory Note (the “Note”) in the amount of up to \$4,700,000 and at a projected rate of interest described in the Agreement and Note with Wells Fargo Bank, National Association (the “Bank”), evidencing a loan (the “Loan”) for the Project;

WHEREAS, in order to refinance the Project, the College proposes to enter into the Agreement, Note and related documents with the Bank (the “Financing Documents”), the form of which have been presented to the Board of Trustees at this meeting; and

WHEREAS, the Board of Trustees of the College deems it for the benefit of the College and for the efficient and effective administration thereof to enter into the Financing Documents on the terms and conditions therein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED BY THE BOARD OF TRUSTEES OF LEWIS-CLARK STATE COLLEGE as follows:

Section 1. Approval of Documents.

The form, terms and provisions of the Financing Documents are hereby approved in substantially the forms presented at this meeting; and the Bursar of the College is hereby authorized and directed to execute the Financing Documents and to deliver the Financing Documents to the respective parties thereto.

Section 2. Other Actions Authorized.

The officers and employees of the College shall take all action necessary or reasonably required by the parties to the Agreement and all related documents to carry out, give effect to and consummate the transactions contemplated thereby and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Agreement.

Section 3. Severability.

If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 4. Repealer.

All bylaws, orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

Section 5. Effective Date.

This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the BOARD OF TRUSTEES LEWIS-CLARK STATE COLLEGE this 17th day of June, 2010.

THE BOARD OF TRUSTEES OF LEWIS-CLARK STATE COLLEGE

By: _____
Printed Name: _____
Title: President, State Board of Education and
Board of Trustees of Lewis-Clark State
College

By: _____
Name: Chet Herbst
Title: Bursar

ATTEST:

By: _____
Printed Name: _____
Title: Secretary of the Board

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CERTIFICATE OF OFFICER OF
THE IDAHO STATE BOARD OF EDUCATION

I, the undersigned, do hereby certify that I am the duly qualified and acting _____ of the Idaho State Board of Education (the "Board").

Attached to this Certificate as Exhibit A is Agenda Item _____ of the Board from the regular public meeting of the Board held on June 17, 2010, which Agenda Item sets forth the motion for approval by the Board, as the Board of Trustees of Lewis-Clark State College, to approve its loan with Wells Fargo Bank, National Association. The Board approved said motion at the said meeting.

I further certify that the meeting was duly called and noticed as a public meeting and a quorum was present throughout.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the seal of the Board this ____ day of June, 2010.

Name: _____
Officer of the Board of Trustees of Lewis-Clark and
the Idaho State Board of Education

Exhibit A

AGENDA ITEM

(attached)

AMENDED AND RESTATED LOAN AGREEMENT

THIS AMENDED AND RESTATED LOAN AGREEMENT, dated as of the 1st day of June, 2010, by and between Lewis-Clark State College, a public body corporate and politic ("Borrower"), whose address is 500 8th Avenue; Lewiston, ID 83501 and WELLS FARGO BANK, N.A., whose address is P.O. Box 917; Lewiston, ID 83501.

WITNESSETH:

WHEREAS, Borrower has, from time to time, acquired real property, equipment and made other significant capital expenditures, and has financed or refinanced the reimbursement or payment thereof under this Loan Agreement; and

WHEREAS, such activity will benefit the Borrower by providing additional student living quarters, parking, accommodate projected growth and increased economic activity in the greater Lewiston, ID and surrounding communities; and

WHEREAS, Borrower, in 1998, requested Bank to extend a credit facility to borrower to allow Borrower to reimburse itself for its purchase of such capital items on the terms, covenants and conditions hereinafter set forth, and in 1998 Borrower and Bank executed this Loan Agreement which has subsequently been amended each year; and

WHEREAS, Bank and Borrower wish to execute this Amended and Restated Loan Agreement (the "Loan Agreement") in order to reflect the complete understanding of the parties as of this date;

NOW, THEREFORE, consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereto do hereby covenant, contract and agree to and with each other as follows, to-wit:

1. CREDIT FACILITY:

1.01 Commitment. Subject to the terms hereof, the Bank agrees to loan funds to Borrower to refinance certain prior promissory notes to Borrower including its outstanding Promissory Note to Borrower dated April 23, 2009 (collectively, the "Prior Notes") issued to finance the reimbursement or payment of its purchase of real

property, equipment and other capital expenditures for Borrower's student housing program.

1.02 [Reserved].

1.03 Promissory Note. Borrower shall execute a promissory note (the "Note") prepared on a Bank form acceptable to Bond Counsel in the amount of \$4,685,000 in the form attached hereto as Exhibit B with such charges as may be agreed to by the parties. Interest on the principal balance of the Note, from time to time outstanding, will be payable at the interest rate specifically detailed in the following paragraph, 1.05. Such interest shall be payable monthly commencing June 30, 2010 and monthly thereafter, and the final interest payment of any additional interest which has accrued shall be made at the maturity date of the Note. Principal shall also be paid based on a 15 year amortization as provided in the Note.

1.04 Collateral. The Note made hereunder is secured by a pledge to Bank of Borrower's gross student housing fees relating to the housing facilities being financed, less normal operating and maintenance expenses (the "Net Fees"), and Borrower hereby pledges and grants a security interest to the Bank in said Net Fees to the Bank for the payment of such Note, said pledge to remain in effect until such Note is paid in full. Borrower will also execute a pledge agreement with Bank regarding this collateral.

1.05 Interest Rate. The Note will mature 4 years from the date of the Note subject to the following requirements and shall bear interest at 3.51% per annum until the said maturity date.

Interest on outstanding balance of the Note shall be calculated on the basis of a three hundred sixty-five/three hundred sixty-six (365/366) day year for the actual number of days elapsed.

1.06 Term. This Loan Agreement shall terminate upon payment in full of said Note. The Term of the Note shall be 4 years from the date of the Note.

2. GENERAL WARRANTIES OF BORROWER: Borrower warrants that:

2.01 Authority. Borrower has the power to execute, deliver and carry out, as the case may be, the terms and provisions of this Loan Agreement, and the Note and all documents and instruments in connection with or incidental hereto on their part to be executed, delivered or carried out and has taken all necessary action to authorize the execution, delivery and performance thereof, the borrowing hereunder, the making and delivery of the promissory notes and each and every other document or instrument delivered hereunder. This agreement constitutes, and the Note and other documents and instruments issued or to be issued hereunder when executed and delivered pursuant hereto constitute and will constitute the authorized, valid and legally binding obligations of Borrower and in accordance with their respective terms under the substantive law of Idaho in the procedures and courts hereinafter described.

2.02 Legal Opinion. Prior to consummation of the contemplated transaction by this Loan Agreement or the Note, Bank shall have in its possession, with sufficient time to evaluate, legal opinions from counsel in form acceptable to Bank's counsel addressing:

- (a) Legality of the contemplated transaction, terms and uses of proceeds;
- (b) Tax exempt status of contemplated transaction or promissory notes.

2.03 Financial Statements. Current financial statements furnished to Bank by Borrower are true and correct to the best of Borrower's knowledge and belief, and no substantial adverse change has taken place since the dates thereof.

2.04 No Default. Borrower is not in default under any material provisions of any agreement to which it is a part, and neither the execution and delivery of this Loan Agreement or the Note, or other documents or instruments incidental thereof, nor the consummation of the transactions herein and therein contemplated nor compliance with the terms and provisions hereof or thereof will violate any material provision of law or any applicable regulation or adopted constitution, bylaw, ordinance, regulation, code, program, plan, custom or contract of any order, writ, injunction or decree of any court or governmental department, commission, board, bureau, agency or instrumentality, or will

conflict or will be inconsistent with or will result in any breach of any of the material terms, covenants, conditions or provisions of, or constituted default under or result in the creation or imposition of (or the obligation to impose) any lien, charge or encumbrance upon any of the property or assets of Borrower. Except for any further approval of the State of Idaho – Board of Education for the execution of this Loan Agreement or the making of the promissory notes or the performance thereof or specific purchases/expenditures as herein provided, no order, consent, approval or authorization of any governmental or public entity or body, agency, commission or board is necessary for the consummation of the transactions contemplated by this Loan Agreement.

3. AFFIRMATIVE COVENANTS. Throughout the course of this agreement and until the commitment is fully and finally paid, Borrower agrees to:

3.01 Compliance. Comply with all of the terms, conditions and provisions set forth in this and all instruments or agreements executed to, with or in favor of Bank.

3.02 Books and Records. Maintain adequate books and records of account on a consistent basis in accordance with generally accepted accounting principal (GAAP), and permit any representative of Bank at any reasonable time to inspect, audit and examine books and inspect the property of Borrower. At least annually, and more often if Bank deems it necessary, Bank examiners may examine and audit Borrower's books, and records.

3.03 Reports. Borrower shall provide the Bank the following information at the following times:

- (a) Within one hundred eighty (180) days after the end of the Borrower's fiscal year, Borrower shall provide to Bank an audited annual financial statement;
- (b) Borrower shall furnish such supplemental information or documentation with respect to their financial condition and operations as Bank may, from time to time, reasonably request.

3.04 Conduct of Business. Borrower shall conduct its business and affairs in a prudent manner in compliance with all applicable federal, state, county and municipal laws, rules and regulations.

3.05 Litigation. Borrower shall promptly inform Bank of any litigation against Borrower or any other events which may adversely affect Borrower's business operations or financial condition.

3.06 Notice of Default. Borrower will notify Bank immediately if it becomes aware of the occurrence of any event of default or of any fact, condition or event that only with the giving of notice or passage of time or both, could become an event or default, or of the failure of the Borrower to observe any of its undertakings hereunder.

3.07 Preservation of Historical Data. In all of its operations contemplated hereunder, the borrower will comply with the applicable provisions of the National Historical Preservation Act of 1966. In the event any historical or archeological items are discovered in the course of those operations, Borrower will cease operations in the area of the discovery and promptly report the discovery to Bank and proper authorities.

3.08 Arbitrage; Special Tax Covenants The Borrower shall comply with the provisions of this Section unless, in the written opinion of Bank Counsel, such compliance is not required in order to maintain the exemption of the interest on the promissory notes from federal or Idaho income taxation.

The Borrower hereby covenants that it will not make any use of the proceeds of sale of the promissory notes or any other funds of the Borrower which may be deemed to be proceeds of such promissory notes pursuant to Section 148 of the Internal Revenue Code of 1986 (the "Code"), which will cause the promissory notes to be in an "arbitrage bond" within the meaning of said Section. The borrower will comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the promissory notes) throughout the term of the promissory notes. All proceeds of any promissory note hereunder shall be immediately disbursed for the intended capital expenditures.

The Borrower hereby further covenants that it will comply with the registration requirements of Section 149 (a) of the Code so long as any portion of the promissory notes is outstanding.

The Borrower hereby further covenants that it will not take any action or permit any action to be taken that would cause the promissory notes to constitute a “private activity bond” under Section 141 of the code and in furtherance thereof, none of the proceeds of the promissory notes will be loaned to, or used in the trade or business of, any entity other than a governmental unit or instrumentality within the meaning of the Code.

The Borrower will file an IRS Form 8038-G for Note within the times required by the Code.

The Borrower hereby designates the Note as “qualified tax-exempt obligation(s)” under the provisions of Section 265(b) of the Code. The Borrower does not expect to issue tax-exempt obligations in an aggregate principal amount in excess of \$30,000,000 during calendar year 2010.

3.09 Taxable Obligations; Non-Bank Qualified Obligations. In the event that the interest on the Note issued under this Loan Agreement shall be determined by the IRS to be subject to federal income tax, and/or be determined not to be a “qualified tax exempt obligation” under Section 265(b) of the U.S. Internal Revenue Code, as amended, then the rate of such interest shall be increased, effective on the date such interest is subject to federal income tax, or is not a “qualified tax exempt obligation,” to the rate, calculated by the Bank, which will produce the same after tax yield to the Bank as the rate of interest set forth in this Loan Agreement and the particular promissory note.

3.10 Financial Covenants:

(a) The ratio of Borrower’s total liabilities to net assets shall not exceed 1 to 1 as measured annually based on Borrower’s annual independent auditor’s report, tested annually on June 30 each year, beginning June 30. 2010.

(b) Borrower's unrestricted net liquid assets, based on Borrower's annual independent auditor's report, shall not fall below \$7,500,000, tested annually, on June 30 of each year, beginning June 30, 2010

(c) Borrower shall maintain a Debt Coverage Ratio as of the end of each fiscal year (June 30) of not less than 1.25 to 1.0. "Debt Coverage Ratio" is defined as the sum of net increase in assets (net income) plus depreciation expense, amortization expense, and interest expense divided by the sum of current maturities of long-term debt plus interest expense.

4. NEGATIVE COVENANTS. Throughout the course of this Loan Agreement and until this loan is fully and finally paid, Borrower agrees that, without the written consent of Bank first had and received, they will not:

4.01 Use of Loan Proceeds. Use the loan proceeds for any purpose other than the purchase of real property, equipment, improvements, or other capital expenditures.

5. DEFAULTS.

5.01 Events of Default. The occurrence of any one or more of the following events will constitute an event of default hereunder:

(a) Borrower's failure to pay when due any installment of principal or interest or fee payable hereunder or under the Note.

(b) Borrower's failure to observe or perform any other obligation to be observed or performed by them hereunder or under the Note.

(c) Borrower's failure to observe or perform any obligation to be performed by them under any note(s) between Borrower and any third party.

(d) Any financial statement, representation, warranty or certificate made or furnished by Borrower to Bank in connection with this agreement, or as inducement to Bank to enter into this agreement, or in any separate statement or document to be delivered hereunder to Bank, is materially false, incorrect or incomplete when due.

(e) If Borrower admits its inability to pay its debts as they mature, or shall make an assignment for the benefit of any of its creditors.

(f) The filing of proceedings in bankruptcy, or for reorganization of Borrower or for the readjustment of any of its respective debts, under the Bankruptcy Code, as amended, or any part thereof, or under any other laws, whether state or federal, for the relief of debtors, now or hereafter existing.

(g) If a receiver or trustee be appointed for Borrower or for any substantial part of their respective assets, or if any proceedings be instituted for the dissolution or the full or partial liquidation of Borrower.

5.02 [Reserved].

5.03 Acceleration. Upon the occurrence of any event of default as specified in paragraph 5.01 above, or at any time during the continuance of such event, Bank may give the borrower notice of the default or defaults complained of. Any such notice of default must be in writing and must specify the default or defaults complained of. In the event Borrower fails to cure such default or defaults within thirty (40) days of the date the written notice of default is give to Borrower, Bank may, at its option, without further notice to Borrower, declare all obligations incurred under this commitment, including, but not limited to, the obligations under this Loan Agreement, under the Note evidencing any advances made hereunder to be at once due and payable.

5.04 Remedies. After the acceleration, as provided for in paragraph 5.03, Bank shall have, in addition to the rights and remedies given it by this agreement and the promissory note(s), all those allowed by all applicable laws.

6. GENERAL:

6.01 Construction. The provisions of this Loan Agreement, the Note or other evidence of liability for said liability held by the Bank, shall be construed as complimentary to each other.

6.02 Further Assurance. From time to time, borrower will execute and deliver to Bank such additional documents and will provide such additional information

as Bank may reasonably require to carry out the terms of this agreement and be informed of Borrower's status and affairs.

6.03 Enforcement and Waiver by Bank. Bank shall have the right at all times to enforce the provisions of this Loan Agreement and the Note in strict accordance with the terms hereof and thereof, notwithstanding any conduct or custom on the part of Bank in refraining from so doing at any time or times. The failure of Bank at any time or times to enforce its rights under such provisions, strictly in accordance with the same, shall not be construed as having created a custom in any way or manner modified or waived the same. All rights and remedies of Bank are cumulative and concurrent and the exercise of one right or remedy shall not be deemed a waiver or release of any other right or remedy.

6.04 Expenses of Bank. Borrower will, on demand, reimburse Bank for all reasonable expenses, including the reasonable fees and expenses of legal counsel for Bank, incurred by Bank in connection with the preparation, administration, amendment, modification or enforcement of this Loan Agreement and the Note, and the collection or attempted collection of the Note, whether any default is ultimately cured or whether Bank is obligated to pursue its remedies hereunder, including such fees and expenses incurred before legal action, during the pendency of any such legal action and continuing to all such fees and expense in connection with any appeal to higher courts arising out of transactions associated herewith, except that if litigation is instituted and Borrower is the prevailing party in such litigation, Borrower, rather than Bank, shall be entitled to recover its reasonable attorney's fees and costs of suit. The obligations of this section shall survive the making of this agreement and the note, including any documents or amendments subsequently executed.

6.05 Notices. Any notices or consents required or permitted by this agreement shall be in writing and shall be deemed delivered or given when delivered in person or when deposited in the U.S. Mail, certified mail, postage prepaid, return receipt requested, or sent by telegraph. Notices shall be addressed as follows, unless such address is changed by written notice hereunder:

If to Borrower:	Lewis-Clark State College
	500 8 th Avenue

Lewiston, ID 83501

If to Bank: Wells Fargo Bank, N.A.
Attn: Ken Schumacher
P.O. Box 917
Lewiston, ID 83501

The parties hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other. All notices or demands sent in accordance with this Section shall be deemed received on the earlier of the date of actual receipt or five (5) days after the deposit thereof in the mail.

6.06 Binding Effect, Assignment and Entire Agreement. This Loan Agreement shall inure to the benefit of, and shall be binding upon, the respective successors and permitted assigns of the parties hereto. Borrower has no right to assign any of the rights or obligations hereunder without the prior written consent of Bank. This agreement and the documents executed and delivered pursuant hereto, constitute the entire agreement between the parties and may be amended only by a writing signed on behalf of each party.

6.07 Severability. If any provision of this Loan Agreement shall be held invalid under any applicable laws, such invalidity shall not affect any other provision of this agreement that can be given effect without the invalid provision, and, to this end, the provisions hereof are severable.

6.08 Arbitration.

(a) Arbitration - Binding Arbitration. Bank and each party to this agreement hereby agree, upon demand by any party, to submit any Dispute to binding arbitration in accordance with the terms of this Section 6.08 (the "Arbitration Program"). A "Dispute" shall include any dispute, claim or controversy of any kind, whether in contract or in tort, legal or equitable, now existing or hereafter arising, relating in any way to this Loan Agreement or any related agreement incorporating this Arbitration Program (the "Documents"), or any past, present, or future loans, transactions, contracts, agreements, relationships, incidents or injuries of any kind whatsoever relating to or involving Business Banking, Regional Banking, or any successor group or department of Bank. DISPUTES SUBMITTED TO ARBITRATION ARE NOT RESOLVED IN COURT BY A JUDGE OR JURY.

(b) Governing Rules. Any arbitration proceeding will (i) be governed by the Federal Arbitration Act (Title 9 of the United States Code), notwithstanding any conflicting choice of law provision in any of the documents between the parties; and (ii) be conducted by the American Arbitration Association ("AAA"), or such other administrator as the parties shall mutually agree upon, in accordance with the AAA's commercial dispute resolution procedures, unless the claim or counterclaim is at least \$1,000,000.00 exclusive of claimed interest, arbitration fees and costs in which case the arbitration shall be conducted in accordance with the AAA's optional procedures for large, complex commercial disputes (the commercial dispute resolution procedures or the optional procedures for large, complex commercial disputes to be referred to, as applicable, as the "Rules"). If there is any inconsistency between the terms hereof and the Rules, the terms and procedures set forth herein shall control. Arbitration proceedings hereunder shall be conducted at a location mutually agreeable to the parties, or if they cannot agree, then at a location selected by the AAA in the state of the applicable substantive law primarily governing this Loan Agreement. Any party who fails or refuses to submit to arbitration following a demand by any other party shall bear all costs and expenses incurred by such other party in compelling arbitration of any Dispute. Arbitration may be demanded at any time, and may be compelled by summary proceedings in court. The institution and maintenance of an action for judicial relief or pursuit of a provisional or ancillary remedy shall not constitute a waiver of the right of any party, including the plaintiff, to submit the controversy or claim to arbitration if any other party contests such action for judicial relief. The arbitrator shall award all costs and expenses of the arbitration proceeding. Nothing contained herein shall be deemed to be a waiver by any party that is a bank of the protections afforded to it under 12 U.S.C. §91 or any similar applicable state law.

(c) No Waiver of Provisional Remedies, Self-Help and Foreclosure. The arbitration requirement does not limit the right of any party to (i) foreclose against real or personal property collateral; (ii) exercise self-help remedies relating to collateral or proceeds of collateral such as setoff or repossession; or (iii) obtain provisional or ancillary remedies such as replevin, injunctive relief, attachment or the appointment of a receiver, before during or after the pendency of any arbitration proceeding. This exclusion does not constitute a waiver of the right or obligation of any party to submit any Dispute to arbitration or reference hereunder, including those arising from the exercise of the actions detailed in sections (i), (ii) and (iii) of this paragraph.

(d) **Arbitrator Qualifications and Powers.** Any arbitration proceeding in which the amount in controversy is \$5,000,000.00 or less will be decided by a single arbitrator selected according to the Rules, and who shall not render an award of greater than \$5,000,000.00. Any Dispute in which the amount in controversy exceeds \$5,000,000.00 shall be decided by majority vote of a panel of three arbitrators; provided however, that all three arbitrators must actively participate in all hearings and deliberations. Every arbitrator must be a practicing attorney or a retired member of the state or federal judiciary, in either case with a minimum of ten years experience in the substantive law applicable to the subject matter of the Dispute. The arbitrator will determine whether or not an issue is arbitratable and will give effect to the statutes of limitation in determining any claim. In any arbitration proceeding the arbitrator will decide (by documents only or with a hearing at the arbitrator's discretion) any pre-hearing motions which are similar to motions to dismiss for failure to state a claim or motions for summary adjudication. The arbitrator shall resolve all Disputes in accordance with the applicable substantive law and may grant any remedy or relief that a court of such state could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award. The arbitrator shall also have the power to award recovery of all costs and fees, to impose sanctions and to take such other action as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the applicable State Rules of Civil Procedure, or other applicable law. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

(e) **Discovery.** In any arbitration proceeding discovery will be permitted in accordance with the Rules. All discovery shall be expressly limited to matters directly relevant to the Dispute being arbitrated and must be completed no later than 20 days before the hearing date and within 180 days of the filing of the Dispute with the AAA. Any requests for an extension of the discovery periods, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available.

(f) **Miscellaneous.** To the maximum extent practicable, the AAA, the arbitrators and the parties shall take all action required to conclude any arbitration proceeding within 180 days of the filing of the Dispute with the AAA. The resolution of any Dispute shall be determined by a separate arbitration proceeding and such Dispute shall not be consolidated with other disputes or included in any class proceeding. No arbitrator or other party to an arbitration proceeding may disclose the

existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. If more than one agreement for arbitration by or between the parties potentially applies to a Dispute, the arbitration provision most directly related to the documents between the parties or the subject matter of the Dispute shall control. This arbitration provision shall survive termination, amendment or expiration of any of the documents or any relationship between the parties.

(g) Real Property Collateral; Judicial Reference. Notwithstanding anything herein to the contrary, no dispute shall be submitted to arbitration if the dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of Idaho, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable.

6.09 IDAHO STATE NOTICE. Under Idaho Law (§ 9-505(5) I.C.) (if and to the extent applicable hereto), a promise or commitment to lend money or to grant credit in an original principal amount of \$50,000 or more, made by a person or entity engaged in the business of lending money or extending credit, must be in writing or such a promise or commitment is not valid.

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement as of the day and year first above written.

Lewis-Clark State College

By: _____

Its: _____

Wells Fargo Bank, N.A.

By: _____

Its: _____

Exhibit A

Authorized Parties

Bursar of the College.

Exhibit B
Form of Promissory Note
(attached)



200122980321600650

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$4,685,000.00	06-23-2010	06-30-2014	2844816822		804635	Q4398	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower: Lewis-Clark State College
500 8th Avenue
Lewiston, ID 83501

Lender: Wells Fargo Bank, National Association
Lewiston Business Banking Center
868 Main Street
MAC #U1901-011
Lewiston, ID 83501

Principal Amount: \$4,685,000.00

Date of Note: June 23, 2010

PROMISE TO PAY. Lewis-Clark State College ("Borrower") promises to pay to Wells Fargo Bank, National Association ("Lender"), or order, in lawful money of the United States of America, the principal amount of Four Million Six Hundred Eighty-five Thousand & 00/100 Dollars (\$4,685,000.00), together with interest on the unpaid principal balance from June 23, 2010, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 3.510%, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

PAYMENT. Borrower will pay this loan in 47 regular payments of \$33,622.17 each and one irregular last payment estimated at \$3,706,818.44. Borrower's first payment is due July 31, 2010, and all subsequent payments are due on the last day of each month after that. Borrower's final payment will be due on June 30, 2014, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Wells Fargo Bank, National Association, BBG-Boise Loan Operations Center, MAC #U1851-014, Attn: Accounting, PO Box 8203 Boise, ID 83707-2203.

LATE CHARGE. If a payment is 15 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$15.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased by 4.000 percentage points. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

PROMISSORY NOTE (Continued)

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Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes itself insecure.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and legal expenses, whether or not there is a lawsuit, including without limitation all reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Idaho.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

PAYMENT DUE DATE DEFERRAL. Payment invoices will be sent on a date (the "billing date") which is prior to each payment due date. If this Note is booked near or after the billing date for the first scheduled payment, Lender may, in its sole discretion, defer each scheduled payment date and/or the maturity date by one or more months.

FINANCIAL STATEMENTS. Borrower agrees to provide to Lender, upon request, financial statements prepared in a manner and form acceptable to Lender, and copies of such tax returns and other financial information and statements as may be requested by Lender. Each financial statement shall give a full and complete picture of Borrower's financial condition as of the statement's date, with ownership accurately reflected, and shall be signed and dated or otherwise authenticated to Lender's satisfaction. Borrower shall also furnish such information regarding Borrower or the Collateral or the use of loan proceeds as may be requested by Lender. Borrower warrants that all financial statements and information provided to Lender are and will be accurate, correct and complete. Borrower will permit Lender to examine or audit Borrower's books, accounts, and records, including any records in the possession of a third party, at any reasonable time upon request, at no cost to Lender.

EXTENSION AND RENEWAL. Lender may, at Lender's discretion, renew or extend this Note by written notice to Borrower. Such renewal or extension will be effective as of the maturity date of this Note, and may be conditioned among other things on modification of Borrower's obligations hereunder, including but not limited to a decrease in the amount available under this Note, an increase in the interest rate applicable to this Note and/or payment of a fee for such renewal or extension. Borrower will be deemed to have accepted the terms of such extensions and renewals if Borrower does not deliver to Lender written rejection of such renewal or extension within 10 days following the date of the written notice of such changes, or if Borrower draws additional funds following receipt of such notice. After any renewal or extension of Borrower's obligations under this Note, the term "maturity date" as used in this Note will mean the new maturity date set forth in the written notice of extension or renewal of this Note. The Note may be modified, extended and renewed repeatedly in this manner.

APPLICATION OF PAYMENTS. Notwithstanding the application of payment provided in the Payment section of this Note, unless otherwise agreed, all sums received from Borrower may be applied to interest, fees, principal, or any other amounts due to Lender in any order at Lender's sole discretion. If a final payment amount is set out in the Payment section of this Note, Borrower understands that it is an estimate, and that the actual final payment amount will depend upon when payments are received and other factors.

ADDITIONAL EVENTS OF DEFAULT. In addition to the Events of Default described above, the following shall be an Event of Default, if applicable: (i) any change in ownership of an aggregate of twenty-five percent (25%) or more of the common stock, members' equity or other ownership interest in Borrower, (ii) the withdrawal, resignation or expulsion of any one or more of the general partners in Borrower with an aggregate ownership interest in Borrower of twenty-five percent (25%) or more, or (iii) any of the preceding events occurs with respect to any general partner of Borrower or guarantor of any indebtedness of Borrower under this Note.

DEFAULT RATE. At Lender's option and without prior notice, upon default or at any time during the pendency of any event of default under the Note or any related loan documents, Lender may impose a default rate of interest (the "Default Rate") equal to the pre-default interest rate plus four percent per annum, not to exceed the maximum lawful rate. If the pre-default rate is a floating or adjustable rate based upon an Index, it will continue to float or adjust on the same periodic schedule, and the Default Rate will be a variable rate per annum equal to the applicable Index plus the pre-default margin plus four percent, not to exceed the maximum lawful rate. The Default Rate shall remain in effect until the default has been cured and that fact has been communicated to and confirmed by Lender. Lender may, from time to time in its discretion, adjust or reamortize payments to take into account changes in the interest rate. Lender shall give written notice to Borrower of Lender's imposition of the Default Rate, except that if the Note is not paid at maturity, Lender may impose the Default Rate from the maturity date to the date paid in full without notice. Lender's imposition of the Default Rate shall not constitute an election of remedies or otherwise limit Lender's rights concerning other remedies available to Lender as a result of the occurrence of an event of default. In the event of a conflict between the provisions of this paragraph and any other provision of the Note or any related agreement, the provisions of this paragraph shall control. If a default rate is prohibited by applicable law, then the pre-default rate (including periodic rate adjustments for floating or adjustable rates) shall continue to apply after default or maturity.

FURTHER ASSURANCES. The parties hereto agree to do all things deemed necessary by Lender in order to fully document the loan evidenced by this Note and any related agreements, and will fully cooperate concerning the execution and delivery of security agreements, stock powers, instructions and/or other documents pertaining to any collateral intended to secure the Indebtedness. The undersigned agree to assist in the cure of any defects in the execution, delivery or substance of the Note and related agreements, and in the creation and perfection of any liens, security interests or other collateral rights securing the Note. Borrower further agrees to pay Lender immediately upon demand the full amount of all charges, costs and expenses (to include fees paid to third parties) expended or incurred by Lender to monitor Lender's interest in any real property pledged as collateral for this Note, including without limitation all costs of appraisals.

CONSENT TO SELL LOAN. The parties hereto agree: (a) Lender may sell or transfer all or part of this loan to one or more purchasers, whether related or unrelated to Lender; (b) Lender may provide to any purchaser, or potential purchaser, any information or knowledge Lender may have about the parties or about any other matter relating to this loan obligation, and the parties waive any rights to privacy it may have with respect to such matters; (c) the purchaser of a loan will be considered its absolute owner and will have all the rights granted under the loan documents or agreements governing the sale of the loan; and (d) the purchaser of a loan may enforce its interests irrespective of any claims or defenses that the parties may have against Lender.

PROMISSORY NOTE (Continued)

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FACSIMILE AND COUNTERPART. This document may be signed in any number of separate copies, each of which shall be effective as an original, but all of which taken together shall constitute a single document. An electronic transmission or other facsimile of this document or any related document shall be deemed an original and shall be admissible as evidence of the document and the signer's execution.

LOAN FEE AUTHORIZATION. Borrower shall pay to Lender any and all fees as specified in the "Disbursement Request and Authorization" executed by Borrower in connection with this Note. Such fees are non-refundable and shall be due and payable in full immediately upon Borrower's execution of this Note.

ARBITRATION AGREEMENT. Arbitration - Binding Arbitration. Lender and each party to this agreement, hereby agree, upon demand by any party, to submit any Dispute to binding arbitration in accordance with the terms of this Arbitration Program. A "Dispute" shall include any dispute, claim or controversy of any kind, whether in contract or in tort, legal or equitable, now existing or hereafter arising, relating in any way to any aspect of this agreement, or any related agreement incorporating this Arbitration Program (the "Documents"), or any renewal, extension, modification or refinancing of any indebtedness or obligation relating thereto, including without limitation, their negotiation, execution, collateralization, administration, repayment, modification, extension, substitution, formation, inducement, enforcement, default or termination. DISPUTES SUBMITTED TO ARBITRATION ARE NOT RESOLVED IN COURT BY A JUDGE OR JURY.

A. Governing Rules. Any arbitration proceeding will (i) be governed by the Federal Arbitration Act (Title 9 of the United States Code), notwithstanding any conflicting choice of law provision in any of the documents between the parties; and (ii) be conducted by the American Arbitration Association ("AAA"), or such other administrator as the parties shall mutually agree upon, in accordance with the AAA's commercial dispute resolution procedures, unless the claim or counterclaim is at least \$1,000,000.00 exclusive of claimed interest, arbitration fees and costs in which case the arbitration shall be conducted in accordance with the AAA's optional procedures for large, complex commercial disputes (the commercial dispute resolution procedures or the optional procedures for large, complex commercial disputes to be referred to herein, as applicable, as the "Rules"). If there is any inconsistency between the terms hereof and the Rules, the terms and procedures set forth herein shall control. Arbitration proceedings hereunder shall be conducted at a location mutually agreeable to the parties, or if they cannot agree, then at a location selected by the AAA in the state of the applicable substantive law primarily governing the Note. Any party who fails or refuses to submit to arbitration following a demand by any other party shall bear all costs and expenses incurred by such other party in compelling arbitration of any Dispute. Arbitration may be demanded at any time, and may be compelled by summary proceedings in Court. The institution and maintenance of an action for judicial relief or pursuit of a provisional or ancillary remedy shall not constitute a waiver of the right of any party, including the plaintiff, to submit the controversy or claim to arbitration if any other party contests such action for judicial relief. The arbitrator shall award all costs and expenses of the arbitration proceeding. Nothing contained herein shall be deemed to be a waiver by any party that is a bank of the protections afforded to it under 12 U.S.C. Section 91 or any similar applicable state law.

B. No Waiver of Provisional Remedies, Self-Help and Foreclosure. The arbitration requirement does not limit the right of any party to (i) foreclose against real or personal property collateral; (ii) exercise self-help remedies relating to collateral or proceeds of collateral such as setoff or repossession; or (iii) obtain provisional or ancillary remedies such as replevin, injunctive relief, attachment or the appointment of a receiver, before during or after the pendency of any arbitration proceeding. This exclusion does not constitute a waiver of the right or obligation of any party to submit any Dispute to arbitration or reference hereunder, including those arising from the exercise of the actions detailed in sections (i), (ii) and (iii) of this paragraph.

C. Arbitrator Qualifications and Powers. Any arbitration proceeding in which the amount in controversy is \$5,000,000.00 or less will be decided by a single arbitrator selected according to the Rules, and who shall not render an award of greater than \$5,000,000.00. Any Dispute in which the amount in controversy exceeds \$5,000,000.00 shall be decided by majority vote of a panel of three arbitrators; provided however, that all three arbitrators must actively participate in all hearings and deliberations. Every arbitrator must be a neutral practicing attorney or a retired member of the state or federal judiciary, in either case with a minimum of ten years experience in the substantive law applicable to the subject matter of the Dispute. The arbitrator will determine whether or not an issue is arbitrable and will give effect to the statutes of limitation in determining any claim. In any arbitration proceeding the arbitrator will decide (by documents only or with a hearing at the arbitrator's discretion) any pre-hearing motions which are similar to motions to dismiss for failure to state a claim or motions for summary adjudication. The arbitrator shall resolve all Disputes in accordance with the applicable substantive law and may grant any remedy or relief that a court of such state could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award. The arbitrator shall also have the power to award recovery of all costs and fees, to impose sanctions and to take such other action as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the applicable state rules of civil procedure, or other applicable law. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief or pursuit of a provisional or ancillary remedy shall not constitute a waiver of the right of any party, including the plaintiff, to submit the controversy or claim to arbitration if any other party contests such action for judicial relief.

D. Discovery. In any arbitration proceeding discovery will be permitted in accordance with the Rules. All discovery shall be expressly limited to matters directly relevant to the Dispute being arbitrated and must be completed no later than 20 days before the hearing date. Any requests for an extension of the discovery periods, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available.

E. Class Proceedings and Consolidations. No party shall be entitled to join or consolidate disputes by or against others who are not parties to this agreement in any arbitration, or to include in any arbitration any dispute as a representative or member of a class, or to act in any arbitration in the interest of the general public or in a private attorney general capacity.

F. Miscellaneous. To the maximum extent practicable, the AAA, the arbitrators and the parties shall take all action required to conclude any arbitration proceeding within 180 days of the filing of the Dispute with the AAA. No arbitrator or other party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. If more than one agreement for arbitration by or between the parties potentially applies to a Dispute, the arbitration provision most directly related to the documents between the parties or the subject matter of the Dispute shall control. This arbitration provision shall survive the repayment of the Note and the termination, amendment or expiration of any of the documents or any relationship between the parties.

G. State-Specific Provisions.

If California law governs the Dispute, the following provision is included:

Real Property Collateral; Judicial Reference. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of California, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable. If any such Dispute is not submitted to arbitration, the Dispute shall be referred to a referee in accordance with California Code of Civil Procedure Section 638 et seq., and this general reference agreement is intended to be specifically enforceable in accordance with said

PROMISSORY NOTE (Continued)

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Section 638. A referee with the qualifications required herein for arbitrators shall be selected pursuant to the AAA's selection procedures. Judgment upon the decision rendered by a referee shall be entered in the court in which such proceeding was commenced in accordance with California Code of Civil Procedure Sections 644 and 645.

Small Claims Court. Any party may require that a Dispute be resolved in Small Claims Court if the Dispute and related claims are fully within that court's jurisdiction.

If Idaho law governs the Dispute, the following provision is included:

Real Property Collateral. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of Idaho, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable.

If Montana law governs the Dispute, the following provision is included:

Real Property Collateral. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of Montana, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable.

If Nevada law governs the Dispute, the following provision is included:

Real Property Collateral. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of Nevada, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable.

If South Dakota law governs the Dispute, the following provision is included:

Real Property Collateral. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of South Dakota, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable.

If Utah law governs the Dispute, the following provision is included:

Real Property Collateral; Judicial Reference. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of Utah, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable. If any such Dispute is not submitted to arbitration, the Dispute shall be referred to a master in accordance with Utah Rule of Civil Procedure 53, and this general reference agreement is intended to be specifically enforceable. A master with the qualifications required herein for arbitrators shall be selected pursuant to the AAA's selection procedures. Judgment upon the decision rendered by a master shall be entered in the court in which such proceeding was commenced in accordance with Utah Rule of Civil Procedure 53(e).

TAX-EXEMPT INDEBTEDNESS. Borrower represents and warrants: (a) that the loan evidenced by this Note is a qualified tax-exempt obligation under the Internal Revenue Code ("Code"), including if applicable, after aggregating the amount of this Note with all other tax-exempt indebtedness of Borrower; and (b) all proceeds of the loan evidenced by this Note will be used only for essential governmental functions of the Borrower. Borrower hereby represents, warrants and covenants that at no time during the term of the loan, will borrower, or any of its officers, employees and agents, take or omit to take any action which will cause the loan evidenced by this Note to be disqualified as a tax-exempt obligation under the Code, and borrower further agrees to use all proceeds of the loan for purposes which maintain the tax-exempt status of the loan. Borrower hereby agrees to indemnify Lender for any and all charges (whether as tax, interest or penalty) which may be assessed against Lender by reason of the interest paid or due under this Note being determined to be taxable. All charges shall be payable by borrower upon demand when accompanied by a statement describing the charges. If the interest received or to be received under this Note is determined to be taxable, Lender may increase the interest rate applicable to the Note by an amount equal to the resulting tax liability imposed upon Lender. As an additional condition of closing the loan described in this Note, Lender may require Borrower to deliver to Lender a legal opinion of counsel acceptable to Lender, in form and substance acceptable to Lender, that the loan is qualified tax exempt indebtedness under the Code. The interest rate as set forth in this Note was determined by calculating 5.400 multiplied by 0.649, equaling a final rate of 3.51.

ELECTRONIC TRANSMISSION OF DOCUMENTS. Lender may, in its sole discretion, rely upon any document, report, agreement or other communication ("Document") you send by email, facsimile or other electronic means, treating the Document as genuine and authorized to the same extent as if it was an original document executed by you or your authorized representative. Lender may from time to time in its sole discretion reject any such electronic Document and require a signed original, or require you to provide acceptable authentication of any such Document before accepting or relying on same. You understand and acknowledge that there is a risk that Documents sent by electronic means may be viewed or received by unauthorized persons, and you agree that by sending Documents by electronic means, you shall be deemed to have accepted this risk and the consequences of any such unauthorized disclosure.

ADDITIONAL EVENTS OF DEFAULT. In addition to the Events of Default described herein, the following shall be an Event of Default if applicable: (i) Borrower or Guarantor fails to comply with any terms or conditions of any agreement with Lender or any Wells Fargo Affiliate; or (ii) Borrower or Guarantor revoke or dispute the validity of any of its liabilities or obligations under the Agreement, or any Related Documents or any other agreement with Lender or any Wells Fargo Affiliate. For purposes of this provision Wells Fargo Affiliate shall mean Wells Fargo & Company and any present or future subsidiary of Wells Fargo & Company.

ADDITIONAL PROVISION. This Promissory Note does not constitute a debt, legal or moral or otherwise of the State of Idaho. Initials

LINE ADVANCES. Notwithstanding anything to the contrary, requests for advances communicated to any office of Lender by any person believed by Lender in good faith to be authorized to make the request, whether written, verbal, telephonic or electronic, may be acted upon by Lender, and Borrower will be liable for sums advanced by Lender pursuant to such request. Such requests for advances shall be deemed authorized by Borrower, and Lender shall not be liable for such advances made in good faith, and with respect to advances deposited to the credit of any deposit account of Borrower, such advances, when so deposited, shall be conclusively presumed to have been made to or for the benefit of Borrower regardless of the fact that persons other than those authorized to request advances may have authority to draw against

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(Continued)**

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such account. Borrower agrees to indemnify and hold Lender harmless from and against all damages, liabilities, costs and expenses (including attorney's fees) arising out of any claim by Borrower or any third party against Lender in connection with Lender's performance of transfers as described above.

SECURITY INTEREST AND RIGHT OF SETOFF. In addition to all liens upon and rights of setoff arising by law, Borrower pledges and grants to Lender as security for Borrower's indebtedness and obligations under the Note (excluding any consumer obligations subject to the Federal Truth In Lending Act) a security interest and lien upon all monies, securities, securities accounts, brokerage accounts, deposit accounts and other property of Borrower now or hereafter in the possession of or on deposit with Lender or any Wells Fargo Affiliate, whether held in a general or special account or for safekeeping or otherwise, excluding however all IRA and Keogh accounts. No security interest, lien or right of setoff will be deemed to have been waived by any act or conduct on the part of Lender, or by any neglect to exercise such right, or by any delay in so doing, and every right of setoff, lien and security interest will continue in full force and effect until specifically waived or released by Lender in writing.

CREDIT BUREAU INQUIRIES. The parties hereto, and each individual signing below in a representative capacity, agree that Lender may obtain business and/or personal credit reports and tax returns on each of them in their individual capacities.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

LEWIS-CLARK STATE COLLEGE

By: _____
Chet Herbst, Vice President for Finance and
Administration

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Lewiston Business Banking Center
 MAC P1901-011
 868 Main Street
 Lewiston, ID 83501
 208 799-6215
 208 799-6218 Fax
 Wells Fargo Bank, N.A.

April 26, 2010

Mr. Kent Kinyon
 Lewis-Clark State College
 500 8th Street
 Lewiston, Idaho 83501

**COMMITMENT LETTER - \$4,685,000 Term Loan
 \$1,000,000 Line of Credit**

Dear Kent:

Wells Fargo Bank ("Bank") has considered your request for financing. We are pleased to inform you that based upon our review of the information provided, we are willing to issue this Commitment Letter subject to the following terms and conditions:

Term Loan

- 1) **BORROWER:** Lewis-Clark State College
- 2) **GUARANTORS:** N/A.
- 3) **PURPOSE:** Provide end financing for previous advances under existing Masterline Agreement.
- 4) **LOAN AMOUNT:** Four Million Six Hundred Eighty Five Thousand Dollars (\$4,685,000)
- 5) **TERM/AMORT:** Forty-Eight (48) month term, One Hundred Eighty (180) month amortization.
- 6) **INTEREST RATE:** 3.51% fixed for the four-year term (as of 4-15-2010). Rate is subject to change, and is also subject to verification of tax-exempt qualification.
- 7) **REPAYMENT:** 48 monthly principal & interest payments approximating \$33,516.
- 8) **COLLATERAL:** Assignment of specific lease/rents – Clearwater Hall (same as existing).
- 9) **FEE STRUCTURE:** Three-quarters of one percent (\$35,137.00)

10) OTHER TERMS:

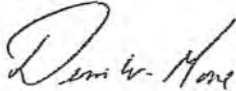
- 1) Documentation preparation/review by Bank's Public Finance Dept.
- 2) Receipt and satisfactory review of legal opinion regarding tax-exempt status.
- 3) Each year, Borrower to provide annual fiscal year-end audited financial statement to Bank.
- 4) Borrower to pay all fees for outside Council needed or required to complete transaction.
- 5) Subject to termination of existing Masterline agreement at closing.

Financial covenants: Borrower would be subject to the following financial covenants:

Unrestricted net liquid assets	\$ 7,500,000 (annually)
Total Liabilities to Net Worth	1.00:1 (annually)
Debt coverage no less than	1.25:1 (annually)

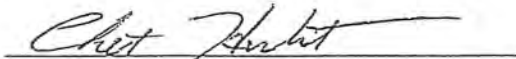
We sincerely appreciate the opportunity to provide you with this proposal for your consideration. We ask that you please respond to this Commitment Letter on or prior to May 30, 2010, after which time this commitment will expire and the terms represented herein are subject to change or withdrawal. If you have any questions or concerns about anything stated in this letter, please feel free to call me at (208) 799-6204.

Sincerely,



Dennis W. Moore
Business Relationship Manager
Lewiston Business Banking Center
Wells Fargo Bank, N.A.

Borrowers Acceptance:



BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCIES AND INSTITUTIONS OF THE STATE BOARD

SUBJECT

FY 2012 Line Item Budget Requests

REFERENCE

April 22, 2010 Instructions to agencies and institutions regarding
submission of line item budget requests

APPLICABLE STATUTE, RULE, OR POLICY

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

BACKGROUND/ DISCUSSION

As discussed at its April 2010 meeting, the Board will accept the line item requests and provide guidance at the June, 2010 meeting. Subsequently, the Board will approve the final budget request at the August, 2010 meeting. Following Board approval in August, the budget requests will be submitted to Legislative Services Office (LSO) and Division of Financial Management (DFM) by September 1, 2010.

The line items represent the unique needs of the institutions and agencies and statewide needs. The line items are prioritized by the Board for each agency and institution, following review.

The following line item guidelines were provided:

1. Occupancy Costs
2. PTE secondary workload adjustment and capacity building
3. Center for Advanced Energy Studies (CAES)
4. Scholarships
5. Strategic Initiative(s)

The information included in the final budget request must include supporting documentation sufficient enough to enable the Board, LSO and DFM to make an informed decision.

The Line Items Summary lists all line items by category. The Strategic Initiatives Summary breaks out the Strategic Initiatives line times by institution and agency. The detail information for each line item request is included in separate tabs for each category.

IMPACT

Once the Board has provided guidance on priority, category, dollar limit, etc., Board staff will work with the Business Affairs and Human Resources Committee,

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

DFM and the agencies/institutions to prepare line items to be approved at the August meeting.

ATTACHMENTS

FY 2011 Supplemental Requests Tab a
Line Items Summary and Detail..... Tab b
Occupancy Costs Tab c
Center for Advanced Energy Studies Tab d
Scholarships..... Tab e
Strategic Initiatives Summary and Detail Tab f

STAFF COMMENTS AND RECOMMENDATIONS

Although the Board prioritization includes PTE secondary workload adjustment and capacity building, these items have historically been requested and funded as a maintenance level item. Only recently has LSO moved these down as line items. Therefore, PTE's line item requests are not included in this agenda in order to focus on discretionary line items, but they will be included in the final list of line items for approval at the August Board meeting.

BOARD ACTION

A motion to approve the FY 2011 Supplemental Appropriation Request for College of Western Idaho in the amount of \$2,656,000.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

A motion to approve the FY 2011 Supplemental Appropriation Request for Peace Officers/Fireman Dependent Scholarship in the amount of \$30,000.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

A motion to approve the FY 2012 line items as listed on the Line Items Summary page in Tab b, and to create a blank for each line item.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: Community Colleges
FUNCTION: College of Western
Idaho

Agency No.: 507
 Function
 No.: 01

FY 2012 Request
 of ____
 Page ____ Pages
 Original Submission X
 or Revision No. ____

ACTIVITY:

Activity No.:

A: Decision Unit No: 4.31		Title: Enrollment Growth			Priority Ranking 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	10.00				10.00
PERSONNEL COSTS:					
1. Salaries	\$ 400,000				\$ 400,000
2. Benefits	\$ 174,400				\$ 174,400
3. Group Position Funding	\$ 1,000,000				\$1,000,000
TOTAL PERSONNEL COSTS:	\$ 1,574,400				\$1,574,400
OPERATING EXPENDITURES by summary object:					
1. Operating Expenses	\$ 1,081,600				\$ 1,081,600
TOTAL OPERATING EXPENDITURES:	\$ 1,081,600				\$ 1,081,600
CAPITAL OUTLAY by summary object:					
1. Replacement Capital					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	\$ 2,656,000				\$ 2,656,000

How connected to institution/agency and Board strategic plans:

This request is connected to the CWI strategic plan's goals as follows:

Goal 2: CWI attracts and retains students through quality teaching, accessible and affordable programs and responsive approach.

Goal 4: CWI provides quality services to all learners to enhance community vitality, employability and personal achievement.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

Goal 7: CWI keeps pace with future learning through state of the art environment and facilities.

Having sufficient funding per academic FTE will allow CWI to achieve these several goals.

Description:

This request is being submitted to allow CWI to be funded at the same amount per academic full time equivalent (FTE) student as North Idaho College (NIC) and the College of Southern Idaho (CSI). This amount is approximately \$2,787, based upon the FY 2011 General Fund original appropriation to those institutions. This amount was calculated by the State Board of Education using current appropriation and FY 2010 full-time equivalent enrollment information provided by NIC & CSI.

Using this per-academic FTE amount, the FY 2011 state General Fund appropriation to CWI would support 1,511 student FTE. The projected CWI student FTE for 2011 is 2,464, a gap of 953. Multiplying \$2,787 times 953 equals \$2,656,000 (rounded), which reflects the amount requested.

This supplemental request is for FY 2011, which is the second full academic year of operation for CWI. As such, enrollment projections continue to be made without substantial history. CWI assumes a 15% growth rate in credit hours generated from FY 2010 to FY 2011.

This request is not part of the FY 2012 Enrollment Workload Adjustment (EWA) request because CWI does not yet have the 3-year rolling average enrollment history needed for the actual EWA calculation. A related Line Item for FY 2012 (DU 12.05) is being submitted along with this Supplemental Appropriation.

Questions:

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

CWI requests additional support for enrollment growth in FY 2011.

2. What resources are necessary to implement this request?
 - a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
 - b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
 - c. List any additional operating funds and capital items needed.

If this request was approved, CWI would first consider hiring instructional faculty. The ratio of full- to part-time (adjunct) would be determined based upon the amount appropriated. Remaining funds would be used for Operating Expenses at the college, primarily infrastructure (utilities, information technology) related, as determined by enrollment circumstances.

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

Ongoing general funds are being requested.

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

Existing and new students will be served with this request. Not funding this request will cause difficulties in meeting community expectations for an open access community college, particularly in light of the tremendous sustained enrollment growth being experienced by CWI.

5. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first.

This item was requested in the FY 2011 budget request as a FY 2010 supplemental and a FY 2011 line item, both of which were recommended by the Governor, but not funded by the Legislature.

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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: Special Programs
FUNCTION: Scholarships and
Grants

Agency No.: 516
 Function
 No.: 03

FY 2012 Request
 of ____
 Page ____ Pages
 Original Submission X
 or Revision No. ____

ACTIVITY:

Activity No.:

Peace Officer/Fireman					
A: Decision Unit No: 4.31	Title: Scholarship			Priority Ranking 1 of 1	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	0.00				0.00
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	30,000				30,000
LUMP SUM:					
GRAND TOTAL	30,000				30,000

Idaho Code 33-4302A, Public Safety Officer Dependent Scholarships, provides for any dependent of a full-time or part-time public safety officer employed by or volunteering for the state of Idaho who was killed or disabled in the line of duty to be admitted to attend any public institution of higher education or public professional-technical college within the state of Idaho without the necessity of paying tuition and fees.

The number of dependents who qualify for this scholarship varies from year to year. For FY 2010, it is expected that two scholarships will be awarded. For FY 2011, an additional two students are anticipated to enter the 4-year scholarship necessitating approximately \$30,000 in additional ongoing general funds.

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STATE BOARD OF EDUCATION

FY 2012 Line Items

By Institution/Agency	FY 2011 Appropriation	Occupancy	CAES Tab d	Opportunity	Strategic	Total	vs. 2011	One-Time	Ongoing	Comments
		Costs Tab c		Scholarships Tab e	Initiatives Tab f		Approp		vs. 2011 Approp	
1 Professional-Technical Education	47,577,400	0	0	0	0	0	0.0%	0	0.0%	
State Leadership & Technical Asst.	1,864,000					0	0.0%		0.0%	
General Programs	10,555,000					0	0.0%		0.0%	
Post-secondary Programs	33,992,800					0	0.0%		0.0%	
Underprepared Adults	200,000					0	0.0%		0.0%	
Related Services	965,600					0	0.0%		0.0%	
2 College and Universities	217,510,800	3,969,500	3,000,000	0	8,999,400	15,968,900	7.3%	1,001,000	6.9%	
System-wide Needs	2,726,600					0	0.0%		0.0%	
Boise State University	70,116,400	1,044,300	1,000,000		1,871,600	3,915,900	5.6%	375,000	5.1%	Enrollment Growth in Public Policy
Idaho State University	59,071,300	1,162,700	1,000,000		843,000	3,005,700	5.1%	275,000	4.6%	Biomedical Research
University of Idaho	73,576,700	1,276,100	1,000,000		5,333,500	7,609,600	10.3%	276,000	10.0%	CEC, Library Mat., Research Safety, Sustain.
Lewis-Clark State College	12,019,800	486,400			951,300	1,437,700	12.0%	75,000	11.3%	Program Enh., Student Center, Dental Hygiene
3 Community Colleges	23,966,800	1,404,900	0	0	1,542,700	2,947,600	12.3%	0	12.3%	
College of Southern Idaho	10,658,200	561,700			175,800	737,500	6.9%		6.9%	Nursing Positions
North Idaho College	9,097,400				335,700	335,700	3.7%		3.7%	Capacity Needs
College of Western Idaho	4,211,200	843,200			1,031,200	1,874,400	44.5%		44.5%	Enrollment Growth
4 Agricultural Research/Extension	22,559,000				773,400	773,400	3.4%		3.4%	
5 Health Education Programs	9,960,600	0	0	0	453,300	453,300	4.6%	0	4.6%	
WI Veterinary Education	1,722,500				14,200	14,200	0.8%		0.8%	CEC
WWAMI Medical Education	3,402,400				173,900	173,900	5.1%		5.1%	CEC, CdA FMR, GME Office
IDEP Dental Education	1,315,700					0	0.0%		0.0%	
Univ. of Utah Med. Ed.	1,204,200					0	0.0%		0.0%	
Family Medicine Residencies	1,983,200					0	0.0%		0.0%	
WICHE	218,600				31,200	31,200	14.3%		14.3%	restore optometry seats
Psychiatry Residency	114,000					0	0.0%		0.0%	
Internal Medicine Residency	0				234,000	234,000	0.0%		0.0%	New residency program
6 Special Programs	8,690,100	0	0	1,250,000	33,500	1,283,500	14.8%	0	14.8%	
Forest Utilization Research	511,400					13,000	2.5%		2.5%	CEC
Geological Survey	701,100					20,500	2.9%		2.9%	CEC
Scholarships and Grants	6,633,300			1,250,000		1,250,000	18.8%	0	18.8%	GEARUP Spending Authority
Museum of Natural History	454,100					0	0.0%	0	0.0%	
Small Bus. Development Centers	246,300					0	0.0%		0.0%	
Idaho Council for Economic Ed.	0					0	N/A		N/A	
TechHelp	143,900					0	0.0%	0	0.0%	
7 State Board of Education	2,025,200	0	0	0	0	0	0.0%	0	0.0%	
8 Idaho Public Television	1,390,500				430,400	430,400	31.0%	0	31.0%	Idaho Experience, Idaho Legislature Live
9 Vocational Rehabilitation	7,198,900	0	0	0	150,000	150,000	2.1%	0	2.1%	
Renal Disease	527,700					0	0.0%		0.0%	
Vocational Rehabilitation	3,050,800				150,000	150,000	4.9%		4.9%	
Work Services Community Support Err	3,490,100					0	0.0%		0.0%	
Council for the Deaf/Hard of Hearing	130,300					0	0.0%		0.0%	
10 Total	\$ 340,879,300	\$ 5,374,400	\$ 3,000,000	\$ 1,250,000	\$ 12,382,700	\$ 22,007,100	6.5%	\$ 1,001,000	6.2%	
Percentage of FY 2010 Appropriation		1.6%	0.9%	0.4%	3.6%	6.5%				

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STATE BOARD OF EDUCATION

FY 2012 Budget Request

Colleges & Universities/Agencies

Calculation of Occupancy Costs

BOISE STATE UNIVERSITY															
Yanke Center															
Norco Building (floors 3 and 4)															
Norco Building classroom 1st floor															
Capitol Village University Adv.															
Non Auxiliary Space in Parking Deck															
Capitol Village Emeritus Guild															
Capitol Village Adv. Expansion															
CESED															
* Yanke Center Space utilization is pending.															
IDAHO STATE UNIVERSITY															
Rendezvous Center (Acad Side)															
Rendezvous Center (PYs Approp.)															
Meridian Building															
CAES															
UNIVERSITY OF IDAHO															
Hays Hall (1) (next page)															
Vandal Athletic Center (2) (next page)															
Living Learning Center (3) (next page)															
UI Research Park Post Falls															
Professional Golf Mgmt Pgm Space															
Teaching and Learning Center															
Collaborative Ctr: Applied Fish Studies															
Idaho Water Center															
Idaho Water Center (PYs Approp.)															
Wood Chip Storage Facility															
South chiller plant and storage tank															
Janssen Engineering Bldg															
LEWIS-CLARK STATE COLLEGE															
Nursing & Health Science Faculty															
College of Southern Idaho															
Health Science & Human Services															
College of Western Idaho															
CWI Main building (Nampa)															
Canyon County Center															

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- (1) This building was formerly known as the Alumni Residence Center, a name indicating its historical use; it has since been vacated by University Residences and is now maintained as general education space
- (2) The Vandal Athletic Center includes a general education classroom and training room, computer labs, and associated support space
- (3) The Living Learning Center includes general education classrooms and program space eligible for occupancy costs

FTE For the first 13,000 gross square footage and in 13,000 GSF increments thereafter, .5 Custodial FTE will be provided.

Salary for custodians will be 80% of Policy for pay grade "E" as prepared by the Division of Human Resources.

Benefit rates as stated in the annual Budget Development Manual prepared by the Division of Financial Management.

Salary CU: \$19,635.00 CC: \$18,700.00

Benefits

FICA

SSDI salary to \$92,150 6.2000% x salary

SSHI 1.4500% x salary

Unemployment Insurance 0.4000% x salary

Life Insurance 0.8500% x salary

Retirement

Regular 10.3900% x salary

Workmans Comp x salary

Sick Leave 0.6500% x salary

Human Resources x salary

19.9400%

Health Insurance \$8,440.00 per position

Supplies 0.10

BSU	ISU	UI	LCSC	CSI	NIC	CWI
3.68%	3.68%	3.70%	4.56%	3.40%		
0.306%	0.306%		0.554%	0.306%	0.306%	0.306%
23.9260%	23.9260%	23.6400%	25.0535%	23.6460%	20.2460%	20.2460%

\$8,440

UI

(3) Annual utility costs will be projected at \$1.75 per 1.75

(4) Building maintenance funds will be based on 1.5% of the construction cost (excluding architectural/engineering fees, site work, movable equipment, etc.) for new buildings or 1.5% of the replacement value for existing buildings.

(5) Other:

IT Maintenance 1.5000 GSF

Security 0.2200 GSF

General Safety 0.0900 GSF

Research & Scientific Safety Costs 0.5000 GSF

Total 2.3100

Too High - Used 1/3 0.7700 GSF

Landscape Greenscape 0.0003 CRV

Insurance Costs 0.0005 CRV

Total 0.00080 CRV

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: Boise State University

Agency No.: 512

FY 2012 Request

FUNCTION: CAES

Function

of ____

No.: 01

Page ____ Pages

ACTIVITY:

Activity No.:

Original Submission X
or Revision No. ____

A: Decision Unit No: 12.02		Center for Advanced Energy Title: Studies - Draft			Priority Ranking 2 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	8.08				8.08
PERSONNEL COSTS:					
1. Salaries	587,400				587,400
2. Benefits	201,600				201,600
3. 5 Graduate Assistants stipends and fringe.	122,100				122,100
TOTAL PERSONNEL COSTS:	911,100				911,100
OPERATING EXPENDITURES by summary object:					
1. Graduate Assistants tuition waivers	43,300				43,300
2. Materials and Supplies	20,600				20,600
TOTAL OPERATING EXPENDITURES:	63,900				63,900
TRAVEL by summary object:					
1.	25,000				25,000
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,000,000				1,000,000

How connected to institution/agency and Board strategic plans:

This request directly supports the State Board of Education's objective to support and enhance the state's infrastructure and capacity for advanced energy studies through collaborative efforts among UI, ISU, BSU and the Idaho National Laboratory.

Boise State University's involvement in CAES is directly linked to our research and public policy mission with the primary emphasis defined by the State Board of Education's Institutional Role and Mission statement in public affairs and our developed strengths in sciences and engineering. The program supports Boise State University's strategic plan in that it will contribute to the institution's continued development of "academic excellence," "public engagement" and "exceptional research."

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

Boise State is home to the CAES Energy Policy Institute (EPI). The institute focuses on energy related policy research, analysis, and education. It brings together policy personnel from the three Idaho Universities and INL to analyze and examine proposed energy policy and seek solutions for suitable energy. The value of the public policy piece is critical to understanding how society and its institutions address energy issues.

This FY2012 budget request is for funding to support and build the educational, research, and policy capabilities of Boise State University both in the areas of science/engineering and policy. Although one-time funding was provided for FY 2010 (ARRA Funds), permanent funding needs to be secured. This is the same request of on-going funds as was requested in the 2011 budget request.

Specifically, Boise State is requesting funding for:

- Materials Science and Engineering Support:
 - o Two (2) postdoctoral associates, one (1) associate professor, two months faculty summer support, 1.77 FTE for research scientists/faculty, four (4) graduate research assistantships, materials and supplies and travel expenses.
- Energy Policy Institute (EPI) Support:
 - o One (1) EPI director, one EPI assistant director, one (1) assistant professor, one half time professional staff member, two half time graduate research assistantships, and a modest amount for materials and supplies.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: Idaho State University

Agency No.: 513

FY 2012 Request

FUNCTION: General Education

Function

of 3

No.: 1000

Page 1 Pages

ACTIVITY: C. CAES

Activity No.:

Original Submission X
or Revision No. ____

Center for Advanced Energy					
A: Decision Unit No: 12.02	Title: Studies in Idaho Falls			Priority Ranking 2 of 3	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	8.3				8.3
PERSONNEL COSTS:					
1. Salaries	634,400				634,400
2. Benefits	211,100				211,100
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	845,500				845,500
OPERATING EXPENDITURES by summary object:					
1. Materials and Supplies	60,000				60,000
2. Travel	50,000				50,000
3. Communications	44,500				44,500
TOTAL OPERATING EXPENDITURES:	154,500				154,500
CAPITAL OUTLAY by summary object:					
1. Equipment					
2. Startup Packages					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,000,000				1,000,000

How connected to institution/agency and Board strategic plans:

The Center for Advanced Energy Studies (CAES) collaborative between the Idaho National Laboratory (INL), Idaho State University, University of Idaho, and Boise State University represents a vital effort to integrate cutting-edge energy studies in the ISU College of Engineering with national interests being developed at the INL. Research and teaching efforts centered on CAES further the following Goals, as articulated in ISU's current strategic plan:

Goal 1 — Achieve academic excellence in undergraduate, graduate, professional and technical education. (SBOE Main Goals: Access and Quality)

BUSINESS AFFAIRS AND HUMAN RESOURCES

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Goal 2 — Increase the University's research profile to strengthen our institutional curricula and ability to meet societal needs through the creation of new knowledge. (SBOE Main Goals: Quality and Access)

Goal 4 — Prepare students to function in a global society. (SBOE Main Goals: Quality and Access)

Goal 5 — Focus institutional, instructional, and research expertise on community and societal needs throughout the state, region, nation, and world. (SBOE Main Goals: Quality and Access)

Description:

The Center for Advanced Energy Studies (CAES) is a collaborative initiative between Boise State University (BSU), Idaho State University (ISU), the University of Idaho (UI) and the Idaho National Laboratory (INL) that will address the critical energy issues facing our nation. Operating as a jointly managed research center, CAES will maximize the utilization of the energy-related capabilities of its member institutions and sponsors. Cross-organizational, peer-to-peer technical collaboration in areas of nuclear, renewable, fossil and alternative energy will be encouraged.

To ensure the success of CAES, as an enduring Idaho institution, approximately three million dollars in recurring funding is requested to build the research, policy, and educational capabilities of CAES. Specifically funding (PC) is requested to partially support 25 research active faculty members, 5 senior technicians, 3 full time CAES Associate Directors, and 3 administrative support persons (one per Associate Director), who will be recruited and hired over a period of four years. Operating costs (OE) are also requested.

These research faculty members will be hired by their respective universities on fiscal or academic year appointments as appropriate, with support for at least 6 months per year on this request. These hires will also be supported through CAES joint appointments and or joint research with the INL for the balance of their academic appointments and on grants and contracts for the summer. Researchers will be located in or spend time in the new CAES research building located in Idaho Falls, which was occupied July 2008. The costs presented are based upon FY2008 estimates.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base? **This request is for ongoing appropriated funding to make permanent the one-time funding granted annually by the State Legislature since FY 2009. We request ongoing appropriated funding for the personnel listed below, as well as for the operating expenses listed above.**
2. What resources are necessary to implement this request?
 - a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. **8.3 FTE, as described in attached document.**

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- b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted. **As listed in the attached documentation.**
 - c. List any additional operating funds and capital items needed. **None.**
3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc. **The request is for ongoing funding.**
4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted? **Funding will allow the CAES collaborative to develop and maintain facilities and personnel vital to the developing understanding of alternative energy studies at the global, national, regional, and local scales.**
5. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first. **This request is a continuation of the FY11 budget request.**

BUSINESS AFFAIRS AND HUMAN RESOURCES
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Idaho State University
Center for Advanced Energy Studies

<u>Year</u>	<u>FY11</u>	<u>Gross</u>	<u>% State</u>	<u>\$ State</u>	<u>Fringe</u>	<u>Insurance</u>	<u>Total</u>
Yr. 1	Nuclear Engineering Chair	\$148,345.60	50%	\$74,172.80	\$15,665.30	\$4,650.00	\$94,488.10
Yr. 1	Assistant Professor NE, Fuels & Modeling	\$70,000.00	75%	\$52,500.00	\$11,088.00	\$6,975.00	\$70,563.00
Yr. 1	Research Professor NE, Fuel Cycle	\$139,256.00	70%	\$97,479.20	\$20,587.61	\$6,510.00	\$124,576.81
Yr. 1	Assoc. Prof. NE, Nuclear Materials	\$85,000.00	60%	\$51,000.00	\$10,771.20	\$5,580.00	\$67,351.20
Yr. 1	Assoc. Prof. NE, Fuels	\$85,000.00	50%	\$42,500.00	\$8,976.00	\$4,650.00	\$56,126.00
Yr. 1	Research AoP Physics, Detectors	\$63,918.40	50%	\$31,959.20	\$6,749.78	\$4,650.00	\$43,358.98
Yr. 1	Research AP Physics, Materials	\$63,294.40	50%	\$31,647.20	\$6,683.89	\$4,650.00	\$42,981.09
Yr. 1	Professor NE, Reactors	\$48,859.20	25%	\$12,214.80	\$2,579.77	\$2,325.00	\$17,119.57
Yr. 1	Asst. Prof. Health Physics - Reactors	\$58,801.60	50%	\$29,400.80	\$6,209.45	\$4,650.00	\$40,260.25
Yr. 1	Technician/Assistant Lecturer Nuc. Eng.	\$60,008.00	100%	\$60,008.00	\$12,673.69	\$9,300.00	\$81,981.69
Yr. 1	AA II	\$31,512.00	100%	\$31,512.00	\$6,578.45	\$9,300.00	\$47,390.45
Yr. 2	Asst. Prof. Mechanical/Materials	\$70,000.00	50%	\$35,000.00	\$7,392.00	\$4,650.00	\$47,042.00
Yr. 2	Assoc. Prof. Applied Math/Modeling	\$85,000.00	50%	\$42,500.00	\$8,976.00	\$4,650.00	\$56,126.00
Yr. 2	Assoc. Prof. Hydrogen	<u>\$85,000.00</u>	50%	\$42,500.00	\$8,976.00	\$4,650.00	\$56,126.00
Totals:		\$1,093,995.20		\$634,394.00	\$133,907.12	\$77,190.00	\$845,491.12

FTE: 8.3
People: 14

BUSINESS AFFAIRS AND HUMAN RESOURCES
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AGENCY: University of Idaho

Agency No.: 514

FY 2012 Request

FUNCTION: General Education

Function

No.: 01

Page 1 of 4 Pages

ACTIVITY:

Activity No.:

Original Submission X
or Revision No. ____

A: Decision Unit No: 12.02		Title: Center for Advanced Energy Studies (CAES)			Priority Ranking 2 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	8.36				8.36
PERSONNEL COSTS:					
1. Salaries	694,770				694,770
2. Benefits	233,830				233,830
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	928,600				928,600
OPERATING EXPENDITURES by summary object:					
1. Supplies	30,000				30,000
2. Maintenance Costs	41,400				41,400
3. Services					
4. Other					
TOTAL OPERATING EXPENDITURES:	71,400				71,400
CAPITAL OUTLAY by summary object:					
1. Capital Equipment	0				0
TOTAL CAPITAL OUTLAY:	0				0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,000,000				1,000,000

How connected to institution/agency and Board strategic plans:

This request supports the goals outlined in the University of Idaho - Idaho Falls (UIIF) strategic plan in the areas of "Clean Energy" and "Water and Energy" and is linked to the University's Strategic Goals 2 and 3. Specifically: Goal 2 – Scholarly and Creative Activity (UIIF – "Deliver strategically-focused integrated Energy, and Homeland Security research programs") and Goal 3 – Outreach and Engagement (UIIF – "Build stronger partnerships with INL and other state universities"). This also supports SBOE goal #1.7 – support and enhance the state's infrastructure and capacity for advanced energy studies through collaborative efforts between our three public universities and the Idaho National Laboratory at the Center for Advanced Energy Studies.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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Description:

CAES is a public/private partnership between the State of Idaho through its academic research institutions, Boise State University (BSU), Idaho State University (ISU), the University of Idaho (UI), and the federal government through the Department of Energy and its Idaho National Laboratory (INL), which is managed by the private entity the Battelle Energy Alliance (BEA). Through its collaborative structure, CAES combines the efforts of these four research institutions to provide timely research support on both technical and policy issues.

See attachment for description of line item request.

Questions:

1. What is being requested and why? **See attachment.** What is the agency staffing level for this activity and how much funding by source is in the base? **This request is for ongoing appropriated funding to make permanent the one-time funding granted annually by the State Legislature since FY 2009. We request ongoing appropriated funding for the personnel listed below, as well as for the operating expenses listed above.**
2. What resources are necessary to implement this request?
 - a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. **See attachment.**
 - b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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University of Idaho
Request for Recurring State Funding for
Center for Advanced Energy Studies

One million dollars in recurring funding is requested to build the research, policy, and educational capabilities of the Center for Advanced Energy Studies (CAES). Specifically eight (8) research active faculty members, two (2) senior technician positions, a full time Associate Director with a faculty appointment, and an Administrative Support person will be recruited and hired with the balance of the requested recurring funding being used for the maintenance of research equipment and general purpose computers and renewals. The costs presented are based on FY2010 estimates and have not been escalated for future years. Specifically, the faculty members will support the energy research mission of CAES and will include

- a) Three (3) nuclear scientists/engineers (hired by the College of Engineering in FY2008 and supported by one-time funding in FY2009)
- b) Energy Geoscientist (College of Science; recruited and hired in FY 2012)
- c) Biofuels/Bioenergy Scientist or Engineer (College of Agriculture and Life Sciences; recruited and hired in FY2010)
- d) Natural Resource/Water-Energy Scientist or Policy Expert (College of Natural Resources; recruited and hired in FY2011)
- e) Energy Law Professor (College of Law; recruited and hired in FY 2012)
- f) Carbon Management Scientist (College of Science, College of Natural Resources, or College of Agriculture and Life Sciences; recruited and hired in FY 2012)

The faculty members will be hired by their respective colleges on academic year appointments, supported for 6 month per year on this request, and spend at least part of the year in the new 55,000 square foot CAES research building located in Idaho Falls. These hires will also be supported through CAES joint appointments with the Idaho National Laboratory (INL) for the remainder (3 months) of their academic appointments and on grants and contracts for the summers. In addition to above the faculty members, two technicians (supported half-time by this request and half-time by grants and contracts), a full time administrative support person (hired in FY2011), and a full time CAES associate director (hired in FY 2011 to replace the part-time director currently funded by the Idaho National Laboratory) will also be hired. Funds are also requested to support the general research operational needs of the new CAES faculty members, specifically

- a) Research equipment maintenance agreements and repairs (ongoing)
- b) Desktop computers and renewals (for both faculty and graduate students; ongoing)



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Budget requests by year and category are shown below.

University of Idaho

Request for recurring State Funding for the Center for Advanced Energy Studies

Base Salaries from 2007-08 Academic Year Market Salaries Survey for 100% Market Level, Associate Professor in appropriate disciplines or actual salary for existing hires*. (Oklahoma State University Faculty Salary Study). Fringe calculated as 23.5% of Base Salary plus \$8.44K for Health Benefits. (OSP Website 5/14/10)							Request (\$K)		
	Position	Appointment (9mo/12mo)	Base Salary	Fringe	Salary plus Fringe	Fraction of Salary	FY2009 (actual, one-time funds)	FY2010	FY2011 and beyond
1	Nuclear (Material Science)*	9	\$ 76.59	\$26.44	\$103.02	0.67	\$ 76.20	\$ 69.03	\$ 69.03
2	Nuclear (Mechanical Engineering)*	9	\$ 95.38	\$30.85	\$126.23	0.67	\$ 75.98	\$ 84.58	\$ 84.58
3	Nuclear (Chemical Engineering)*	9	\$ 76.69	\$26.46	\$103.15	0.67	\$ 76.64	\$ 69.11	\$ 69.11
4	Energy Geoscientist*	12	\$ 76.00	\$26.30	\$102.30	0.67		\$ 68.54	\$ 68.54
5	Energy - Natural Resources	9	\$ 73.70	\$25.76	\$ 99.46	0.67	\$ 57.44	\$ 66.64	\$ 66.64
6	BioEnergy	9	\$ 78.46	\$26.88	\$105.34	0.67	\$ 81.96	\$ 70.58	\$ 70.58
7	Energy Law	9	\$106.91	\$33.57	\$140.48	0.67		\$ 94.12	\$ 94.12
8	Carbon Management	9	\$ 78.46	\$26.88	\$105.34	0.67		\$ 70.58	\$ 70.58
9	CAES Assoc. Director	12	\$164.97	\$47.21	\$212.17	1		\$ 212.17	\$ 212.17
10	Senior Technician (1)*	12	\$ 48.38	\$19.81	\$ 68.19	0.5	\$ 29.33	\$ 34.09	\$ 34.09
11	Senior Technician (2)	12	\$ 47.09	\$19.51	\$ 66.60	0.5		\$ 33.30	\$ 33.30
12	Managment Assistant	12	\$ 38.40	\$17.46	\$ 55.86	1		\$ 55.86	\$ 55.86
Total Labor			\$961.03				\$ 397.55	\$ 928.60	\$ 928.60
Desk Top Computing Renewal (12 per year at \$2.5K each)								\$ 30.00	\$ 30.00
Maintenance/Repair of Equipment								\$ 41.40	\$ 41.40
Total Request							\$ 397.55	\$1,000.00	\$1,000.00

BUSINESS AFFAIRS AND HUMAN RESOURCES
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AGENCY: Special Programs
FUNCTION: Scholarships &
Grants

Agency No.: 516
 Function
 No.: 03

FY 2012 Request
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ACTIVITY:

Activity No.:

A: Decision Unit No: 12.01		Title: GEAR UP SCHOLARSHIPS		Priority Ranking 1 of 2	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)			0.25		0.25
PERSONNEL COSTS:					
1. Salaries			\$ 6,600		\$ 6,600
2. Benefits			3,400		3,400
3. Group Position Funding					
TOTAL PERSONNEL COSTS:			\$10,000		\$10,000
OPERATING EXPENDITURES by summary object:					
1. General Services			\$ 1,000		\$ 1,000
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:			\$239,000		\$239,000
LUMP SUM:					
GRAND TOTAL			\$250,000		\$250,000

Supports institution/agency and Board strategic plans:

Goal 1, Objective A

Goal 1, A Well Educated Citizenry, calls for providing opportunities for individual enhancement and Objective A, Access, advocates for increasing access for individuals of all ages, abilities, and economic means to Idaho's P-20 educational system.

Performance Measure: Percent of need met by available need-based financial aid.

GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) is a federal discretionary grant program designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education. This program provides six-year

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grants to states and partnerships to provide services at high-poverty middle and high schools which are designated as GEAR UP schools. GEAR UP provides students an opportunity to apply for a 4-year renewable scholarship based upon financial need and level of participation in the program and funding for participating students to prepare for and take the ACT test. The GEAR UP Program will serve over 5,500 students in Idaho during the life of the grant.

Description:

GEAR UP started in Idaho in 2007 with the renewable scholarships starting in FY 2013. The scholarships funds are on hand, however spending authority is needed in order to authorize payments.

The 2010 Legislature passed HB 394 which established the Mastery Advancement Pilot Program. This program will permit certain students in certain Idaho public schools, including Idaho public charter schools, to successfully proceed through school curriculum at their own pace. As a result, spending authority may be required in FY 2012 for students graduating early under the new Mastery Advancement Pilot Program.

No more than twenty-one (21) school districts and no more than three (3) charter schools may participate in the program. Participating districts will be determined through an application process established by the state department of education. Any student who successfully completes a school district's grades 1-12 curriculum at least one (1) year early will be eligible for a mastery advancement scholarship if the student has met all of the graduation requirements of the school district in which the student attends school.

The mastery advancement scholarship may be used for tuition and fees at any publicly funded institution of higher education in Idaho. The amount of the scholarship is equal to 35% of the statewide average daily attendance-driven funding per enrolled pupil for each year of grades 1-12 curriculum. The school district or charter school will also receive an amount equal to each scholarship

The number of GEAR UP schools that may apply to be part of the 21 school districts will not be known until July 16, 2010. The Department of Education GEAR UP coordinator estimates about 4, or 20%, of the 21 GEAR UP districts may take advantage of the Mastery Advancement Pilot Program. The 2012 cohort for all 21 GEAR UP districts contains approximately 1,744 students. Twenty percent of this cohort would equal 349 students. Ten percent of this cohort might graduate early, which approximate 35 students. The highest possible scholarship award under GEAR UP is \$5,500. Based on these estimates, spending authority needed for the GEAR UP scholarships would be \$192,500. This line item request asks for \$250,000 in spending authority (should the estimates prove too conservative), a part-time FTE and minimal amount of operating expenses to administer the grants in the first year. The GEAR UP program allows \$65,000 for administrative costs, and subsequent requests for administrative costs spending authority may increase in fiscal years FY 2013 and beyond.

Questions:

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

This request reflects \$250,000 in federal funds spending authority for GEAR UP scholarships that may be necessary for those students graduating early under the Mastery Advancement Pilot Program. This request does not affect staffing levels. The current budget base does not include spending authority for the GEAR UP scholarships. The FY

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2013 budget request will include a line item request for the regular GEAR UP scholarships that will be awarded from FY 2013 through 2018.

2. What resources are necessary to implement this request?
 - a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

Part-time (.25 FTE) GEAR UP scholarship administrator
 - b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

Existing personnel assigned to scholarship programs are working at capacity which necessitates the need for additional staffing.
 - c. List any additional operating funds and capital items needed.

\$1,000 is operating expenses for communications, mailing, and other expenses.
3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

Federal spending authority with grant funds already awarded.
4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

GEAR UP is designed to increase the number of low-income students from high-poverty middle and high schools that are prepared to enter and succeed in postsecondary education. GEAR UP provides students an opportunity to apply for a 4-year renewable scholarship based upon financial need and level of participation in the program and funding for participating students to prepare for and take the ACT test. The GEAR UP Program will serve over 5,500 students in Idaho during the life of the grant.

Funding is in place. This request is for spending authority only.
5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

N/A

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Office of the State Board of Education

FUNCTION: OSBE Administration

ACTIVITY:

Agency No.: 516

Function

No.: 03

Activity No.:

FY 2012 Request

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Original Submission X
or Revision No. ____

A: Decision Unit No: 12.02		Title: Opportunity Scholarship			Priority Ranking 2 of 2
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	0.00				0.00
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	1,000,000				1,000,000
LUMP SUM:					
GRAND TOTAL	1,000,000				1,000,000

Supports institution/agency and Board strategic plans:

Category: New/Expanded Programs

Title: Opportunity Scholarship Programs

The Opportunity Scholarship is Idaho's primary need-based scholarship. It is designed on a shared responsibility model with state dollars being the "last dollars". This means that a student must apply for federal aid, have a self or family contribution element before they would be eligible for the Opportunity Scholarship. In FY07 and FY08, the initial years of this program, \$10 million dollars was put into an endowment fund and \$1.925 million was designated to fund

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scholarships for the 2007-2008 and 2008-2009 academic years. Approximately 700 students each year have received this renewable scholarship with the majority of students receiving the maximum award of \$3,000. Unfortunately, as result of the financial difficulties during the last few years, funds were not available to fund neither the endowment nor the ongoing scholarships. The Board was permitted to use the earnings from the endowment and \$1,000,000 from the corpus for FY10 and only the earnings for FY11. This may permit us to fund qualifying renewals, but new awards will be very limited. This request is for \$1,000,000 from the State General Fund to assist in funding scholarships for fiscal year 2012.

STATE BOARD OF EDUCATION

Strategic Initiatives

By Institution/Agency	Amount	Page #	Option A	Option B	Option C	Option D	Approved	One-Time
1 Boise State University	\$1,871,600		\$0	\$0	\$0	\$0	\$0	\$0
Student Retention/Grad., faculty positions, Ph.D Public Policy	\$1,304,000	3						
Veterans Administration Biomedical Research Collaborative	\$567,600	5						
2 Idaho State University	\$843,000		\$0	\$0	\$0	\$0	\$0	\$0
Veterans Administration Biomedical Research Collaborative	\$843,000	7						
3 University of Idaho	\$5,333,500		\$0	\$0	\$0	\$0	\$0	\$0
CEC increase for faculty and staff	\$2,882,300	11						
Library Materials and Resources	\$350,000	15						
Research Compliance & Safety Support	\$611,200	19						
Sustainability Initiatives	\$820,000	25						
Veterans Administration Biomedical Research Collaborative	\$670,000	29						
4 Lewis-Clark State College	\$951,300		\$0	\$0	\$0	\$0	\$0	\$0
Program Enhancements	\$585,000	31						
Pi'amkinwaas Student Center	\$112,600	35						
Dental Hygiene	\$253,700	39						
5 Community Colleges	\$1,542,700		\$0	\$0	\$0	\$0	\$0	\$0
CSI: Nursing Positions	\$175,800	43						
NIC: Physical Therapy Program	\$335,700	47						
CWI: Enrollment Growth	\$1,031,200	49						
6 Agricultural Research	\$773,400		\$0	\$0	\$0	\$0	\$0	\$0
CEC increase for faculty and staff	\$773,400	53						
7 Health Programs	\$453,300		\$0	\$0	\$0	\$0	\$0	\$0
WI: CEC increase for faculty and staff	\$14,200	55						
WWAMI: CEC increase for faculty and staff	\$18,900	57						
WWAMI: CdA Family Medicine Residency	\$55,000	59						
WWAMI: GME Office	\$100,000	61						
WICHE: Restore Seats	\$31,200	65						
Internal Medicine Residency	\$234,000	67						
8 Special Programs	\$33,500		\$0	\$0	\$0	\$0	\$0	\$0
Forest Utilization Research: CEC	\$13,000	71						
Geological Survey: CEC	\$20,500	73						
9 Idaho Public Television	\$430,400		\$0	\$0	\$0	\$0	\$0	\$0
Idaho Experience	\$313,700	75						
Idaho Legislature Live/Multimedia Personnel	\$116,700	79						
10 , Idaho Division of Vocational Rehabilitation	\$150,000		\$0	\$0	\$0	\$0	\$0	\$0
Rehabilitation Administration Services Match	\$150,000	83						
Total	\$12,382,700		\$0	\$0	\$0	\$0	\$0	\$0

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BUSINESS AFFAIRS AND HUMAN RESOURCES
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AGENCY: Boise State University
FUNCTION: Strategic Initiatives –
Academic Affairs

Agency No.: 512
 Function
 No.: 01

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 or Revision No. ____

ACTIVITY:

Activity No.:

Improved Student Retention and Graduation Rates, Ph.D in Public Policy and faculty positions due to enrollment growth.					
A: Decision Unit No: 12.03	Title:				Priority Ranking 3 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	12				12
PERSONNEL COSTS:					
1. Salaries and Benefits Includes 4 Grad. Asst. positions for Ph.D in Public Policy	898,800				898,800
TOTAL PERSONNEL COSTS:	898,800				898,800
OPERATING EXPENDITURES by summary object:					
1. Operating Expenses	55,200				55,200
TOTAL OPERATING EXPENDITURES:	55,200				55,200
1. <u>ONE-TIME</u> START-UP FOR Ph.D in Public Policy	350,000				350,000
TOTAL ONE TIME	350,000				350,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	1,304,000				1,304,000

Boise State has seen positive improvements in student retention and graduation rates due to enhanced advising, increased faculty-student interactions and restructuring targeted courses. There is more to be done to improve completion rates. This request is for staffing and operating funds to use in specific areas deemed most likely to result in measurable positive outcomes.

The line item also includes a request for funding the approved Ph.D in Public Policy and Administration. This program is aligned with the primary areas of emphasis defined for Boise State University by the State Board of Education Institutional Role and Mission statement (social sciences, public affairs), and the statewide mission programs assigned to Boise State University

BUSINESS AFFAIRS AND HUMAN RESOURCES

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by State Board of Education policy III.Z (public policy, urban regional planning). It connects to the Board's vision of quality and accessible education that provides for an intelligent and well-informed citizenry. The program is listed by Boise State University in the State Board of Education 8-Year Plan for Educational Development) and was approved by the State Board of Education in April 2008.

The program supports Boise State University's strategic plan in that it will contribute to the institution's continued development of "academic excellence," "public engagement" and "exceptional research."

There is a critical need for policy research and effective public administration in Idaho. The proposed Ph.D. in Public Policy and Administration at Boise State University will focus specifically on policy research – policy analysis and program evaluation. The focus on policy research is beneficial because students will leave the program with analytical skills that are applicable to any policy area that can contribute to state and local government.

Description:

This FY 2012 budget request is for funding to launch a research-based Doctor of Philosophy in Public Policy and Administration program in the College of Social Sciences and Public Affairs. This program will help fulfill Boise State University's obligation to provide needed public policy and political science programs for the state. There already exists a strong faculty in the Department of Political Science and Department of Public Policy Administration that form a solid base for this degree.

The request includes funding for five faculty lines, four graduate assistants, administrative and research support staff, and \$ 50,231 for on-going operating expenses. In addition, there is a one-time funding request for 350,000 to assist with hiring and start-up costs associated with launching the program.

This new program complements the existing Master of Public Administration program and the Master of Community and Regional Planning program. All three programs take full advantage of the location of Boise State University in the state center of government, commerce, and industry, and in the most populous city and county of Idaho. The doctoral program in public policy and administration is also closely connected with the leading role of Boise State University in the Energy Policy Institute, which is part of the Center for Advanced Energy Studies, a key partnership between Idaho's three universities and the Idaho National Laboratory

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: Boise State University
FUNCTION: Biomedical Research
Initiative with VA Medical Center

Agency No.: 512

FY 2012 Request

Function No.: 01

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ACTIVITY:

Activity No.:

A: Decision Unit No: 12.03	Title: Biomedical Research			Priority Ranking 3 of 3	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	4.5				4.5
PERSONNEL COSTS:					
1. Salaries and Benefits	244,000				244,000
2. Graduate Assistants	266,600				266,600
TOTAL PERSONNEL COSTS:	510,600				510,600
OPERATING EXPENDITURES by summary object:					
1. Operating Costs/Equipment	37,000				37,000
TOTAL OPERATING EXPENDITURES:	37,000				37,000
CAPITAL OUTLAY by summary object:					
1. Library supporting acquisitions	20,000				20,000
TOTAL CAPITAL OUTLAY:	20,000				20,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	567,600				567,600

How connected to institution/agency and Board strategic plans:

Boise State University has been developing the biomolecular sciences as a primary research focus since 2000, with particular emphasis on protein structure and function. This highly interdisciplinary effort directly targets diverse biomedical applications, and is central to the NIH-funded Biomedical Research Infrastructure Network (BRIN) and the IDeA Network for Biomedical Research Excellence (INBRE) collaborations that involve Boise State University, Idaho State University, the University of Idaho, and the Veterans Affairs Medical Center in Boise.

Biomolecular and biomedical research infrastructure at Boise State University is the result of numerous NSF Major Research Instrumentation grants, funding of the Institute for Musculoskeletal Research by the Idaho Higher Education Research Council in 2007, a recent \$4M NIH grant to construct a vivarium, and the hiring of new faculty members in key areas. The funds requested here build on these earlier successes and continue the development of a strong collaborative research presence in Boise, including the eventual launch of a PhD program in the biomolecular sciences.

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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: Idaho State University

Agency No.: 513

FY 2012 Request

Function

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FUNCTION: General Education

No.: 1000

Page 1 Pages

ACTIVITY: F. VA Biomedical

Activity No.:

Original Submission X

Research

or Revision No. ____

Veterans Administration Biomedical Research					
A: Decision Unit No: 12.01	Title: Collaborative			Priority Ranking 1 of 1	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	3.5				3.5
PERSONNEL COSTS:					
1. Salaries	300,000				300,000
2. Benefits	120,000				120,000
3. Group Position Funding (GAs)	120,000				120,000
TOTAL PERSONNEL COSTS:	540,000				540,000
OPERATING EXPENDITURES by summary object:					
1. Travel	3,000				3,000
2. Materials and Supplies	25,000				25,000
TOTAL OPERATING EXPENDITURES:	28,000				28,000
CAPITAL OUTLAY by summary object:					
1. Start-up equipment (one-time)	275,000				275,000
TOTAL CAPITAL OUTLAY:	275,000				275,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	843,000				843,000

How connected to institution/agency and Board strategic plans:

Idaho State University has begun developing the framework for a large-scale biomedical research enterprise by exploiting the synergistic interactions among the existing scholarly resources within the ISU campus as well as drawing upon the State's biomedical and biotechnology industry and other segments of interdisciplinary biomedical research within the State of Idaho, most particularly infectious disease research at the Veterans Affairs Medical Center in Boise. Thus, in order to most effectively leverage biomedical expertise at institutions across Idaho, we seek to strengthen ISU's position as the lead institution in Idaho for biomedical research, in collaboration with the VA, the University of Idaho and Boise State University. Research and teaching efforts centered on the VA Biomedical Collaborative further the following strategic goals, as articulated in the current ISU and SBOE strategic plans:

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Goal 1 — Achieve academic excellence in undergraduate, graduate, professional and technical education. (SBOE Main Goals: Access and Quality)

Goal 2 — Increase the University's research profile to strengthen our institutional curricula and ability to meet societal needs through the creation of new knowledge. (SBOE Main Goals: Quality and Access)

Goal 3 — Advance medical and health care education throughout the state and region through increasing the quality of healthcare, the number of practicing health care professionals, and promotion of translational research. (SBOE Main Goals: Quality and Access)

Goal 4 — Prepare students to function in a global society. (SBOE Main Goals: Quality and Access)

Goal 5 — Focus institutional, instructional, and research expertise on community and societal needs throughout the state, region, nation, and world. (SBOE Main Goals: Quality and Access)

Goal 6 — Promote the efficient and effective use of resources. (SBOE Main Goals: Access and Efficiency)

Description:

This line item request will provide financial resources to fund two faculty positions, a post-doctoral fellowship position, and a portion of a grant writer, as well as graduate assistantships, to support the SBOE strategic plan to enhance biomedical research across the State of Idaho. As described in other institutional requests, the goal of this plan is to increase biomedical research and graduate education in biomedical fields in Idaho and to establish a critical mass of innovative, productive biomedical investigators at the Veterans Affairs Medical Center in Boise. This is a collaborative effort with Veterans Affairs, UI, and BSU.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base? **As noted above, funding for 3.5 FTE, as well as funding for graduate assistantships.**
2. What resources are necessary to implement this request?
 - a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. **See above.**
 - b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted. **None.**
 - c. List any additional operating funds and capital items needed. **NA.**
3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc. **This request is for ongoing and one-time appropriated funding, as articulated above.**

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4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted? **See above.**
5. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first. **This is a new request for ongoing and one-time appropriated funding.**

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AGENCY: University of Idaho

Agency No.: 514
Function

FY 2012 Request

FUNCTION: General Education

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ACTIVITY:

Activity No.:

Original Submission X
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A: Decision Unit No: 12.03		Title: CEC increase for faculty and staff			Priority Ranking 3 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	2,333,800				2,333,800
2. Benefits	548,500				548,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	2,882,300				2,882,300
OPERATING EXPENDITURES by summary object:					
1. Uniform					
2. Training Materials					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	2,882,300				2,882,300

How connected to institution/agency and Board strategic plans:

Goal 1 Objective 1: To facilitate the recruitment and retention of a diverse and highly qualified workforce of teachers, faculty and staff; continue the development of career advancement, professional development; and a compensation system that recognizes and rewards knowledge, skills and productivity.

Description:

The University of Idaho is a major economic engine for the state of Idaho and its faculty and staff generate more than \$930 million in annual economic impact statewide, through their activities of research, outreach and instruction. Our ability to generate that impact is critically dependent on the quality of faculty and staff we are able to recruit and retain. Entering the third year (FY11) without any salary raises and on the tail end of a FY10 temporary salary reduction (furlough), the ability to attract or maintain key staff is being challenged.

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FY12 becomes a critical year in terms of being able to maintain the economic momentum of our efforts or see those efforts toward statewide economic recovery stalled or seriously set back. Nationally, the trend is clearly for reduced levels of salary raise in FY10, but neither the national nor the peer trend shows multi-years of no salary increases. Enterprising institutions nationwide are seeing the current economic environment as the time to make key investments in hiring the best and the brightest away from other institutions. A commitment to a salary raise in FY12 will help forestall those sorts of raids on our best individuals – the very individuals having the most significant impact on the Idaho economy.

The University of Idaho is requesting a CEC increase for FY 2012 in the amount of 3% of the FY 2010 General Education salary budget of \$77,791,897. According to the National Center for Institutional Data Statistics, faculty salary averages for FY 2008, the most recent year published, the University of Idaho in comparison with its seventeen peer institutions is:

Faculty Rank	University of Idaho	Peer Median	Peer High
Assistant Professor	\$57,569	\$63,675	\$73,082
Associate Professor	\$67,437	\$71,865	\$82,776
Professor	\$86,525	\$100,514	\$117,302

In terms of ranking, the University of Idaho ranked 16th, 15th, and 15th for associate professors, professors, and assistant professors respectively out of a peer group of 17 institutions. Salary enhancements of 3% would enable the University of Idaho to be more competitive when attracting faculty and staff thereby improving the instruction, research, and public service functions of the institutions.

Questions:

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

A base salary increase of 3% - in order to maintain the high quality faculty and staff currently in place at the University and to provide evidence of a fiscally viable environment as we try to recruit the best and brightest to join us here at the University of Idaho

2. What resources are necessary to implement this request?

Permanent funds from the state appropriation.

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

This request impacts all employees at the University of Idaho. The University is falling further and further behind peer institutions in the salary of its faculty and staff and it is becoming increasingly difficult to attract outstanding candidates to fill available positions. If the request is not funded, our retention and recruitment efforts will become more difficult and our ability to fulfill our role in energizing the Idaho economy will be reduced.

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4. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first. This was requested for FY 2011.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: University of Idaho

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ACTIVITY:

Activity No.:

Original Submission X
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Inflationary Increase on Key					
A: Decision Unit No: 12.04	Title: Collections			Priority Ranking 4 of 7	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1. Library Inflation	350,000				350,000
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	350,000				350,000

Supports institution/agency and Board strategic plans:

Goal 1 Objective 1 To facilitate the recruitment and retention of a diverse and highly qualified workforce of teachers, faculty, and staff, continue the development of a career advancement, professional development, and compensation system that recognizes and rewards knowledge, skills, and productivity.

A comprehensive and up-to-date Library is essential to attract and hold world class faculty, research staff and students, both graduate and undergraduate. Without critical and timely library resources, the quality of research and instruction will suffer and outstanding individuals will not have ready access to the information they need.

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Goal 1 Objective 3 Enhance the State's infrastructure and capacity for biomedical research through collaborative efforts between our three public universities and the Veterans Affairs Medical Center (VAMC) Biomedical Research Expansion Initiative.

Goal 2 Objective 8 Enhance opportunities for lifelong learning.

Goal 3 Objective 5 Improve the efficiency of postsecondary educational resources.

Description:

This line item request is to fund the inflationary costs increases of the electronic databases and periodical subscriptions in the University Library. After several years of review, during which the key corpus of materials was reduced to essential publications, the Library is unable to fund the growing inflationary cost increases on these materials. The collection is essential to the instruction and research functions of the University. The electronic databases and periodicals alone have a value of nearly \$3 million and provide access to researchers, faculty and students at our many centers throughout the state. Failure now to fully maintain the collection of key materials only means a greater expense later as the library tries to catch up with essential publications. The databases and periodicals include the most essential works in science, particularly the biomedical sciences; these are also among the most expensive materials to support and are particularly difficult to replace if we do not keep up the subscriptions services. The Library is also suspending the purchase of monographs. Monograph purchases can be handled with one-time funds, but the databases and electronic publications require base support on an on-going basis.

Questions:

1. What is being requested and why? How much funding by source is in the base?

The University Library is requesting base funds of \$350,000 to sustain the current level of electronic databases and publications after a process to pare that collection to the essentials. The base funding for all the materials in question totals nearly \$4 million.

2. What resources are necessary to implement this request?

Ongoing general funds

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

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

The entire University community is served by this request as it maintains needed research and instructional materials for a quality institution. Because much of the material is in electronic format, the request particularly serves the extended university community – centers in various parts of the state; researchers not on the main campus; distance education students accessing the materials from distant locations. If the request is not funded, the institution will lose key materials and may have to further reduce the number of services we are able to provide to faculty, researchers and students.

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5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Recent institutional base budget reductions have reached a point that they are impacting our ability to provide essential services. These Library needs cannot be met with one-time funds since they are the cumulative effect of inflationary increases in the on-going cost of these materials and there will be further inflationary cost increases in each of the coming years. Providing base funding for FY12 will enable the University to find solid financial footing and position itself to cover subsequent increased costs for these materials.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: University of Idaho

Agency No.: 514

FY 2012 Request

FUNCTION: General Education

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ACTIVITY:

Activity No.:

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Research Compliance & Safety					
A: Decision Unit No: 12.05	Title: Support		Priority Ranking 5 of 7		
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	6.00				6.00
PERSONNEL COSTS:					
1. Salaries	304,100				304,100
2. Benefits	122,100				122,100
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	426,200				426,200
OPERATING EXPENDITURES by summary object:					
1. Support Materials & Maintenance	18,000				18,000
2. Office Operations	18,000				18,000
3. Travel	8,000				8,000
4. Software Modules (2)	30,000				30,000
5. Training Service & Materials	52,000				52,000
6. Hazardous & Radioactive Material Disposal	34,000				34,000
TOTAL OPERATING EXPENDITURES:	160,000				160,000
CAPITAL OUTLAY by summary object:					
1. Vehicle	25,000				25,000
2.					
3.					
TOTAL CAPITAL OUTLAY:	25,000				25,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	611,200				611,200

How connected to institution/agency and Board strategic plans:

Board Goal I, 7: Support and enhance the state's infrastructure and capacity for advanced energy studies through collaborative efforts between our three public universities and the INL at the CAES.

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Board Goal 1, 8: Foster an academic environment that encourages and enables cooperative (public/private partnerships) efforts to engage in relevant research.

UI Goal 2, A 6: Establish, renew, remodel, and reallocate facilities that encourage collaborative interdisciplinary inquiry and provide access to information resources and innovative technologies.

UI Goal 2, B 4: Allocate physical and financial resources for operation, maintenance, safety, and security of technical infrastructure facilities.

UI Goal 4, A 2: Ensure that the University is a safe work and educational environment for its employees and students through proper training and monitoring.

UI Goal 4, B 3: Employ best practices and distribute authority-responsibility-accountability to efficiently and effectively manage the people, programs, and places of the University.

This request will provide the needed increases to compliance and safety services in support of the research mission at UI. These programs are critical to UI's research mission.

Federal regulations govern our use of animals, human subjects and biohazard materials we use in the course of achieving our teaching and research goals. The regulations are stringent and the penalties for non-compliance significant. In 2007, there was an audit finding that required we hire a compliance officer to monitor these activities. Additionally, a benchmark analysis of Research Compliance Office staff size in July of 2006 with comparable Universities indicates a significant gap between staff size at UI and other Universities (see attached analysis). A compliance officer has been hired using internal temporary funds with the understanding that a permanently funded, compliance unit was necessary. The compliance unit is responsible for developing policies to insure adherence to the plethora of compliance regulations we as an institution are bound by. The impact of not funding this activity could be unsafe practices resulting in injury or damage to employees, students or facilities; fines and penalties as well as loss of federal grant funding.

A strong compliance and safety function will serve UI research by establishing clear compliance and safety policies, procedures and processes, train faculty, staff, and students, and monitor efforts. To this end, UI is requesting permanent funding for the Research Compliance Unit, Sponsored Project Trainer, and Lab Safety programs.

Performance Measures: Reduction in deficiencies or violations noted by federal agency inspections involving animals, human subjects, and biohazard materials. Reduction in DEQ and DBS violations involving hazardous materials. Maintenance of Nuclear Regulatory Commission (NRC) license for radioactive materials use. Reduction and severity of injuries involving labs, hazardous or radioactive materials. Time to analyze and correct lead, asbestos, and mold issues associated with University facilities.

Description:

UI is a Carnegie Research University (high research activity) and is part of Idaho's infrastructure and capacity for advanced energy studies. The ability to provide adequate compliance, safety support services, training, monitoring, and enforcement is critical to UI's research success. This request will add four positions to UI's Research Office and two positions to UI's Environmental

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Health and Safety office in support of academic, research, and facility maintenance needs. The needed training support program service and materials will improve availability and timeliness of training provided to UI's staff and faculty while minimizing risk and costs. The critical need to safely remove, store, and dispose of hazardous and radioactive wastes is also addressed in this request. Disposal costs continue to rise along with the amount and number of hazardous substances used on the various UI locations.

This request will specifically provide for:

Research Compliance Unit

- Chief Compliance Officer, NFE3, Full-time benefit eligible, salary \$87,000 benefits \$28,885. This position was filled November 2008, funded through temporary reallocations and is anticipated to continue for the foreseeable future.
- Compliance Auditor, NFE2, Full-time benefit eligible, salary \$50,000, benefits \$20,190. This is a new hire, and upon approval would start recruitment to target a hire date in line with availability of funding. This position would provide federally mandated post approval monitoring of compliance activity.
- Administrative Assistant 2, Pay grade G, Full-time, benefit eligible, salary \$32,072, benefits \$15,977. We have an immediate need to temporarily redirect funds for administrative support to the current compliance officer and oversight committees. To that end are prepared to temporarily reassign other centrally allocated URO administrative support funds to hire an AA2 effective July 2010. However, a permanent salary is being requested from the State to support the work of this unit. The borrowed funds would otherwise support an equally important support staff for the Office of Sponsored Programs.
- Administrative Supplements, in the amount of \$20,000 plus benefits at \$4,700 are requested to support faculty administrative supplements while serving as compliance committee chairs. Rate will vary by appointment, estimated at \$7,000 - 10,000 per chair per year.
- Operating Funds, in the amount of \$50,000 per year are requested to fund basic unit operations, necessary travel, and purchase access to two database modules for tracking and recording the protocols associated with animal care and use and human subjects protection.

Sponsored Project Trainer

- Trainer, NFE2, Full-time benefit eligible, salary \$50,000, benefits \$20,190. This is a new hire, and upon approval would start recruitment to target a hire date in line with availability of funding. This position will develop on-line and face-to-face training modules as well as deliver training and provide information delivery training to content experts.
- Operating Funds, in the amount of \$13,000 per year are requested to fund basic operations, material development costs and limited statewide travel for delivery of specialized courses when most appropriate and for required monitoring and facility reviews.

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Laboratory Safety Program

- Lab Safety Technician, Full-time, benefit eligible, salary \$32,510, benefits \$16,080, training & support \$3,000 annually.
- Hazardous Waste Technician, Full-time, benefit eligible, salary \$32,510, benefits \$16,080, training & support \$3,000 annually.
- On-line safety training service \$42,000 annually.
- Emergency spill response equipment maintenance and certifications \$5,000 annually.
- Mold, lead, & asbestos abatement training & certifications \$10,000 annually.
- Hazardous & radioactive waste disposal \$34,000 annually.
- Vehicle to pick-up wastes for storage and disposal \$25,000 one time.

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Compliance Office Staff Benchmark FTE Data for IRB/IACUC/IBC Oversight				
University	R&D Expenditures FY 2008	Ranking by R&D Expenditures FY 2008	Compliance Office Staff FTE's (2006)	*Compliance Office Staff FTE's (2010)
University of Idaho	81,532,000	142	1.5	2.37
Kansas State University	137,543,000	115	3.0	5.0
Mississippi State University	210,951,000	83	12.0	11.0
Oklahoma State University	121,226,000	119	6.0	9.0
Auburn University	146,984,000	109	4.0	9.0

***Univ. of Idaho:** 1.0 FTE ORA Manager
0.1 FTE BSO (not part of ORA – located in EH&S)
0.25 FTE Export Control
0.9 FTE Campus Veterinarian (0.1 IT)
0.37 IH Administrative Assistance
TOTAL: 2.62 FTE -0.25 Export Control= 2.37 comparable to peers
• (No COI. Includes Export Control and RCR)

KSU: 1.0 VP for Research Compliance & Campus Veterinarian
1.0 Sr. Admin Specialist
1.0 Research Compliance Auditor
1.0 Research Compliance Officer
1.0 Biosafety Officer
TOTAL: 5.0 FTE (No Export Controls or COI. Includes RCR)
• Export Controls in Pre-award services
• COI in Office of Academic Personnel

MSU: 1.0 Director of Office of Regulatory Compliance & Safety
1.0 Receptionist
1.0 Biosafety Officer & Assistant Director
1.0 IRB Compliance Administrator
1.0 IACUC Compliance Administrator
1.0 IRB Officer and Assistant Director
1.0 Compliance Coordinator
4.0 DVM's Office of Lab Animal Resources
TOTAL: 11.0 FTE (No Export Control, COI or RCR)
• Export Controls in Sponsored Programs
• COI in Sponsored Programs
• RCR in Office of Research and Economic Development

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OSU: 1.0 Assistant VP for Research Compliance
1.0 IACUC Manager
1.0 IRB Manager
1.0 IRB Coordinator
1.0 Biological Safety Officer
1.0 Assistant Biological Safety Officer
1.0 Administrative Assistant
1.0 IT specialist (Systems Administrator)
1.0 Attending DVM

TOTAL: **9.0 FTE (No Export Control or COI. Includes RCR)**

- **Export Control in the Office of University Research Services**
- **COI in Sponsored Research Department**

Auburn University: 1.0 Compliance Director
1.0 IACUC/IRB Compliance Specialist
1.0 IACUC/IRB Compliance Coordinator
1.0 Biosafety Officer
1.0 IBC Administrator
1.0 IACUC Administrator
1.0 Director of the Office of Animal Resources (Attending Veterinarian)
1.0 Associate Director of the Office of Animal Resources
1.0 Director of Laboratory Animal Health

TOTAL: **9.0 FTE (No Export Control, COI or RCR)**

- **Export Control in Office of Research Security and includes 1.0 FTE Export Control Officer**
- **COI handled in VP of Research office**
- **RCR training in OSP**

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AGENCY: University of Idaho

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ACTIVITY:

Activity No.:

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A: Decision Unit No: 12.06		Title: Sustainability Initiatives			Priority Ranking 6 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	8				8
PERSONNEL COSTS:					
1. Salaries	434,500				434,500
2. Benefits	116,000				116,000
3. Group Position Funding	60,000				60,000
TOTAL PERSONNEL COSTS:	610,500				610,500
OPERATING EXPENDITURES by summary object:					
Operating	164,000				164,000
Travel	14,500				14,500
Seed Money for Initiatives	30,000				30,000
TOTAL OPERATING EXPENDITURES:	208,500				208,500
CAPITAL OUTLAY by summary object:					
<\$5k	1,000				1,000
TOTAL CAPITAL OUTLAY:	1,000				1,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	820,000				820,000

Supports institution/agency and Board strategic plans:

Goal 1 Objective 6 Support and enhance the state's infrastructure and capacity for collaborative research efforts within and among Idaho public universities and colleges and between those institutions and various state, federal, NGO, and private entities.

Goal 2 Objective 5 Increase student access to programs that produce graduates qualified to enter high-demand careers, as defined by the Department of Labor. This may include relevant medical education programs (nursing, physician assistant, health technicians, and physicians).

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Goal 2 Objective 7 Strengthen partnerships between K-12 organizations and postsecondary institutions to enhance students' abilities to participate in postsecondary educational opportunities.

Goal 3 Objective 3 Improve the postsecondary program completion rate.

Goal 3 Objective 5 Improve the efficiency of postsecondary educational resources.

University of Idaho Strategic Plan Goals and Strategies: 1.4, 1.5, 1.7, 2.2, 2.3, 2.7, 3.5, 3.7, 4.7, 5.A.3, 5.A.4, 5.A.5, 5.A.8, 5.B.6

Description:

Four years ago the University of Idaho made a strategic decision to provide five years of seed funds for five key initiatives that had the potential to make a substantial positive impact on the institutions educational and research capabilities. Two of those initiatives were: "Building Sustainable Communities" and "Sustainable Idaho". Each of these initiatives had both an internal and external focus – internal to provide key experiential learning opportunities to graduate and undergraduate students; mobilize faculty around a significant interdisciplinary effort; and find key institutional efficiencies and savings. The External focus was to reach out to communities throughout the state to bring institutional skill, expertise and time to enable those communities to address critical issues in a recession economy and to position themselves for a sustainable future. Both of these initiatives have been very successful – in attracting external research grants for the university and external funding and grants for the communities they were serving; in providing outstanding experiential learning opportunities for University of Idaho students in addressing very real community issues across the state; in collaborating with community K-12 schools to provide learning opportunities for local school students; by providing key learning opportunities to many students which will position them well to pursue careers in the growing "green" professional service industries; by providing students with the opportunity for a level of personal engagement and satisfaction that will motivate them to finish their undergraduate or graduate degree; by demonstrating to faculty the power of interdisciplinary work and by developing the administrative structures and experience that will lead to other successful interdisciplinary efforts at the University. The programs also provided an outstanding service to the communities with whom they worked – bringing in grants and contracts to support the communities efforts at creating a viable community future; by helping the communities to understand key environmental variables that underlie the communities economic, social and educational needs in both the short and long term; and by providing training to key community leadership to plan and manage community resources for sustainable futures. On campus, the programs have started and sustained institutional efforts for a "greener" campus.

The programs have proved themselves over the ensuing 4 years, but the seed funding will end at the close of FY2011. The programs have the potential to provide for significant economic impact throughout the state and are the very sort of programs the state needs in order to position many communities to face the current economic challenges and to prepare themselves for a more viable economic and social future. As is evident from the number of internal strategic plan goals addressed by these programs, these initiatives are positioned at the very core of the Universities efforts to infuse the educational program with experiential learning opportunities and to create powerful interdisciplinary research, education and outreach activities that can bring many University resources to bear on key state issues.

One component of these two initiatives recently garnered national attention. The University partnership with the Coeur d'Alene Tribe and Communities won the Outreach Scholarship/W.K.

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Kellogg Foundation Engagement Award for the western U.S. region. It is one of five national finalists for the C. Peter Magrath University/Community Engagement Award

The programs need base funding in order to sustain their momentum and build on the success they have established over the past four years. Funding for these programs would be a key investment in both education and research activity statewide and would have a noticeable economic impact throughout the state as communities prepare themselves for the new economic future.

Questions:

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

The University is requesting base funding for these programs in the amount of \$820,000 to enable the programs to continue after the “seed” funding expires. Existing staffing has been consistent with start up efforts – primarily individuals devoting part time to the initiatives; much of the remainder of current staffing has been in the form of student employment – as graduate assistants or undergraduate employment. Moving the programs from incubator status to full blown efforts requires permanent staffing levels with full time individuals able to move the programs forward. There is not current base funding source for these programs and, in light of recent budget reductions, it will be very difficult to marshal base resources to fund these programs in an effective manner.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

The waste minimalization program will require:

Recycling and Materials Manager - \$50,000 per year salary and benefits

Compost Manager - \$50,000 per year salary and benefits

Outreach and engagement Coordinator - \$50,000 per year salary and benefits

Student Ambassadors – 3 at \$5,000 per position

The Sustainable Food Systems Program, which seeks to substantially increase the use of locally grown food in meeting the Universities food service needs, will require:

Food Systems Program Manager - \$50,000 per year salary and benefits

Soil Stewards Organic Farm Manager - \$50,000 per year salary and benefits

Student Soil Stewards – 2 at \$5,000 each

The Sustainability Center Operations will require:

Director – \$83,000 per year salary and benefits

Communications Manager - \$50,000 per year salary and benefits

Finance Coordinator - \$45,000 per year salary and benefits

Operating Budget of \$42,000 per year, including \$30,000 per year in seed funds to start the next set of sustainability initiatives.

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The program in "Building Sustainable Communities" requires total base funding of \$320,000 per year. This will fund fractional parts of many different faculty salaries as they engage in or move through the many projects conducted by this program. The base funding will also support graduate assistant salaries, in varying numbers, as the various projects call for or need that form of assistance. The program will also contract for grant writing assistance in support of community grant proposals and will need funds for travel as these programs take place throughout the state. Each of the expenditure categories will vary from year to year as the nature and location of the community assistance changes.

- b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted. No redirection will take place.
 - c. List any additional operating funds and capital items needed.
3. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The request serves graduate and undergraduate educational opportunities; funded research activity; interdisciplinary outreach activities and many local communities. The funding would provide a financially sustainable future for a proven, award winning initiative that meets all three of the institutions roles in education, research and outreach.

If the request is not funded, the institutional funding will run out at the end of 2011 and key momentum will be lost in what has proven itself to be a viable and important initiative.

4. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

It is only now that these initiatives have reached a point of both programmatic success and the end of start-up funding. They were not ready for a base funding decision in the prior fiscal year.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: University of Idaho

Agency No.: 514

FY 2012 Request

FUNCTION: General Education

Function

of 2

No.:

Page 1 Pages

ACTIVITY:

Activity No.:

Original Submission X
or Revision No. ____

A: Decision Unit No: 12.07		Title: Biomedical Research			Priority Ranking 7 of 7
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2.30				2.30
PERSONNEL COSTS:					
1. Salaries	205,000				205,000
2. Benefits	72,000				72,000
3. Group Position Funding	120,000				120,000
TOTAL PERSONNEL COSTS:	397,000				397,000
OPERATING EXPENDITURES by summary object:					
1. Travel	3,000				3,000
2. Supplies	20,000				20,000
TOTAL OPERATING EXPENDITURES:	23,000				23,000
CAPITAL OUTLAY by summary object:					
1. Startup/lab equipment (one-time)	250,000				250,000
TOTAL CAPITAL OUTLAY:	250,000				250,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	670,000				670,000

How connected to institution/agency and Board strategic plans:

UI Goals – Scholarly and Creative Activity, and Outreach and Engagement

SBOE Goal – Goal 1, Quality; Objective 4 Enhance the State's infrastructure and capacity for biomedical research through collaborative efforts between our three public universities and the Veterans Affairs Medical Center (VAMC) Biomedical Research Expansion Initiative.

Description:

This request is for two faculty positions, startup funds, graduate stipends, and a portion of a grant writer to support the SBOE strategic plan to enhance biomedical research in Idaho. The goal of this plan is to increase graduate education in biomedical fields in Idaho and to establish

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a critical mass of innovative, productive biomedical investigators at the Veterans Affairs Medical Center in Boise. This is a collaborative effort with Veteran's Affairs, ISU, and BSU.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base? **As noted above.**
2. What resources are necessary to implement this request?
 - a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. **As noted above.**
 - b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted. **NA**
 - c. List any additional operating funds and capital items needed. **None.**
3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc. **NA**
4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted? **As noted above.**

If this is a high priority item, list reason non-appropriated Line Items from FY 2009 budget request are not prioritized first.

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AGENCY: Lewis-Clark State College

Agency No.: 511

FY 2012 Request

FUNCTION:

Function

ACTIVITY: PACE Program

No.:

Page 1 of 3 Pages

Enhancements

Activity No.:

Original Submission X

or Revision No. ____

A: Decision Unit No: 12.02		Title: PACE Program Enhancements			Priority Ranking 2 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	6.00				6.00
PERSONNEL COSTS:					
1. Salaries	349,000				349,000
2. Benefits	127,500				127,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	476,500				476,500
OPERATING EXPENDITURES by summary object:					
1. Instructional Materials	12,000				12,000
2. Supplies	20,500				20,500
3. Program Expense	11,000				11,000
TOTAL OPERATING EXPENDITURES:	43,500				43,500
CAPITAL OUTLAY by summary object:					
1. Computers/Office Setup	30,000				30,000
2. Instructional Computers/Technology	35,000				35,000
TOTAL CAPITAL OUTLAY:	65,000				65,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	585,000				585,000

How connected to institution/agency and Board strategic plans:

Idaho State Board of Education Strategic Plan 2010-2014

Idaho State Board of Education Mission and Goal Statement for Lewis-Clark State College

Description:

Strategic Plan 2010-2014

- Goal: Quality – Set policy and advocate for continuous improvement of the quality of Idaho's educational system.

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- Objective 2. Increase the availability of highly qualified teachers, especially in high need areas.
- Goal: Access - Set policy and advocate for improving access for individuals of all ages, abilities, and economic means to Idaho's educational system.

Mission and Goal Statement for Lewis-Clark State College

- In accordance with its role and mission statement approved by the State Board of Education, LCSC's primary emphasis areas are business, criminal justice, nursing, social work, teacher preparation, and professional-technical education.
- The State Board directs LCSC to maintain basic strengths in the liberal arts and sciences, which provide the core (general education) portion of the curriculum.
- Other assigned emphasis areas are the provision of select programs offered on and off campus, at non-traditional times, using non-traditional means of delivery, to serve a diverse student body.

The Pathways to Alternate Certification and Endorsement (PACE) Programs address all three goals by allowing individuals that are place-bound in rural and remote areas throughout Idaho to earn teacher certification through distance learning technologies.

The Natural Sciences Division provides required courses for the Bachelor of Science in Nursing, the Associate of Science in Radiologic Technology, and the Bachelor of Science in Medical Diagnostic Imaging degrees.

Questions:

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

Funding is requested to support personnel, OE and CO needs for expanding the Elementary and Secondary PACE programs and required course offering by the Division of Natural Sciences and Mathematics. PACE is a nationally recognized, unique, alternative certification program that meets the needs of individuals and school districts throughout the state, particularly as districts struggle to meet the requirements for highly qualified teachers as specified in the No Child Left Behind legislation.

This proposal serves the pre-Nursing, pre-Radiographic Technician and pre-Dental Hygiene programs at Lewis-Clark State College. These programs are currently experiencing rapid growth with the infusion of new resources and the new Nursing & Health Science facility. These positions will allow us to accommodate the increased enrollments in these programs by offering needed capacity in critical allied health courses including: Anatomy (BIOL 252), Physiology (BIOL 253), Microbiology (BIOL 250), General/Organic/Biochemistry for Health Sciences (CHEM 105), Nursing Genetics (ID 307) and Pathophysiology (BIOL 312).

The Assistant Professor of Biology position represents much needed new capacity for programs both in the Health Sciences and in Natural Science. The Associate Professor of Biology has been funded on the NIH-INBRE grant for the past four years and the incumbent faculty member currently delivers key pre-nursing courses as well as online General

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

Education Core laboratory science which serves rural students located at distant sites. This grant funding expires in April 30, 2009 and retention of this position is necessary.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

Assistant Professors (4): \$45,000 + fringe & health insurance; full-time 9 month; anticipated hire August 2011; teach 24 credit hours per year of critical courses, advising, scholarship & service, other duties as assigned by Division Chair.

Association Professors (1): \$48,000 + fringe & health insurance; full-time 9 month; anticipated hire August 2011; teach 24 credit hours per year of critical courses, advising, scholarship & service, other duties as assigned by Division Chair.

Instructional Technician (1): \$32,000 + fringe & health insurance; support students in a distance learning technology environment

Adjunct Faculty: \$89,000 + fringe & no health insurance benefits; to teach summer credits as needed for the PACE Teacher Education Programs

- b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted. None
- c. List any additional operating funds and capital items needed.

Operating funds: instructional materials, supplies, direct program expenses

Capital: computers and office setup; instructional computers

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

On-going general funds except for capital items

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

The PACE Programs currently serve 177 candidates, 85 in elementary education, 89 in secondary education, and 3 in Special Education in rural and remote districts throughout the state. If this request is not funded, we will not be able to expand the programs which will limit access.

The Biology positions will allow us to increase by 75 the number of pre-Nursing and other allied health students served. If this request is not funded, we will not be able to expand the course offerings in support of Nursing and other allied health programs.

5. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first.

NA -This request was included in FY2010 and FY2011 budget requests

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BUSINESS AFFAIRS AND HUMAN RESOURCES
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AGENCY: Lewis-Clark State College

Agency No.: 511

FY 2012 Request

FUNCTION:

Function

ACTIVITY: Pi'amkinwaas Student

No.:

Page 1 of 3 Pages

Ctr

Activity No.:

Original Submission X
 or Revision No. ____

A: Decision Unit No: 12.03		Title: Pi'amkinwaas Student Center			Priority Ranking 3 of 4
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2.00				2.0
PERSONNEL COSTS:					
1. Salaries	74,600				74,600
2. Benefits	33,000				33,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	107,600				107,600
OPERATING EXPENDITURES by summary object:					
1. Supplies	5,000				5,000
TOTAL OPERATING EXPENDITURES:	5,000				5,000
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	112,600				112,600

Supports institution/agency and Board strategic plans:

SBOE Accountability – Set policy and advocate for effective and efficient use of resources in delivery of Idaho's educational system.

SBOE Objective - Improve the postsecondary program completion rate.

- Performance Measure: Proportion of full-time, first-time students who complete their programs within 1½ times the normal program length.
- Benchmark: Number of first year students who complete their program is equivalent to the median of the institutions' peers.
- Performance Measure: Proportion of full-time, first-time students are retained to the following fall semester.

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- Benchmark: Proportion who is retained is equivalent to the median of the institutions' peers.
- Performance Measure: The proportion of bachelor's degree recipients who do not exceed 125% of the credits required for the degree.
- Benchmark: The proportion of associate degree transfer students who go on to receive a bachelor's degree and who do not exceed 125% of the credits required for the degree will increase and will be comparable to peer institutions.

LCSC Goal II. Access: Support the Idaho State Board of Education's efforts to improve access for individuals of all ages, abilities, and economic means to Idaho's educational system.

Description:

The Pi'amkinwaas – American Indian Center for Educational Excellence – promotes a positive learning environment which provides student support services with consideration to the unique cultural and community values of American Indian people. The center is respectful and inclusive of student representatives of all nations. As part of its service delivery Pi'amkinwaas houses grant initiatives which support our Indian population. Two programs currently housed are American Indian Students in the Leadership of Education (AISLE), and American Indian Students in the Leadership of Education Teacher Project (ATP). Federal funding for the AISLE program has ended and we seek support to continue this successful program for Native American and other minority students.

Questions:

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

Funding is requested to support personnel, OE and CO needs for Pi'amkinwaas – American Indian Center for Educational Excellence. The center is physically located close to the LCSC campus and serves as a "gathering place" for Native American students to study, receive advising, and otherwise adjust to college life.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

Coordinator (1): \$43,000 + fringe & health insurance; full-time 12 months; anticipated hire July 1, 2011; provides overall leadership and administration of Pi'amkinwaas, advises students, secures external funding for program initiatives, serves as LCSC liaison to the Nez Perce and Coeur d'Alene Tribes, advises the LCSC administration of Native American student educational needs.

Administrative Assistant I (1): \$21,600 + fringe & health insurance; full-time 10 months; anticipated hire August 2011; to perform administrative duties for program.

Instructional Aids: \$10,000 + fringe & no health insurance; to provide tutoring support.

- b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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It is anticipated that the Coordinator of Pi'amkinwaas will report to the Office of Native American/Minority Student Services.

- c. List any additional operating funds and capital items needed.

Operating funds: instructional materials, supplies

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

On-going general funds

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

Native American and other minority students are the primary beneficiaries of this request. Lack of funding would eliminate the Center's current programs which support these students and their families (e.g. assisting students who are single parents) and the mentoring and tutoring services which have enabled students in the cohort to overcome cultural and personal challenges and obtain degrees in teaching, health professions, and other LCSC mission areas.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

N/A – Unapproved Line Items from prior year budget requests have been prioritized first.

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BUSINESS AFFAIRS AND HUMAN RESOURCES
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AGENCY: Lewis-Clark State College FUNCTION: ACTIVITY: Dental Hygiene	Agency No.: 511 FY 2012 Request Function No.: Activity No.: Page 1 of 3 Pages Original Submission <u> X </u> or Revision No. <u> </u>
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A: Decision Unit No: 12.04	Title: Dental Hygiene			Priority Ranking 4 of 4	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2				2
PERSONNEL COSTS:					
1. Salaries	77,600				77,600
2. Benefits	34,700				34,700
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	112,300				112,300
OPERATING EXPENDITURES by summary object:					
1. Instructional Materials	37,400				37,400
2. Supplies	3,000				3,000
3. Program Expenses	91,000				91,000
TOTAL OPERATING EXPENDITURES:	131,400				131,400
CAPITAL OUTLAY by summary object:					
1. Instructional Technology	10,000				10,000
TOTAL CAPITAL OUTLAY:	10,000				10,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	253,700				253,700

Supports institution/agency and Board strategic plans:
How connected to institution/agency and Board strategic plans:

Idaho State Board of Education Strategic Plan 2010-2014

Idaho State Board of Education Mission and Goal Statement for Lewis-Clark State College

Goal: Access – Set policy and advocate for improving access for individuals of all ages, abilities, and economic means to Idaho's educational system.

Objective 5. Increase student access to programs that produce graduates qualified to enter high-demand careers, as defined by the Department of Labor. This may include relevant medical education programs (nursing, physician assistant, health technicians, and physicians).

There are no dental hygiene programs in northern Idaho, creating an access issue for students living in Region 1 and 2. The nearest programs are Boise to the south (Apollo College – Private

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school), Pasco, Washington to the west (Columbia Basin College – Washington Public Community College) and Cheney, Washington to the north (Eastern Washington University – Washington Public University). Access to the two Washington institutions is limited due to the out of state status of the students.

Performance Measure: Number of graduates qualified to enter high-demand careers.

Benchmark: Number of qualified graduates increases year to year.

The program will admit a six (6) cohort each fall term and they will graduate two years later. Based on the competitive admission process, it is anticipate that the full cohort will graduate intact.

Due to accreditation limitations, the graduate count will not exceed six (6) students per year.

Description:

This request is to extend the partnership between Lewis-Clark State College (LCSC) and Lane Community College (Lane CC). This partnership was formed as the result of a community based job training grant received by Lane CC. The arrangement provides for distance delivery of all the dental hygiene didactic courses from the Lane CC campus, with all the clinic experience occurring at the LCSC site. The program is fully accredited by the Commission on Dental Accreditation and must continue to be so to allow the graduates to sit for the National Dental Hygiene Board exam.

Questions:

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

Funding is being requested to support personnel, operating expenses and capital outlay needs for the continuation of the 2-year Dental Hygiene program. This Lewiston-based, program was initiated through a federal grant to Lane CC in Eugene, Oregon. Funding though this grant will terminate in 2010 and LCSC seeks funds to continue the cooperative effort with Lane CC to provide needed dental hygienists for the Northern Idaho region.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

Assistant Professor (1): \$49,500 + fringe & health insurance, full-time 10 months; anticipated hire August 2011; teach 24 credit hours per year of critical courses, advising, scholarship & service, other duties as assigned by Division Chair.

Administrative Assistant I (1): \$28,100 + fringe & health insurance, full-time 12 months; anticipated hire August 2011; to perform administrative duties for program.

- b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

This is a new initiative for the college from a funding perspective. All prior efforts have been grant funded and if this request is approved, those resources will continue as noted in this request.

- c. List any additional operating funds and capital items needed.

BUSINESS AFFAIRS AND HUMAN RESOURCES

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Operating funds: instructional materials, supplies, direct program expenses, contract agreements with practicing dental hygienists and dentists in support of the instructional program.

Capital: instructional equipment

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

On-going general funds except for capital items

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

Cohorts of 6 students per year are enrolled in the dental hygiene program. Fall 2010 there will be 12 students enrolled in the program and the first graduating class of 5 will have completed their program in May 2010. If this request is not funded and other funds are not secured, the program will be terminated.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

N/A – Unapproved Line Items from prior year budget requests have been prioritized first. This is the first year this project has been requested.

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AGENCY: College of Southern Idaho

Agency No.:

FY 2012 Request

FUNCTION: Education

Function

No.:

Page 1 of 3 Pages

ACTIVITY:

Activity No.:

Original Submission X
or Revision No. ____

A: Decision Unit No: 12.02		Title: Nursing Positions			Priority Ranking 2 of 2
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	3.4				3.4
PERSONNEL COSTS:					
1. Salaries	126,200				126,200
2. Benefits	49,600				49,600
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	175,800				175,800
OPERATING EXPENDITURES by summary object:					
1. Supplies	0				
2. Materials	0				
TOTAL OPERATING EXPENDITURES:	0				
CAPITAL OUTLAY by summary object:					
1. Equipment	0				
TOTAL CAPITAL OUTLAY:	0				
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	175,800				175,800

How connected to institution/agency and Board strategic plans:

Board Goal Access - Goal 5

Increase student access to programs that produce graduates qualified to enter high-demand careers, as defined by the Department of Labor. This may include relevant medical education programs (nursing, physician assistant, health technicians, and physicians).

CSI Goal 1: Provide convenient, affordable and equitable access to our programs, services and resources.

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Description:

The FY 2010 appropriation included \$730,700 in federal stimulus funds to partially offset the 7% general fund base reduction and 5% cut in personnel costs. The fee increases approved by the College of Southern Idaho Board of Trustees for FY 2010 were estimated to make up the difference.

As a result of adjustments to the amount stimulus funds available for higher education for FY 2011, CSI will receive \$205,400. There are no stimulus funds anticipated for FY 2012.

The request for 3.4 full time equivalent nursing faculty salaries and benefits is to continue to maintain faculty that have been previously funded with grant and community donated funds. Through this proposal, these faculty members will move to the general fund base for funding. This will allow us to continue to operate our nursing program and provide the proper staffing for our new health science and human services building.

Questions:

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

The request is to provide funding for faculty members who have been funded through grants, donations or stimulus funds over the last four years. These positions are critical in maintaining the current level of nurses we graduate from CSI each year. Approximately 109 registered nurses graduate from our program each year.

There are currently 16.4 FTE of instructional staff in the nursing department funded in our general fund base.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

See table below.

- b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

These positions are currently integrated into our nursing department. We do not expect existing operations to be negatively impacted.

- c. List any additional operating funds and capital items needed.

No additional funding other than salaries is needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

We will continue to utilize grant funds to the maximum extent possible. These faculty were funded on grants and donated funds that have ended and we need to keep them in order to maintain our 109 registered nursing graduates each year.

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

The students and staff of the College of Southern Idaho are the primary beneficiaries of this request. Ultimately, the residents of the Magic Valley and the state will benefit from the health care providers educated in this facility.

If the request is not funded, we will be faced with the reallocation of resources or the loss of these individuals as faculty. At a time when nursing and health care providers are critically needed, it does not make good economic sense to reduce our program numbers.

5. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first.

This is our number two priority. This decision unit was requested but was not funded last year. We continue to have difficulties funding these positions through the CSI general fund, donated funds and grants. Based upon current commitments, donated funds are decreasing from approximately \$170,000 in FY 2010 to \$50,000 in FY 2011 and FY 2012. Additionally, other grant funding has ended.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

3566 - HSHS CBJT Grant Salaries Moved to General Fund In FY 10

	Salary	Benefits	Total	FTE
Nursing Instructor	14,000	1,400	15,400	0.40
Simulator Instructor	24,500	11,480	35,980	0.70

3874 - Donation Account - FY 11

	Salary	Benefits	Total	FTE
Various Part Time	10,000	2,200	12,200	0.25
Nursing Instructor	36,157	16,655	52,812	1.00
Nursing Instructor	41,500	17,830	59,330	1.00
Total	126,157	49,565	175,722	3.35

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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: North Idaho College

Agency No.: 120601

FY 2012 Request

FUNCTION: Community College

Function

No.:

Page 1 of 2 Pages

ACTIVITY: Strategic Initiatives

Activity No.:

Original Submission X
 or Revision No. ____

A: Decision Unit No: 12.01		Title: Capacity Needs			Priority Ranking 1 of 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2.00				2.0
PERSONNEL COSTS: (1) Director of Nursing (2) eLearning System Administrator					
1. Salaries	120,000				120,000
2. Benefits	50,000				50,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	175,000				175,000
OPERATING EXPENDITURES by summary object:					
1. Renovations/Remodeling	a) 7,500				
a) Communications classrooms	b) 78,200				
b) Update equipment and furniture in Boswell Hall	c) 75,000				
c) Social Science Division space expansion	0				
	All OE is One-Time				
TOTAL OPERATING EXPENDITURES:	160,700				160,700
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	335,700				335,700

Supports institution/agency and Board strategic plans:

Goal: Access, Objective 5 – Increase student access to programs that produce graduates qualified to enter high-demand careers

Performance Measure: Number of graduates qualified to enter high-demand careers

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

Goal: Access, Objective 4 – Improve the rate of high school graduates advancing to postsecondary education, including minority students

Performance Measure: Number of high school graduates and minority students advancing to postsecondary education

NIC Strategic Plan Goal: Improve and expand educational opportunities, programs and courses for the student population and community.

Description:

North Idaho College is requesting \$335,700 for personnel and facility remodeling to allow the college to serve more students. NIC has experienced unprecedented growth over the last two years and it anticipates a new record for enrollment in FY11. The college has been unable to expand programs or course offerings in part due to not having the personnel available to facilitate the increased student population or the space available to place the additional students.

NIC's first priority is to expand our offerings in the health professions area. Unfortunately, due to budget constraints the college has not been able to add staff to this area. Our request to add a Director of Nursing position is made to free up time of our current staff and allow them the time to develop much needed new health profession programs like physical therapist assistant or dental assistant programs. Our current staffing levels do not allow for thoughtful strategic planning for new programs as they are occupied with the demands of our existing programs. A new employee charged with directing our nursing programs will provide time for our Dean of Nursing and Health Professions to fully study and develop high-demand programs.

The college's second personnel request is for an eLearning System Administrator. NIC has greatly expanded its eLearning presence in the state and region. The eLearning System Administrator would assist with the implementation, management, and improvement of North Idaho College's learning management system and other eLearning applications, and manage general security, backup, reliability and automation aspects of the system. Our eLearning staff are experts at developing course improvement strategies, but they lack the expertise of a systems administrator. This new position would allow NIC to expand its eLearning offerings, assure security of our system, and innovation in our delivery processes.

Our operating expenditures requests involve renovating existing spaces to allow for instructional innovation and better utilization of space. The college's Communications department has established a comprehensive assessment technique, but lacks the necessary technology to deal with the increased enrollment. Their request would allow the college to equip rooms with appropriate technology for video and audio capture and streaming video capability, while expanding the number of seats available in the Speech classes.

Another academic division of the college experiencing tremendous growth is our Social Science Division. Their current quarters are limiting and inefficient. This request for remodeling funding will allow the division to better utilize the space they occupy and thereby better serve more students.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: Community Colleges
FUNCTION: College of Western
Idaho

Agency No.: 507
 Function
 No.: 01

FY 2012 Request
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ACTIVITY:

Activity No.:

A: Decision Unit No: 12.05		Title: Enrollment Growth			Priority Ranking 2
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	5.00				5.00
PERSONNEL COSTS:					
1. Salaries	\$ 200,000				\$ 200,000
2. Benefits	\$ 87,200				\$ 87,200
3. Group Position Funding	\$ 500,000				\$ 500,000
TOTAL PERSONNEL COSTS:	\$ 787,200				\$ 787,200
OPERATING EXPENDITURES by summary object:					
1. Operating Expenses	\$ 244,000				\$ 244,000
2.					
TOTAL OPERATING EXPENDITURES:	\$ 244,000				\$ 244,000
CAPITAL OUTLAY by summary object:					
1. Replacement Capital					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	\$ 1,031,200				\$1,031,200

How connected to institution/agency and Board strategic plans:

This request is connected to the CWI strategic plan's goals as follows:

Goal 2: CWI attracts and retains students through quality teaching, accessible and affordable programs and responsive approach.

Goal 4: CWI provides quality services to all learners to enhance community vitality, employability and personal achievement.

Goal 7: CWI keeps pace with future learning through state of the art environment and facilities.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

Having sufficient funding per academic FTE will allow CWI to achieve these several goals.

Description:

CWI assigned priority #1 to the Supplemental Request (DU 4.31), and #2 to this Line Item (DU 12.05), and #3 to DU 12.01, Occupancy Costs.

This FY 2012 Line Item is being submitted in conjunction with an FY 2011 Supplemental Appropriation request.

Both requests are designed to allow CWI to be funded at the same amount per academic full time equivalent (FTE) student as North Idaho College (NIC) and the College of Southern Idaho (CSI). This amount is approximately \$2,787, based upon the FY 2011 General Fund original appropriation to those institutions. This amount was calculated by the State Board of Education using current appropriation and FY 2010 full-time equivalent enrollment information provided by NIC & CSI.

Using this per-academic FTE amount, a FY 2011 state General Fund supplemental appropriation to CWI would support 1,511 student FTE. The projected CWI student FTE for 2011 is 2,464 FTE, for a funding gap of 953 FTE. Multiplying \$2,787 by 953 equals \$2,656,000 (rounded). Funding for this amount was requested in Decision Unit 4.31. CWI assumes a 15% growth rate in credit hours generated from FY 2010 to FY 2011.

The projected CWI student FTE for 2012 is 2,843, a gap of 370 (assuming the FY 2011 supplemental was funded). Multiplying \$2,787 by 370 equals \$1,031,200 (rounded), which is requested for FY 2012. If the FY 2011 supplemental appropriation is not fully-funded, unfunded amount would need to be added to the FY 2012 request if funding parity were to be possible.

CWI assumes a 15% growth rate in credit hours generated from FY 2011 to FY 2012.

This request is not part of the FY 2012 Enrollment Workload Adjustment (EWA) request because CWI does not yet have the 3-year rolling average enrollment history needed for the actual EWA calculation.

Questions:

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

CWI requests additional support for enrollment growth in FY 2011.

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

- b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
- c. List any additional operating funds and capital items needed.

If this request was approved, CWI would first consider hiring instructional faculty. The ratio of full- to part-time (adjunct) would be determined based upon the amount appropriated. Remaining funds would be used for Operating Expenses at the college, primarily infrastructure (utilities, information technology) related, as determined by enrollment circumstances.

- 3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

Ongoing general funds are being requested.

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

Existing and new students will be served with this request. Not funding this request will cause difficulties in meeting community expectations for an open access community college, particularly in light of the tremendous sustained enrollment growth being experienced by CWI.

- 5. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first.

This item was requested in the FY 2011 budget request as an FY 2010 Supplemental with FY 2011 Line Item, and was recommended by the Governor, but was not funded.

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BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: Ag Research and Extension
FUNCTION: Ag Research & Extension

Agency No.: 504
 Function
 No.: 02

FY 2012 Request

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ACTIVITY:

Activity No.:

CEC Increase for Faculty and Staff					
A: Decision Unit No: 12.01	Title: Staff			Priority Ranking 1 of 1	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	626,200				626,200
2. Benefits	147,200				147,200
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	773,400				773,400
OPERATING EXPENDITURES by summary object:					
1.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	773,400				773,400

How connected to institution/agency and Board strategic plans

Goal 1 Objective 1: To facilitate the recruitment and retention of a diverse and highly qualified workforce of teachers, faculty and staff; continue the development of career advancement, professional development; and a compensation system that recognizes and rewards knowledge, skills and productivity.

Description:

The University of Idaho is a major economic engine for the state of Idaho and its faculty and staff generates more than \$930 million in annual economic impact statewide, through their activities of research, outreach and instruction. Our ability to generate that impact is critically dependent on the quality of faculty and staff we are able to recruit and retain. Entering the third year (FY11) without any salary raises and on the tail end of a FY10 temporary salary reduction (furlough), the ability to attract or maintain key staff is being challenged.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

FY12 becomes a critical year in terms of being able to maintain the economic momentum of our efforts or see those efforts toward statewide economic recovery stalled or seriously set back. Nationally, the trend is clearly for reduced levels of salary raise in FY10, but neither the national nor the peer trend shows multi-years of no salary increases. Enterprising institutions nationwide are seeing the current economic environment as the time to make key investments in hiring the best and the brightest away from other institutions. A commitment to a salary raise in FY12 will help forestall those sorts of raids on our best individuals – the very individuals having the most significant impact on the Idaho economy.

The University of Idaho is requesting a CEC increase for FY 2012 in the amount of 3% of the FY 2010 General Education salary budget of \$77,791,897. According to the National Center for Institutional Data Statistics, faculty salary averages for FY 2008, the most recent year published, the University of Idaho in comparison with its seventeen peer institutions is:

Faculty Rank	University of Idaho	Peer Median	Peer High
Assistant Professor	\$57,569	\$63,675	\$73,082
Associate Professor	\$67,437	\$71,865	\$82,776
Professor	\$86,525	\$100,514	\$117,302

In terms of ranking, the University of Idaho ranked 16th, 15th, and 15th for associate professors, professors, and assistant professors respectively out of a peer group of 17 institutions. Salary enhancements of 3% would enable the University of Idaho to be more competitive when attracting faculty and staff thereby improving the instruction, research, and public service functions of the institutions.

Questions:

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

A base salary increase of 3% - in order to maintain the high quality faculty and staff currently in place at the University and to provide evidence of a fiscally viable environment as we try to recruit the best and brightest to join us here at the University of Idaho

2. What resources are necessary to implement this request?

Ongoing funds from the state appropriation.

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

This request impacts all employees at the University of Idaho. The University is falling further and further behind peer institutions in the salary of its faculty and staff and it is becoming increasingly difficult to attract outstanding candidates to fill available positions. If the request is not funded, our retention and recruitment efforts will become more difficult and our ability to fulfill our role in energizing the Idaho economy will be reduced.

4. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first. This was requested for FY 2011.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: Health Education Programs
FUNCTION: Wa-Id Veterinary
 Medicine

Agency No.: 515
 Function
 No.: 01

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ACTIVITY:

Activity No.:

CEC Increase for Faculty and Staff					
A: Decision Unit No: 12.01	Title: Staff			Priority Ranking 1 of 1	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	11,500				11,500
2. Benefits	2,700				2,700
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	14,200				14,200
OPERATING EXPENDITURES by summary object:					
1.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	14,200				14,200

How connected to institution/agency and Board strategic plans

Goal 1 Objective 1: To facilitate the recruitment and retention of a diverse and highly qualified workforce of teachers, faculty and staff; continue the development of career advancement, professional development; and a compensation system that recognizes and rewards knowledge, skills and productivity.

Description:

The University of Idaho is a major economic engine for the state of Idaho and its faculty and staff generate more than \$930 million in annual economic impact statewide, through their activities of research, outreach and instruction. Our ability to generate that impact is critically dependent on the quality of faculty and staff we are able to recruit and retain. Entering the third year (FY11) without any salary raises and on the tail end of a FY10 temporary salary reduction (furlough), the ability to attract or maintain key staff is being challenged.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

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The University of Idaho is requesting a CEC increase for FY 2012 in the amount of 3% of the FY 2010 General Education salary budget of \$77,791,897. According to the National Center for Institutional Data Statistics, faculty salary averages for FY 2008, the most recent year published, the University of Idaho in comparison with its seventeen peer institutions is:

Faculty Rank	University of Idaho	Peer Median	Peer High
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Professor	\$86,525	\$100,514	\$117,302

In terms of ranking, the University of Idaho ranked 16th, 15th, and 15th for associate professors, professors, and assistant professors respectively out of a peer group of 17 institutions. Salary enhancements of 3% would enable the University of Idaho to be more competitive when attracting faculty and staff thereby improving the instruction, research, and public service functions of the institutions.

Questions:

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

A base salary increase of 3% - in order to maintain the high quality faculty and staff currently in place at the University and to provide evidence of a fiscally viable environment as we try to recruit the best and brightest to join us here at the University of Idaho

2. What resources are necessary to implement this request?

Permanent funds from the state appropriation.

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

This request impacts all employees at the University of Idaho. The University is falling further and further behind peer institutions in the salary of its faculty and staff and it is becoming increasingly difficult to attract outstanding candidates to fill available positions. If the request is not funded, our retention and recruitment efforts will become more difficult and our ability to fulfill our role in energizing the Idaho economy will be reduced.

4. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first. This was requested for FY 2011.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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AGENCY: Health Education Programs
FUNCTION: WWAMI Medical
Education

Agency No.: 515
 Function
 No.: 02

FY 2012 Request

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ACTIVITY:

Activity No.:

A: Decision Unit No: 12.01		Title: CEC increase for faculty and staff			Priority Ranking 1 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	15,300				15,300
2. Benefits	3,600				3,600
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	18,900				18,900
OPERATING EXPENDITURES by summary object:					
1. Uniform					
2. Training Materials					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	18,900				18,900

How connected to institution/agency and Board strategic plans

Goal 1 Objective 1: To facilitate the recruitment and retention of a diverse and highly qualified workforce of teachers, faculty and staff; continue the development of career advancement, professional development; and a compensation system that recognizes and rewards knowledge, skills and productivity.

Description:

The University of Idaho is a major economic engine for the state of Idaho and its faculty and staff generate more than \$930 million in annual economic impact statewide, through their activities of research, outreach and instruction. Our ability to generate that impact is critically dependent on the quality of faculty and staff we are able to recruit and retain. Entering the third

BUSINESS AFFAIRS AND HUMAN RESOURCES

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year (FY11) without any salary raises and on the tail end of a FY10 temporary salary reduction (furlough), the ability to attract or maintain key staff is being challenged.

FY12 becomes a critical year in terms of being able to maintain the economic momentum of our efforts or see those efforts toward statewide economic recovery stalled or seriously set back. Nationally, the trend is clearly for reduced levels of salary raise in FY10, but neither the national nor the peer trend shows multi-years of no salary increases. Enterprising institutions nationwide are seeing the current economic environment as the time to make key investments in hiring the best and the brightest away from other institutions. A commitment to a salary raise in FY12 will help forestall those sorts of raids on our best individuals – the very individuals having the most significant impact on the Idaho economy.

The University of Idaho is requesting a CEC increase for FY 2012 in the amount of 3% of the FY 2010 General Education salary budget of \$77,791,897. According to the National Center for Institutional Data Statistics, faculty salary averages for FY 2008, the most recent year published, the University of Idaho in comparison with its seventeen peer institutions is:

Faculty Rank	University of Idaho	Peer Median	Peer High
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In terms of ranking, the University of Idaho ranked 16th, 15th, and 15th for associate professors, professors, and assistant professors respectively out of a peer group of 17 institutions. Salary enhancements of 3% would enable the University of Idaho to be more competitive when attracting faculty and staff thereby improving the instruction, research, and public service functions of the institutions.

Questions:

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

A base salary increase of 3% - in order to maintain the high quality faculty and staff currently in place at the University and to provide evidence of a fiscally viable environment as we try to recruit the best and brightest to join us here at the University of Idaho

2. What resources are necessary to implement this request?

Permanent funds from the state appropriation.

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

This request impacts all employees at the University of Idaho. The University is falling further and further behind peer institutions in the salary of its faculty and staff and it is becoming increasingly difficult to attract outstanding candidates to fill available positions. If the request is not funded, our retention and recruitment efforts will become more difficult and our ability to fulfill our role in energizing the Idaho economy will be reduced.

4. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first. This was requested for FY 2011.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

BUSINESS AFFAIRS AND HUMAN RESOURCES
JUNE 17, 2010

AGENCY: Health Programs

FUNCTION: WWAMI

ACTIVITY: Graduate Medical

Agency No.: 515

Function No.: 02

Activity No.:

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A: Decision Unit No: 12.02		Title: Family Medicine Residency - CdA			Priority Ranking 2 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	.25				.25
PERSONNEL COSTS:					
1. Salaries	50,000				50,000
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	50,000				50,000
OPERATING EXPENDITURES by summary object:					
1. Operating Expenses	5,000				5,000
2.					
TOTAL OPERATING EXPENDITURES:	5,000				5,000
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	55,000				55,000

How is this request connected to institution/agency and Board strategic plans:

Goal II.6. Access: **Increase student access to relevant medical education programs (e.g., medical residents and physicians)**

This is a request for an addition to an existing agency contract, the Idaho WWAMI Medical Program and its partner institutions, the University of Washington School of Medicine and the University of Idaho, to develop a Family Medicine Residency program in Coeur d'Alene. Currently, Idaho has two family medicine residency programs in Boise and Pocatello which are both affiliated with WWAMI. This will be a new family medicine residency program in Coeur d'Alene which will also be affiliated with WWAMI, and its Idaho partner the University of Idaho. This temporary program director will be located at the University of Idaho – Coeur d'Alene offices.

Several study groups have concluded that increasing the number of resident physicians in training in Idaho is perhaps the fastest way to increase the physician workforce in our state,

BUSINESS AFFAIRS AND HUMAN RESOURCES

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particularly for primary care physicians. Medical residents who complete their training as physicians in Idaho are more likely to identify opportunities for continuing medical practice in Idaho, once their training is complete.

Performance Measure: Number of family medicine residents in Idaho per 100K of Idaho's population.

Benchmark: Number of family medicine residents in Idaho will increase each year until a full program of 6 residents per year for a three year program is established.

Description:

Expanding medical residency training (GME) in Idaho has been identified as an educational and funding priority by the State Board of Education (1/26/09), the Legislative Medical Education Interim Committee (11/12/08), Idaho Hospital Association (10/4/08), the Idaho Medical Association (8/10/08), and the state-funded MGT Medical Education Study (11/1/07). The State Board of Education ranked ten recommendations towards expansion of medical education (1/26/09). The first of these recommendations is: "Expand the development of graduate medical education (residency programs) opportunities in the State of Idaho focusing on primary care and rural practice. In partnership with Idaho hospitals, the VA, Idaho doctors, private enterprise and Idaho's colleges and universities, the State of Idaho should promote and assist the funding of these programs."

Coeur d'Alene and Kootenai Medical Center have the clinical resources to support a family medicine residency program. It is anticipated that having a family medicine residency program in North Idaho will help with the recruitment of family physicians to this area. This newly formed program would plan to interview applicants during the fall of 2011 and accept its first entering class to begin training in July 2012.

A part-time program director (0.5 FTE) will be required to help with the planning and interviews over the academic year of 2011 – 2012. This request is for half of the part-time program director's time (0.25 FTE) and no benefits. The remainder of the program director's time and benefits will be paid by the community. Operating costs will cover the interviewing process during this academic year. Administrative support costs will be covered by the community. There are no anticipated capital costs. This is a one-time request for funding, to be managed through the Idaho WWAMI GME office at University of Idaho – Boise.

Future requests for funding will include funding to support residents' salaries as the program grows into a full three year program with 6 residents projected for each of the three training years. The best estimated cost of training a resident for one year is approximately \$125,000. The below table is an estimate of the funding that may be requested as the family medicine residency program develops and expands in CDA. This is approximately the amount per resident that the Family Medicine Residency of Idaho and the ISU Family Medicine Residency programs receive. The new family medicine residency program in CDA would expect to receive the same amount of funding per resident per year as the other two programs.

Fiscal Year	#of Residents	Amount/resident	Base	Request
FY 2013	6	\$34,000	-	\$204,000
FY 2014	12	\$34,000	\$204,000	\$204,000
FY 2015	18	\$34,000	\$408,000	\$204,000

BUSINESS AFFAIRS AND HUMAN RESOURCES
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AGENCY: Health Programs

FUNCTION: WWAMI

ACTIVITY: Graduate Medical

Agency No.: 515

Function No.: 02

Activity No.:

FY 2012 Request

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A: Decision Unit No: 12.03		Title: GME Office			Priority Ranking 3 of 3
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	.50				.50
PERSONNEL COSTS:					
1. Salaries	65,000				50,000
2. Benefits	18,000				18,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	83,000				83,000
OPERATING EXPENDITURES by summary object:					
1. Operating Expenses	7,000				7,000
2. Travel	6,000				6,000
3. IT	4,000				4,000
TOTAL OPERATING EXPENDITURES:	17,000				17,000
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	100,000				100,000

How is this request connected to institution/agency and Board strategic plans:

Goal II.6. Access: Increase student access to relevant medical education programs (e.g., medical residents and physicians)

This is a request for an addition to an existing agency contract, the Idaho WWAMI Medical Program, to develop an Office of Graduate Medical Education (GME), to be located at the UI Boise Center. This office would be a collaborative expansion of the Idaho State Board of Education's contract with the University of Washington School of Medicine's WWAMI Program and its state partner, the University of Idaho. The Idaho WWAMI GME Office would bring a single-point, in-state focus to supporting and expanding GME in Idaho, through work with existing GME (medical residency) programs and through facilitation and support of the development of new GME programs in Idaho.

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The Idaho WWAMI GME Office would work to increase access to medical education in Idaho at the graduate or residency level, both in existing residency programs (family medicine, internal medicine, psychiatry) and through the development of new residency programs at regional medical centers in Idaho. Several study groups have concluded that increasing the number of resident physicians in training in Idaho is the fastest way to increase the physician workforce in our state, particularly for primary care physicians. Medical residents who complete their training as physicians in Idaho are more likely to identify opportunities for continuing medical practice in Idaho, once their training is complete.

In addition, this GME office and staff could provide coordination and reporting for all non-university or community-based residency (GME) programs that receive Board of Education funding in Idaho. Currently, three of the four Idaho residency programs are non-university or community-based programs, and that number is expected to increase throughout the state.

Performance Measure: Number of medical resident physicians in Idaho GME programs per 100K of Idaho's population.

Benchmark: Number of medical resident physicians in Idaho GME programs (per 100K of Idaho's general population) will increase each year until favorable with other states in the Northwest.

Description:

Expanding medical residency training (GME) in Idaho has been identified as an educational and funding priority by the State Board of Education (1/26/09), the Legislative Medical Education Interim Committee (11/12/08), Idaho Hospital Association (10/4/08), the Idaho Medical Association (8/10/08), and the state-funded MGT Medical Education Study (11/1/07). But nowhere in Idaho is there a central office charged with managing and coordinating this support, funding, expansion, and development. The current four residency programs in Idaho (2 Family Medicine, 1 Internal Medicine, 1 Psychiatry) are all affiliated with or part of the UW School of Medicine WWAMI network of residency programs, but function independently from one another. While maintaining each program's independence, the Idaho WWAMI GME Office would identify ways to support increased educational activities, funding, recruitment, collaboration, and expansion among existing GME programs, as well as work to identify, support, and assist in the development of new GME sites and programs in Idaho. The office would be located centrally at the UI Boise Center, in proximity to three of the existing GME programs in Idaho, and near the offices of the Idaho Medical Association, the Idaho Hospital Association, and the State Board of Education.

The Idaho WWAMI GME Office would be staffed by a part-time physician-director (.25 FTE) and a part-time administrative assistant (.25 FTE). The physician director would also be a licensed physician in Idaho with prior GME faculty experience. The assistant staff member would be a shared position with the WWAMI Clinical Medical Education Office at the UI Boise Center. Both positions would be benefit-eligible either through UI or their other shared employer. Operating expenses include the costs of maintaining and operating an office, travel to support, assess, and coordinate GME program activities across Idaho and with affiliated accredited programs, and IT (information technology) costs for computer technology and video conferencing. There are no anticipated capital costs. This is an ongoing request for annual funding, as part of an expanded WWAMI contract. The time required for the physician-director and administrative assistant are anticipated to increase to at least 0.5 FTE as the number of GME programs in Idaho expand in the future.

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The Idaho WWAMI GME Office is an addition to an existing agency and state contract (WWAMI). It will not be a degree or certificate granting unit. The academic programs that this office will work with will maintain their own accreditations, as either a LCME-accredited medical school or ACGME-accredited residency program. This office will also participate in supporting the process of accreditation for any newly developed GME programs in Idaho.

There is no similar office to coordinate development, expansion, and funding of GME throughout Idaho. As Idaho's responsibility center for regional, contracted medical education over the past 37 years, the Idaho WWAMI Medical Education Program is strategically positioned to take on coordination of Graduate Medical Education support, development, and expansion throughout the State. As Idaho's needs expand, so should the WWAMI Program partnership in Idaho. Developing an Idaho WWAMI GME Office at UI Boise is a logical next step toward the established recommendations of the State Board of Education and multiple groups that have spent many hours studying and planning for Idaho's medical needs and future.

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AGENCY: Health Programs

Agency No.: 515
 Function

FY 2012 Request

FUNCTION: WICHE

No.: 06

Page 1 of 2 Pages

ACTIVITY:

Activity No.:

Original Submission X
 or Revision No. ____

A: Decision Unit No: 12.01		Title: Restore two optometry seats			Priority Ranking 1 of 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. General Services					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	\$31,200				\$31,200
LUMP SUM:					
GRAND TOTAL	\$31,200				\$31,200

Supports institution/agency and Board strategic plans:

Goal 1: Well Educated Citizenry

Objective E: Curriculum Alignment – Align curriculum with workforce needs

Performance Measure: Number of Idaho Students enrolled WICHE Programs (2 in each of the first, second, third and fourth year).

Description:

Idaho's participation in the Western Interstate Commission for Higher Education (WICHE) Professional Student Exchange Program (PSEP) helps Idaho residents to enroll in out-of-state professional programs. Idaho currently participates for the field of Optometry. Idaho students accepted to this program benefit through reduced tuition arrangements with participating professional schools. Idaho does not currently offer professional education in the field of Optometry.

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Historically, Idaho has assisted two new students each year and has served a total of 8 students at any one time. Due to the economic downturn, the Legislature provided funding for 6 students in the FY 2011 appropriation. This line item request restores the 2 seats.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base? \$31,200 ongoing general funds to restore funding for 1st year students. No staffing is involved with the WICHE program.
2. What resources are necessary to implement this request?
 - a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. None
 - b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted. None
 - c. List any additional operating funds and capital items needed. None
3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

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

This program benefits the population of Idaho by providing ready access to high quality professionals in the field of optometry.
5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

N/A

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Internal Medicine Residency

Agency No.:
Function

FY 2012 Request

FUNCTION: Residency Program

No.:

Page 1 of 4 Pages

ACTIVITY:

Activity No.:

Original Submission X
or Revision No. ____

A: Decision Unit No:	Title: Boise Internal Medicine				Priority Ranking 1 of 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
1. Curriculum Support	243,000				243,000
TOTAL OPERATING EXPENDITURES:	243,000				243,000
CAPITAL OUTLAY by summary object:					
	0				0
TOTAL CAPITAL OUTLAY:	0				0
T/B PAYMENTS:	0				0
LUMP SUM:	0				0
GRAND TOTAL	243,000				243,000

Supports institution/agency and Board strategic plans:

Goal II.5 ACCESS: *Expand the development of graduate medical education (residency programs) opportunities in the State of Idaho focusing on primary care and rural practice.*

This is a request for critical curriculum support of the Boise Internal Medicine residency program. Currently, Idaho has a training track of the Seattle-based Internal Medicine Residency (UWSOM) with residents spending one of three years in Idaho. The proposed Boise Internal Medicine Residency program will become an independent, Idaho-based program, accredited under the Department of Medicine at the UWSOM.

Several study groups have concluded that increasing the number of resident physicians in training in Idaho is perhaps the fastest way to increase the physician workforce in our state,

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particularly for primary care physicians. Medical residents who complete their training as physicians in Idaho are more likely to identify opportunities for continuing medical practice in Idaho, once their training is complete.

Performance Measure: Number of internal medicine residents in Idaho per 100K of Idaho's population.

Benchmark: Number of internal medicine residents in Idaho will increase each year until a full program of 8 residents per year for a three year program is established.

Description:

Expanding medical residency training (GME) in Idaho has been identified as an educational and funding priority by the State Board of Education (1/26/09), the Legislative Medical Education Interim Committee (11/12/08), Idaho Hospital Association (10/4/08), the Idaho Medical Association (8/10/08), and the state-funded MGT Medical Education Study (11/1/07). The State Board of Education rank-ordered ten recommendations towards expansion of medical education (1/26/09). The first of these recommendations is: "Expand the development of graduate medical education (residency programs) opportunities in the State of Idaho focusing on primary care and rural practice. In partnership with Idaho hospitals, the VA, Idaho doctors, private enterprise and Idaho's colleges and universities, the State of Idaho should promote and assist the funding of these programs."

The current Internal Medicine Track located at the Boise VA is ready to expand to a full three year residency program in the Treasure Valley, while remaining under the Department of Medicine at UWSOM. It is anticipated the newly formed program will interview for its first entering class the fall of 2010 and accept its first entering class July 2011.

The Department of Veterans Affairs is the major funder of the residency program and its core training site. Support agreements have been established with all other medical centers participating in the curriculum (Saint Luke's Regional Medical Center, Saint Alphonsus Regional Medical Center, University Medical Center, and Harborview Medical Center) to cover rotations within their systems. However, a small but critical portion of the curriculum is not funded by these mechanisms. This involves rotations at small un-affiliated offices such as dermatology, neurology, and our community-based training practices around the state. These are critical to the attractiveness of the program, the completeness of training, and retention of residents in the State of Idaho.

Future requests for funding will include funding for residents as the program grows into a full three year program with 8 residents in each year of training. The best estimated cost of training a resident for one year is approximately \$175,000. Providing one block of outside training per resident per year (1/13 of the cost = \$13,500/resident) is our goal. The table below is an estimate of the funding that may be requested as the internal medicine residency program develops and expands.

Fiscal Year	# of Residents	Amount/resident	Base	Request
FY 2012	8 interns, 10 R2s	\$13,500	-	\$243,000
FY 2013	8 interns, 8 R2s	\$13,500	\$243,000	\$0
FY 2014	8 interns, 8 R2s, 8 R3s	\$13,500	\$243,000	\$108,000

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University of Washington, Boise Internal Medicine

"Expanding into the Future"

Mission Statement

The mission of Boise Internal Medicine is to:

- Provide superb clinical training in general internal medicine for medical school graduates interested in office-based internal medicine, hospital medicine, or further subspecialty training.
- Prepare broadly trained internists and subspecialists for practice in Idaho.
- Provide exceptional health care for the veterans and citizens of Idaho.

History of the Boise Track

Established in 1977, the Boise track was one of the nation's first primary care internal medicine tracks. The Boise experience has always focused on comprehensive training based in the clinics, wards, and ICU of the VA as well as multiple locations in Idaho. We are currently the only site outside of Seattle allowed to provide the entire 3rd year internal medicine clerkship. In addition to our WWAMI roles with the University of Washington and University of Idaho, we have major training roles with the Family Medicine Residency of Idaho, Boise State University, Idaho State University, University of Utah, Gonzaga University, and Oregon Health Sciences. By 2007, our graduates were fairly evenly distributed as office-based primary care internists, hospitalists, and subspecialists so the primary care designation was dropped. Over the past 32 years there have been 213 graduates of the program with 65 (31%) practicing in Idaho and 148 (70%) practicing in the WWAMI region.

We also train medical students in internal medicine, surgery, and psychiatry at the VA. During the decade 1992-2001 (most recent with practice data) there were 254 students that had at least one of these rotations at the VA. Of these student, 41 (16%) are practicing in Idaho and 125 (49%) in WWAMI. Thus, the VA makes a substantial contribution to the impressive rate of return for Idaho WWAMI students (50% in Idaho and 71% in WWAMI).

Current Structure and Financing

We sponsor six preliminary interns (going into subspecialties such as radiology, neurology, anesthesiology, etc.) and ten second-year internal medicine residents that spend their first and third years in Seattle. Because the residents do not have continuity in the same clinic all three years, we have had to request an exemption from the RRC (internal medicine residency regulatory body) for the Boise track. The curriculum for interns includes six months on the medical wards, one month on the surgical wards, one month in the SLRMC emergency room, one month on the SARMC medical wards, and three months of electives. The curriculum for second-year residents is five months on the medical wards, one month of clinic block, one month of ICU, one month of community-based training, one month of day float, one 'scholarship' month, and two electives (one typically in Seattle).

Funding has traditionally been entirely through the VA, with more recent support of educational activities and community-based training by Saint Luke's Regional Medical Center and planned funding by Saint Alphonsus Regional Medical Center.

GOALS OF EXPANSION

For several reasons, now is a good time to consider expanding the Boise track. We believe it would benefit our training program, our local hospitals, and health care in the State of Idaho.

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Our goal is to maintain high quality training and remain an integrated track of the University of Washington. The benefits of this expansion are:

VA

- Decrease required inpatient medicine wards for interns and residents to further balance the training experience and improve our competitiveness in the match process.
- Avoid the need for an RRC clinic exemption.
- Expand the breadth and depth of internal medicine training in Boise with exposure to different health care systems and patient populations.

SLRMC and SARMC

- An integrated program with the U.W. would be more attractive to candidates than traditional community-based programs you might start on your own.
- 'Instant quality' versus 5-15 years to 'grow' a good match
- Leverage VA \$\$ so cheaper than starting own residency

State of Idaho

- Greater internal medicine and subspecialty physician retention
- Capitalize on an established residency to mentor new potential residency sites

EXPANSION PLAN (by academic year)

July 1, 2011	First 8 interns for Boise Internal Medicine Last 10 R2s from the Boise Track
July 1, 2012	Next 8 interns for Boise Internal Medicine First 8 interns become 8 R2s
July 1, 2013	Next 8 interns for Boise Internal Medicine 2013 class becomes 8 R2s 2012 class becomes 8 R3s

BUSINESS AFFAIRS AND HUMAN RESOURCES
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AGENCY: Special Programs
FUNCTION: Forest Utilization
Research

Agency No.: 516
 Function
 No.: 01

FY 2012 Request
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 Original Submission X
 or Revision No. ____

ACTIVITY:

Activity No.:

CEC Increase for Faculty and Staff					
A: Decision Unit No: 12.01	Title: Staff		Priority Ranking 1 of 1		
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	10,500				10,500
2. Benefits	2,500				2,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	13,000				13,000
OPERATING EXPENDITURES by summary object:					
1.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	13,000				13,000

How connected to institution/agency and Board strategic plans

Goal 1 Objective 1: To facilitate the recruitment and retention of a diverse and highly qualified workforce of teachers, faculty and staff; continue the development of career advancement, professional development; and a compensation system that recognizes and rewards knowledge, skills and productivity.

Description:

The University of Idaho is a major economic engine for the state of Idaho and its faculty and staff generate more than \$930 million in annual economic impact statewide, through their activities of research, outreach and instruction. Our ability to generate that impact is critically dependent on the quality of faculty and staff we are able to recruit and retain. Entering the third year (FY11) without any salary raises and on the tail end of a FY10 temporary salary reduction (furlough), the ability to attract or maintain key staff is being challenged.

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FY12 becomes a critical year in terms of being able to maintain the economic momentum of our efforts or see those efforts toward statewide economic recovery stalled or seriously set back. Nationally, the trend is clearly for reduced levels of salary raise in FY10, but neither the national nor the peer trend shows multi-years of no salary increases. Enterprising institutions nationwide are seeing the current economic environment as the time to make key investments in hiring the best and the brightest away from other institutions. A commitment to a salary raise in FY12 will help forestall those sorts of raids on our best individuals – the very individuals having the most significant impact on the Idaho economy.

The University of Idaho is requesting a CEC increase for FY 2012 in the amount of 3% of the FY 2010 General Education salary budget of \$77,791,897. According to the National Center for Institutional Data Statistics, faculty salary averages for FY 2008, the most recent year published, the University of Idaho in comparison with its seventeen peer institutions is:

Faculty Rank	University of Idaho	Peer Median	Peer High
Assistant Professor	\$57,569	\$63,675	\$73,082
Associate Professor	\$67,437	\$71,865	\$82,776
Professor	\$86,525	\$100,514	\$117,302

In terms of ranking, the University of Idaho ranked 16th, 15th, and 15th for associate professors, professors, and assistant professors respectively out of a peer group of 17 institutions. Salary enhancements of 3% would enable the University of Idaho to be more competitive when attracting faculty and staff thereby improving the instruction, research, and public service functions of the institutions.

Questions:

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

A base salary increase of 3% - in order to maintain the high quality faculty and staff currently in place at the University and to provide evidence of a fiscally viable environment as we try to recruit the best and brightest to join us here at the University of Idaho

2. What resources are necessary to implement this request?

Permanent funds from the state appropriation.

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

This request impacts all employees at the University of Idaho. The University is falling further and further behind peer institutions in the salary of its faculty and staff and it is becoming increasingly difficult to attract outstanding candidates to fill available positions. If the request is not funded, our retention and recruitment efforts will become more difficult and our ability to fulfill our role in energizing the Idaho economy will be reduced.

4. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first. This was requested for FY 2011.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Special Programs
FUNCTION: Idaho Geological
Survey

Agency No.: 516
 Function
 No.: 02

FY 2012 Request
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 Original Submission X
 or Revision No. ____

ACTIVITY:

Activity No.:

A: Decision Unit No: 12.01		Title: CEC increase for faculty and staff			Priority Ranking 1 of 1
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	16,600				16,400
2. Benefits	3,900				3,900
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	20,500				20,500
OPERATING EXPENDITURES by summary object:					
1.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	20,500				20,500

How connected to institution/agency and Board strategic plans

Goal 1 Objective 1: To facilitate the recruitment and retention of a diverse and highly qualified workforce of teachers, faculty and staff; continue the development of career advancement, professional development; and a compensation system that recognizes and rewards knowledge, skills and productivity.

Description:

The University of Idaho is a major economic engine for the state of Idaho and its faculty and staff generate more than \$930 million in annual economic impact statewide, through their activities of research, outreach and instruction. Our ability to generate that impact is critically dependent on the quality of faculty and staff we are able to recruit and retain. Entering the third year (FY11) without any salary raises and on the tail end of a FY10 temporary salary reduction (furlough), the ability to attract or maintain key staff is being challenged.

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The University of Idaho is requesting a CEC increase for FY 2012 in the amount of 3% of the FY 2010 General Education salary budget of \$77,791,897. According to the National Center for Institutional Data Statistics, faculty salary averages for FY 2008, the most recent year published, the University of Idaho in comparison with its seventeen peer institutions is:

Faculty Rank	University of Idaho	Peer Median	Peer High
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In terms of ranking, the University of Idaho ranked 16th, 15th, and 15th for associate professors, professors, and assistant professors respectively out of a peer group of 17 institutions. Salary enhancements of 3% would enable the University of Idaho to be more competitive when attracting faculty and staff thereby improving the instruction, research, and public service functions of the institutions.

Questions:

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

A base salary increase of 3% - in order to maintain the high quality faculty and staff currently in place at the University and to provide evidence of a fiscally viable environment as we try to recruit the best and brightest to join us here at the University of Idaho

2. What resources are necessary to implement this request?

Permanent funds from the state appropriation.

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

This request impacts all employees at the University of Idaho. The University is falling further and further behind peer institutions in the salary of its faculty and staff and it is becoming increasingly difficult to attract outstanding candidates to fill available positions. If the request is not funded, our retention and recruitment efforts will become more difficult and our ability to fulfill our role in energizing the Idaho economy will be reduced.

4. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first. This was requested for FY 2011.
5. Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Idaho Public Television
FUNCTION: Idaho Public Television

Agency No.: 520
 Function
 No.: 01

FY 2012 Request
 Page 1 of 4 Pages
 Original Submission ____
 or Revision No. ____

ACTIVITY:

Activity No.:

A: Decision Unit No: 12.01		Title: Idaho Experience			Priority Ranking 1 of 2
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	3.0				3.0
PERSONNEL COSTS:					
1. Salaries	127,700				127,700
2. Benefits	55,400				55,400
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	183,100				183,100
OPERATING EXPENDITURES by summary object:					
1. Professional Services	55,000				55,000
2. Administrative Services	10,000				10,000
3. Travel Costs/Specific Use Supplies	34,500				34,500
TOTAL OPERATING EXPENDITURES	99,500				99,500
CAPITAL OUTLAY by summary object:					
1. Computers (3) laptops	3,600				3,600
2. Vehicle	27,500				27,500
TOTAL CAPITAL OUTLAY:	31,100				31,100
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	313,700				313,700

How connected to institution/agency and Board strategic plans:

Goal 1 SBOE Goal 1 is a well-educated citizenry. IdahoPTV's objectives to meet this goal are to provide high quality television programming and new media content, and to provide relevant Idaho-specific information.

Description:

This year Idaho Public Television has a unique opportunity to capitalize on prospective support from private funders to offer Idahoans an in-depth look at our state's rich history. We are asking for base funds to move forward with plans to create a televised multi-media series that will bring to life the people and events which shaped our state's past and present. Similar to the PBS

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program, THE AMERICAN EXPERIENCE, the ongoing series would be produced in a collaborative effort with the Idaho Historical Society and other educational institutions.

For the 2009 legislative session, both the State Board of Education and Governor Otter recommended funding for the Idaho Experience Line Item request. For the 2010 legislative session, this request was approved by the State Board of Education.

Questions:

1. What is being requested and why?

Idaho Public Television proposes to preserve and enhance Idaho's heritage by producing two historical documentaries and related Web sites annually, and to make them available to students, teachers and the Idaho public. We will work closely with educators to align the series with Idaho's school curriculum and to present the material in ways that is both engaging and accurate.

We were recently approached by private funders who have expressed interest in providing substantial funds to enhance such an effort if the state can provide base funding. This is an exceptional opportunity for us to capture and examine the history of our state so that we can help educate and inform Idaho's citizens, both our youth and adults.

To date, there are no other known efforts to produce comprehensive multi-media documentaries about influential Idahoans and the forces that shaped our state. Idaho Public Television is uniquely positioned to be able to take on such a task. Our past efforts to do so have produced award winning documentaries such as ASSASSINATION: IDAHO'S TRIAL OF THE CENTURY and the recently released CAPITOL OF LIGHT. Both films have been widely praised for their fascinating and comprehensive portrayal of Idaho's history.

Using these programs as a template, each new documentary will be broadcast several times throughout the state, with unlimited off-air record rights for educational institutions. Enhanced DVDs and web-based media of the programs will be available to the Idaho Commission for Libraries for circulation to libraries throughout Idaho via interlibrary loan. The documentaries will be closed-captioned for the hearing impaired and a companion Web site will be developed to take the program beyond the television screen and enhance educational opportunities for Idaho's teachers and students.

Working together with the Idaho State Historical Society and Idaho's universities and colleges, we will help to conserve Idaho's heritage by preserving valuable, unique documents and artifacts that are presently stored in the partners' collections but are unusable because of their fragile condition.

In addition to State of Idaho contributions to this effort, Idaho Public Television will seek additional resources to enhance and expand this effort. As mentioned above, we have already been approached by funders interested in supporting this idea.

What is the agency staffing level for this activity and how much funding by source is in the base?

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N/A

2. What resources are necessary to implement this request?
- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

Web Developer, pay grade L, full-time, classified, anticipated hire date July 1, 2011, salary cost estimated at \$46,725; benefited with benefit costs estimated at \$19,367, position on-going.

PTV Writer/Reporter/Producer, pay grade L, full-time, classified, anticipated hire date July 1, 2011, salary cost estimated at \$46,725; benefited with benefit costs estimated at \$19,367, position on-going.

PTV Director/Videographer, pay grade J, full-time, classified, anticipated hire date July 1, 2011, salary cost estimated at \$34,299; benefited with benefit costs estimated at \$16,663, position on-going.

- b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

The primary human resources that will be redirected are portions of time from the Executive Producer and Production Manager for oversight of the series. In addition, existing technical/engineering, promotional and administrative (primarily fiscal) personnel support. The series will utilize existing equipment, studios, production control, and editing suites. A vehicle would be needed to ensure travel was possible.

- c. List any additional operating funds and capital items needed.

IdahoPTV will need new computers for use by the new positions along with workspace modifications. A vehicle is listed to accommodate the travel that will be needed. This series will be filmed throughout Idaho and some limited out-of-state locations.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

N/A

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

N/A

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

The population of Idaho would be impacted most. There are historical issues unique to Idaho that should be documented for a viewing audience. Idaho schools would be benefitted by the extensive Web site planned for this series and DVDs, web streaming, and on-air programming would be distributed by IdahoPTV. Certain programs from this series may have regional and national broadcast potential.

5. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first.

N/A

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Idaho Public Television
FUNCTION: Idaho Public Television

Agency No.: 520
 Function
 No.: 01

FY 2012 Request
 Page ____ of 4 Pages
 Original Submission ____
 or Revision No. ____

ACTIVITY:

Activity No.:

Idaho Legislature					
A: Decision Unit No: 12.02	Title: Live/Multimedia Personnel			Priority Ranking 2 of 2	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	2.00				2.00
PERSONNEL COSTS:					
1. Salaries	75,900				75,900
2. Benefits	34,900				34,900
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	110,800				110,800
OPERATING EXPENDITURES by summary object:					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
1. Computers (2) laptops	2,400				2,400
2. Office equipment	3,500				3,500
TOTAL CAPITAL OUTLAY:	5,900				5,900
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	116,700				116,700

How connected to institution/agency and Board strategic plans:

Goal 1 SBOE Goal 1 is a well-educated citizenry. IdahoPTV objectives to meet this goal include: 1) to provide access to IdahoPTV new media content to citizens anywhere in the state, which supports citizen participation and education, 2) to contribute to a well-informed citizenry and 3) to provide relevant Idaho-specific information.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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Description:

As a result of S1491 (2006), IdahoPTV was directed to oversee (in partnership with Legislative Services and the Department of Administration), Idaho Legislature Live coverage on the Web and broadcast.

Idaho Legislature Live currently includes gavel-to-gavel video coverage of the Idaho House, Senate, Joint Finance – Appropriations Committee (JFAC), House/Senate Auditorium as well as live audio coverage of legislative committee rooms.

Since its inception, IdahoPTV has self-funded entirely the operational costs required to provide Idaho Legislature Live coverage. This has included personnel costs and regular operating expenses.

IdahoPTV requests two positions to assist with this expanded coverage and to be available to enhance our new media activities at times when Idaho Legislature Live is not active. We believe that it is only reasonable that the state assist with a portion of the operational costs for this service that benefits citizens statewide. IdahoPTV will continue to provide additional in-kind personnel and basic operating cost to enable Idaho Legislature Live coverage including production management, engineering maintenance, Web site management and information technology support. We cannot maintain the current level of service indefinitely.

When Idaho Legislature Live functions are not active, the requested positions will work on educational IdahoPTV new media initiatives including content creation and archiving of content.

Questions:

1. What is being requested and why?

For the first years of coverage, no state funds were made available to cover the personnel costs associated with the Idaho Legislature Live coverage. These activities were funded with non-state resources. We request these funds to ensure sustainability of the expanded Idaho Legislature Live.

What is the agency staffing level for this activity and how much funding by source is in the base?

N/A

2. What resources are necessary to implement this request?

- a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

Web Developer, pay grade L, full-time, classified, anticipated hire date July 1, 2011, salary cost estimated at \$46,725; benefited with benefit costs estimated at \$19,367, position on-going.

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PTV Digital Broadcast Systems Operator, pay grade I, full-time, classified, anticipated hire date July 1, 2011, salary cost estimated at \$29,120; benefited with benefit costs estimated at \$15,557, position on-going.

- b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

If funded, IdahoPTV will continue to redirect the efforts of the following personnel to this effort:

-Broadcast System Operator:	To supervise the requested 2 positions.
-IT Systems Supervisor:	To maintain current IT systems.
-Broadcast Maintenance Engineer:	To maintain current camera systems.
-Production Manager:	To supervise the project.

- c. List any additional operating funds and capital items needed.

IdahoPTV will need new computers for use by the new positions along with workspace modifications.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

N/A

Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

N/A

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

The entire population of Idaho will benefit. Idaho Legislature Live is available via digital television and on the Web.

5. If this is a high priority item, list reason non-appropriated Line Items from FY 2011 budget request are not prioritized first.

N/A

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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BUSINESS AFFAIRS AND HUMAN RESOURCES
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AGENCY: Division of Vocational Rehabilitation

FUNCTION: Vocational Rehabilitation

ACTIVITY:

Agency No.: 523

Function

No.: 02

Activity No.:

FY 2012 Request

1 of 1 Pages

Original Submission X
or Revision No. ____

Rehabilitation Services					
A: Decision Unit No: 12.01	Title: Administration Match			Priority Ranking 1 of 1	
DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES by summary object:					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY by summary object:					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	150,000				150,000
LUMP SUM:					
GRAND TOTAL	150,000				150,000

Supports institution/agency and Board strategic plans:

Goal 1, Objective 8

Goal 1: Continually improve the quality of Vocational Rehabilitation services available to eligible Idahoans with disabilities to prepare for, obtain, maintain, or regain competitive employment and long term Supported Employment with the context of available resources.

Objective 8: Enhance revenue opportunities for VR programs.

Performance Measure: Increase grant opportunities.

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Description:

Holdbacks from the recent recession have limited IDVR from available federal funds during FY 2010 and 2011. In FY 2010 IDVR reverted \$616K of federal dollars and we will revert nearly \$2 million federal dollars for 2011. The loss has been covered by carryover funds from our counselor's conservative expenditures and an increase in SSA reimbursements to the agency from moving clients off the SSA SSI and SSDI benefit programs. Carryover funds were increased by the generous availability of ARRA funding, which will run out by September of 2011 or before. Subsequently, funding through 2011 is adequate. In 2012 we are estimating a decrease of funding as our reserves dwindle. Though we are researching other means of obtaining match funds for available federal dollars, presently state general fund is the only mechanism possible to capture the available unmatched federal dollars designated by the Rehabilitation Services Administration for Idaho. The requested \$150,000 will leverage an additional \$553,500 of federal funds.

The funds will be used for our primary mission of vocational rehabilitation of individuals with disabilities. The mission has increased in difficulty during the period of the recession and the additional resources moving into the future will be significant in our services to individuals with disabilities. The federal funds designated for Idaho that remain unmatched become available for other states to match.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
 - *\$150,000 in State General Trustee & Benefits Funds*
 - *The agency currently has 73 counselors and 47 assistants for this activity. Base:*
 - *General Fund: \$1,322,600*
 - *Federal Fund: \$6,686,500*
 - *Dedicated Fund: \$651,900*
 - *Misc. Revenue: \$944,200*
2. What resources are necessary to implement this request?
 - a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

No new positions are requested.
 - b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

None
 - c. List any additional operating funds and capital items needed.

None

BUSINESS AFFAIRS AND HUMAN RESOURCES

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3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

This is an ongoing request for \$150,000 of State General Trustee & Benefits Funds.

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

The funds will be used for our primary mission of vocational rehabilitation of individuals with disabilities. The mission has increased in difficulty during the period of the recession and the additional resources moving into the future will be significant in our services to individuals with disabilities. The federal funds designated for Idaho that remain unmatched become available for other states to match.

IDVR eligible individuals with disabilities needing services for disability adjustment and eventual placement into the job market.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

n/a

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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BUSINESS AFFAIRS AND HUMAN RESOURCES

JUNE 17, 2010

SUBJECT

In-Service Teacher Education Fees policy – first reading

REFERENCE

April 2010

Board approves waiver of Board Policy Section V.R.3.a.x. for the summer of 2010

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.R.3.a.x

BACKGROUND/DISCUSSION

Board Policy provides that the In-Service Teacher Education Fee “shall be one-third of the average part-time undergraduate credit hour fee or one-third of the average graduate credit hour fee.” The Policy does not allow the public institutions to adjust their fees according to fair market value. This puts the institutions at a competitive disadvantage because private institutions can offer their in-service courses at a lower fee. The proposed amendment would place a ceiling but not a floor on the fee by providing that the “fee shall not exceed one-third....”

Current policy also only offers the reduced in-service teacher education fee to Idaho public school teachers or other professional employees of an Idaho school district. This restriction places an administrative burden on the institutions having to identify and differentiate between public and private school teachers. In addition, this restriction also makes the institutions less competitive and likely results in foregone revenue. Amendment to policy would open eligibility to certified teachers or other professional employees working in an Idaho elementary or secondary school.

IMPACT

Most, if not all, school districts are or will be experiencing significant budget cuts. The Board recognizes that its current Policy on in-service fees is competitively disadvantageous to the institutions and places a larger financial burden on the school districts. Amending of this Policy will have a positive fiscal impact for the school districts and the institutions at a time when both are experiencing considerable reductions in State funding.

ATTACHMENTS

Attachment 1 – Board Policy V.R.3.a.x.

Page 3

STAFF COMMENTS AND RECOMMENDATIONS

Amending the Policy will allow the institutions to offer in-service teacher education at a competitive price with the potential for augmenting fee revenue. In addition, increasing opportunities for teachers and professional staff to be

BUSINESS AFFAIRS AND HUMAN RESOURCES

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exposed to pedagogical expertise at the institutions has reputational benefits for the institutions and builds goodwill among the educational community.
Staff recommends approval.

BOARD ACTION

A motion to approve the first reading of proposed amendments to Board Policy Section V.R.3.a.x, In-Service Teacher Education Fee as presented.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

R. Establishment of Tuition and Fees

1. Board Policy on Student Tuition and Fees

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

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

a. Initial Notice

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

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

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

b. Board Approval

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

c. Effective Date

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

3. Definitions and Types of Tuition and Fees

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

a. General and Professional-Technical Education Tuition and Fees

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

i. Tuition – University of Idaho

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

ii. Matriculation Fee – University of Idaho

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

iii. Tuition – Boise State University, Idaho State University, Lewis-Clark State College

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

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GOVERNING POLICIES AND PROCEDURES

ATTACHMENT 1

SECTION: V. FINANCIAL AFFAIRS

Subsection: R. Establishment of Fees

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iv. Professional-Technical Education Fee

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

v. Part-time Credit Hour Fee

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

vi. Graduate Fee

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

vii. Western Undergraduate Exchange (WUE) Fee

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

viii. Employee/Spouse Fee

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

ix. Senior Citizen Fee

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

x. In-Service Teacher Education Fee

The fee shall ~~be not exceed~~ be not exceed one-third of the average part-time undergraduate credit hour fee or one-third of the average graduate credit hour fee. This special fee shall be applicable only to approved teacher education courses.

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The following guidelines will determine if a course or individual qualifies for this special fee.

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

xi. Workforce Training Credit Fee

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

b. Institutional Local Fees – Approved by the Board

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

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

i. Facilities Fee

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

ii. Activity Fee

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

iii. Technology Fee

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

iv. Professional Fees

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

(a) Credentialing Requirement:

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

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

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

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

v. Self-Support Certificate and Program Fees

Self-support certificates and programs are a defined set of specific courses that must all be successfully completed in order to earn the certificate. Such programs must be encapsulated, separate and distinct from the regular courses of the institution. Institutions may offer self-support certificates and

programs if the fees assessed cover all costs of the program and no appropriated funds are used to support the program. In addition, students pay a fee for the entire program and may not enroll for program courses on an individual course-by-course basis. Students enrolled in the self-support programs may take courses outside of the program as long as they pay the required tuition and fees for those courses. Institutions will establish such fees on an individual program basis according to anticipated expenditures. Self-support certificate and program fees are retained by the institution.

vi. Contracts and Grants

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

vii. Student Health Insurance Premiums or Room and Board Rates

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

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

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

i. Continuing Education

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

ii. Course Overload Fee

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

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GOVERNING POLICIES AND PROCEDURES

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Subsection: R. Establishment of Fees

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iii. Special Course Fees or Assessments

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

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