



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

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**APPROVED MINUTES  
STATE BOARD OF EDUCATION  
June 16-17, 2010  
Eastern Idaho Technical College  
Idaho Falls, ID**

A regularly scheduled meeting of the State Board of Education was held June 16-17, 2010 in Idaho Falls, Idaho at Eastern Idaho Technical College in the Health Education Building, Room 6164.

**Present:**

Richard Westerberg, President  
Don Soltman, Secretary  
Emma Atchley  
Rod Lewis

Ken Edmunds, Vice President  
Paul Agidius  
Milford Terrell

**Absent:**

Tom Luna, State Superintendent

**Wednesday, June 16, 2010**

The Board met at 1:30 p.m. on Wednesday, June 16, 2010. Board President Westerberg called the meeting to order. Board member Edmunds arrived at 3:30 p.m.

**PLANNING, POLICY, and GOVERNMENTAL AFFAIRS**

**1. State Board of Education Strategic Plan**

**M/S (Soltman/Agidius): To approve the 2011-2015 Idaho State Board of Education Strategic Plan as submitted. Motion carried 6-0 (Edmunds not present at this time).**

**By unanimous consent the Board agreed to the correction of the typo under Objective C Benchmark related to the percentage of first-year freshman returning for a second year. It was noted that the numbers had been switched around. It should read 55% for two-year institutions and 65% for four-year institutions.**

Board member Soltman introduced this item. He invited Tracie Bent of the Board office to present the details. Ms. Bent noted the Board originally approved the goals and objectives of

the new plan in February 2010. She reported that during the recent fine-tuning of the approved plan several objectives were edited or removed. The edited version of the plan is being presented to the Board at this meeting for review and approval.

Board member Terrell referred to Goal 3 and indicated that the word transparency didn't have a clear meaning to him. Ms. Bent explained that the Board is open in how it functions at many levels already; this language indicates that the Board will continue to be transparent in how it operates. Mr. Terrell asked how the plan applied to K-12 and Ms. Bent directed him to the places in the plan that refer to performance based assessment and decision making. Board member Lewis asked about the meaning of the phrase referring to the improved efficacy of educational resources. Ms. Bent explained that improved efficacy means to become more efficient and effective.

Board President Westerberg reminded Board members of the importance of reading though the objectives and measures of the plan in order to better understand the plan's goals and objectives. Executive Directory Rush explained that this plan attempts to get some clear measures in those areas where the Board has expressed an interest. Dr. Rush discussed the challenge of collecting data in some of the areas the Board wants to focus on. He asked for input from the Board as to whether or not the objectives and measures are clear and if it is possible to collect the data necessary to support the measure. Board member Lewis agreed that the objectives and the measures are good, but observed that there is still work to do. He indicated that he agreed that it will be an ongoing effort that takes time. On another point, Mr. Lewis noted that there seemed to be an emphasis on the medical field in the Board's plan and reminded Board members to focus on other areas as well.

Board member Lewis suggested it would be helpful to know what the benchmark numbers mean in terms of the current status. Mr. Westerberg agreed that it would be helpful to know how stretched the numbers are, and if it is possible to meet the goal. Dr. Rush clarified that setting benchmarks is an inexact science and that these numbers are actually quite conservative. He explained that it is difficult to get the number exact the first time around because of a lack of hard data.

Ms. Bent reminded the Board that the performance measures report comes out in October. That will have the details the Board is asking for including how things have gone over the last four years. She pointed out that this strategic plan is for 2011 to 2015. It starts at the beginning of fall so it aligns with the school year.

## 2. Agency and Institution Strategic Plans

**M/S (Soltman/Atchley): To approve the 2011-2015 Institution, Agency, and Special/Health Program Strategic Plans, excluding the Strategic Plan for the Department of Education, with the following amendments with respect to ISU.**

- (1) Tab 2, page 21, third full paragraph, reword the second sentence as follows: delete the words "the state's lead" and insert "a leading";**
- (2) Tab 2, page 23, Goal Three, delete the words "throughout the state and region"; and**
- (3) Tab 2, page 24, delete Objective 3.4 and related performance measures and benchmarks.**

**Motion carried unanimously.**

Ms. Bent introduced this item. She briefly reviewed the highlights of each agency/institution strategic plan. Representatives of each agency and institution were invited forward to answer questions from the Board. Dr. Rush noted that the complete plans for the agencies and the institutions were included in the Board materials.

a) Idaho Public Television. Program Director Ron Pisaneschi appeared on behalf of Peter Morrill who was unable to attend the meeting.

b) Division of Vocational Rehabilitation. Bruce Small appeared on behalf of Dr. Michael Graham who was unable to attend the meeting. Board members asked that numbers in the plan be provided as percentages.

c) Department of Education. This item was deferred until the following day because there wasn't a representative present from the SDE.

d) Division of Professional-Technical Education. State Administrator Ann Stephens appeared to discuss the strategic plan and respond to questions. Board member Terrell referred to the PTE mission and asked how the Division serves the various communities. He cited the plumbing apprenticeship and its concerns. Ms. Stephens explained that the Division works with the experts in the field, for example plumbing, to ensure that the curriculum meets the standards of the industry; and to ensure that there is consistency in the text books and materials. She pointed out that the Division meets regularly with the technical college deans and the workforce training coordinators to talk about training issues. Ms. Stephens clarified that the technical colleges hire their own instructors. Mr. Terrell asked for a follow-up report related to his question regarding apprenticeship.

Ms. Stephens indicated that PTE program enrollments are often restricted by limited equipment, labs, and clinical sites as well as by industry licensure requirements and settings in the various regions of the state. One example is how a welding lab can serve a certain number of students; more students cannot be added because it becomes a safety issue with limited equipment. Ms. Stephens noted that some programs may be expanded by creative scheduling.

In terms of the potential students for whom a PTE education will be beneficial statewide, Ms. Stephens explained that 80% of jobs require less than a BA degree. The increasing enrollment trend at the College of Western Idaho is a good example of how many people there are that want, or who are pursuing technical certificates and degrees. She reported that at a recent meeting of the Technical College Leadership Council it was noted that many programs were up 15-20%. In addition, there are wait-lists for many programs and many programs are close to being at capacity at this time.

Mr. Lewis suggested it would be helpful, from a Board perspective, to have a good sense of how many students we should be drawing into the PTE programs and the ability to meet the need. He pointed out that the Board needs to coordinate their thinking in terms of PTE and how it should align given resources and the number of students. He reiterated that the Board should have more of a focus on PTE than it has in the past.

(e) Eastern Idaho Technical College. President Burton Waite appeared to discuss the details of the plan and to answer questions. Mr. Waite indicated that one area where EITC could strengthen its plan is in the graduation and retention efforts based on what the Board outlined in its plan. He added that in reference to programs that are full, that applies to the credit

programs. When dealing with workforce training and apprenticeship, EITC expands and contracts based on the requests that come to them. The demand for training is high, but the downturn in the economy does put a strain on that effort.

Board member Lewis asked about access and why it isn't listed as a goal. Mr. Waite indicated that goal 2 does address access, but that it could be reworked to be more clearly stated. Mr. Lewis asked about the measures that need to be taken to get more students into the programs. Mr. Burton said that the major focus EITC has previously taken is on program quality. In terms of access, EITC works with various advisory committees as well as industry to address employment needs in the area. He reminded the Board that it is critical to understand that it doesn't make sense to train people for jobs that don't exist. Mr. Waite explained that growing EITC's programs has not been a major concern in the past few years because nearly all the programs are full, and based on industry involvement and demands. In terms of how the Board can help EITC meet the increasing demand, Mr. Waite noted that the support of the Board is very much appreciated and he will keep members informed.

On a side note, Board member Edmunds joined the meeting at this time.

f) Lewis Clark State College. Chet Herbst appeared to discuss the details of the plan and to answer questions. He noted that the advocacy role of the Board is appreciated by LCSC as it deals with growing needs and the need to increase resources.

**g) Boise State University.** President Robert Kustra appeared to discuss the details of the plan and to answer questions. He noted that BSU's strategic plan is ready to be revised. The next plan will be more specific as to who it will serve, how it will adjust its mission, role and size, and how and where it will recruit. Board President Westerberg noted that the Board's strategic plan has specific numbers in terms of what it expects to accomplish. Dr. Kustra agreed it would be good to include those same types of numbers in its plan.

Board member Atchley asked about accreditation standards relative to strategic planning, how that fits with what the Board is doing, and how the Board can make its plan fit with the accreditation standards. Dr. Kustra noted that accreditation comes out of the Northwest Commission. He pointed out that a few years ago as the Commission was conducting its review it questioned why there wasn't a better strategic planning effort at the Board level. That was the impetus for the Board to engage in the current strategic planning effort.

Mr. Lewis asked about the measurements in BSU's plan referencing perception. Dr. Kustra explained that perception is a valuable guide to gauge consumer reaction as to how BSU is doing. Mr. Lewis asked about the chart on page 19 of the BSU plan and how it ties to mission and vision statement. Dr. Kustra noted that it is a graphic depiction of the goals and measures.

(h) University of Idaho. President Duane Nellis appeared to discuss the UI plan and answer questions from the Board. Dr. Nellis noted that it has been a challenging year for UI because of the economy, but the University has continued to carry out its mission through collaboration, business and industry partnerships, organizational efficiencies, and serving the state effectively. Board member Lewis observed that some of the performance measures and benchmarks in UI's plan are not easily quantifiable or achievable in terms of what is accomplished. Dr. Nellis indicated that UI is in the process of updating its plan and will make sure it includes specific goals from the Board's plan.

(i) Idaho State University. President Art Vailas appeared to provide details of the plan and to answer questions from the Board. Dr. Gary Olsen and Mr. James Fletcher joined him. Dr. Vailas noted that ISU plans to dovetail the Board's strategic plan into its plan. He went on to indicate that he is confused about the Board's strategic planning exercise. He noted his view that there are three separate planning prongs. One is the Board's plan for being competitive and sustaining that competitiveness; another is the Northwest Commission and the need for ISU to meet its requirements for accreditation; the third is DFM and its requirement for performance measures. Dr. Vailas suggested that these three prongs result in three separate plans with conflicting challenges.

Board President Westerberg indicated that there wasn't anything in the Board's strategic plan that would negatively impact ISU's accreditation. Also, in terms of benchmarks, the Board has tried to be consistent in having the institutions report the same data as it submits to DFM. He asked Dr. Vailas what specifically in the Board's strategic plan negatively impacts ISU's accreditation. Dr. Vailas noted that it had to do with where the ISU invests its resources. Depending on where the emphasis is placed by the Board, it could affect how the ISU is accredited. Board member Soltman shared that in his experience with accrediting bodies, they want to see a strategic planning process; they usually are not prescriptive in what that effort needs to look like.

Board member Lewis pointed out that ISU's strategic plan was different from the other institutions because it has extensive verbiage related to the location of program delivery. Mr. Lewis suggested that ISU might be able to get on the same page with Board if ISU's plan had more emphasis on where ISU intends to focus its resources, what it believes to be its primary mission, and how it intends to focus that mission.

Mr. Lewis also observed that ISU's Goal 3 relates to the delivery of medical and health care education throughout the state. He emphasized to Dr. Vailas that it is important that ISU has a clear understanding that ISU not assume it has the permission of the Board to do that without Board permission being given specifically.

In reference to Objective 3.4 on page 24, Mr. Lewis wanted to make sure there isn't a misunderstanding on the part of ISU in terms of having Board approval for a medical degree program. He stated clearly that the Board has not approved that; and it is still in process as to how or if that will happen. He noted that it would be unfair to ISU for the Board to approve that specific language in their plan as it would misrepresent the case. Mr. Lewis also suggested taking a closer look at Goal 5 and its objectives.

Dr. Vailas explained that the goals and objectives referencing medical education are goals ISU already has. He gave as examples the Family Practice Residency program and the Dental Health Residency program. He indicated that a comprehensive health science center was established in the Treasure Valley so ISU could stop renting facilities and use its resources more efficiently. Mr. Lewis noted his comments pertained to the amount of language in the ISU plan regarding location where the Board hasn't given its approval historically. He pointed out that while ISU does have programs that have been approved by the Board to be offered in the Treasure Valley, the Board has not approved ISU to go forward to establish a medical degree program. Mr. Lewis reminded Dr. Vailas that ISU needs to take care as to how it proceeds; it needs to follow the process and not assume that it has permission to take that program statewide. A general statement in a document like this must not be taken as approval. The

process must be followed and cannot be side stepped. Board President Westerberg noted that the same holds true with every institution.

Board member Terrell referred to language in ISU's Goal 3 that suggests ISU plans to advance medical education throughout the state and supported Mr. Lewis's point that a committee is studying this effort and has been involved in major discussions. He reminded Dr. Vailas that until it has been decided by the Board, it may be a goal of ISU, but it is not necessarily the goal of the Board. Mr. Terrell clarified that point again by reminding Dr. Vailas that it was this type of statement in ISU's plan that caused some legislators to think that ISU had permission to start a medical program how and where ever it wanted.

Board President Westerberg indicated that most of the concern is around the issue of developing a medical school in the state of Idaho. Mr. Westerberg reiterated that will happen when the Board authorizes it. Mr. Lewis agreed but suggested it is a broader issue. He explained that what has been repeatedly said to the Board is that there is ongoing representation by ISU that it has the statewide mission for health professions. Mr. Lewis clarified that what in fact has been approved by the Board is that one of ISU's primary areas of emphasis is health professions, and within that area some programs have been approved to be statewide programs.

Mr. Lewis reiterated that the Board has not authorized ISU to have a statewide mission for medical and health professions programs. He suggested that the Board should not approve a plan that directly conflicts with the Board's plan or mission. He asked that the inference that the Board has approved the statewide delivery of all health programs by ISU be taken out of ISU's strategic plan for purposes of Board approval today.

Board member Terrell suggested that approval of ISU's strategic plan be deferred until the wording can be reviewed and worked out before it is adopted. The Board took a brief break to give time for this to take place.

(j) College of Southern Idaho. Dr. Jerry Beck and Dr. Jeff Fox appeared to provide details and answer questions related to their plan.

(k) College of Western Idaho. Dr. Rick Aman appeared to provide details and answer questions related to their plan.

Board member Lewis asked about the performance measures having to do with basic skills and how they will work. Dr. Aman explained that CWI will track students who move from ABE into the credit bearing courses. The measurement will come from the number of students retained. The key is not to lose a student in the process. Mr. Lewis suggested it would be helpful if CWI would take another look at its strategic plan to make sure their performance measures are quantifiable. Dr. Aman agreed that it will gladly work it through.

Board member Edmunds noted the dramatic demand for services at CWI and Dr. Aman suggested it demonstrates a pent-up demand in the region. In addition, cost is a contributing factor, along with geography, demographics, and the quality of programs. Mr. Edmunds asked how the economic constraints will impact CWI. Dr. Aman said CWI does not plan to cap enrollments. It is looking heavily at a virtual campus and when courses are full, the ability to add online classes will help. Also, CWI will add adjunct faculty will help address the enrollment growth.

Mr. Lewis asked about the plans for the physical facilities. Dr. Aman pointed out that CWI currently operates in nine facilities. CWI is aggressively looking at help from some. It doesn't have the kind of cash flow to pay off any bond, but it does have the ability to go to the community for an increase in the base if the trustees so choose.

(I) North Idaho College. Ann Lewis of North Idaho College appeared to provide details and respond to questions from the Board.

The Board adjourned for the evening at 6:10 p.m. It took up regular business again on Thursday, June 17, 2010 with Board President Westerberg calling the meeting to order at 8:00 a.m. Board President Westerberg made opening remarks, commending the institutions and agencies for various accomplishments and recognitions over the past few months.

## **BOARDWORK**

### 1. Agenda Review and Approval

**M/S (Soltman/Agidius): To approve the agenda as amended. Motion carried unanimously.**

**By unanimous consent, the Board agreed to move items 5 and 6 from the Consent agenda to the regular BAHF finance agenda. And, to include the hearing of the SDE strategic plan which was moved from yesterday's agenda.**

### 2. Minutes Review and Approval

**M/S (Soltman/Atchley): To approve the minutes from the April 5, 2010 Special Fee Setting meeting, the April 21-22, 2010 Regular Board meeting and the April 27, 2010 Special Meeting minutes as submitted. Motion carried unanimously.**

### 3. Rolling Calendar

**M/S (Soltman/Terrell): To set May 18-19, 2011 as the date and Boise, Idaho as the location for the 2011 Board Retreat and to set June 22-23, 2011 as the date and the College of Western Idaho as the location for the June 2011 regularly scheduled Board meeting. Motion carried unanimously.**

## **CONSENT AGENDA**

**M/S (Agidius/Soltman): To approve the consent agenda as modified.**

Items 5 and 6 moved to BAHF finance agenda.

### 1. Boise State University – New Positions and Changes to Positions

**By unanimous consent, the Board agreed to approve the request by Boise State University for six (6) new positions (6.0 FTE), increase the term of four (4) positions (4.0 FTE) and decrease the terms of two (2) positions (1.35 FTE), supported by appropriated and local funds.**

2. Idaho State University – New Positions and Changes to Positions

**By unanimous consent, the Board agreed to approve the request by Idaho State University for three (3) new faculty positions (3.0 FTE), one new classified position (1.0 FTE), increase the FTE on one faculty position (1.0 FTE), and increase the FTE on one professional staff position (1.0 FTE), all supported by student program fees or local funds.**

3. University of Idaho – Reactivations of Positions

**By unanimous consent, the Board agreed to approve the request by the University of Idaho to reactivate four (4) positions (3.60 FTE) supported by appropriated and non-appropriated funds.**

4. Lewis-Clark State College – Deletion of Positions

**By unanimous consent, the Board agreed to approve the request by Lewis-Clark State College to delete one (1) position (1.0 FTE) supported by appropriated funds.**

5. -- Moved to BAHF Finance Agenda

6. – Moved to BAHF Finance Agenda

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

**By unanimous consent, the Board agreed to accept the Quarterly Report on Programs and Changes approved by the Executive Director.**

8. Alcohol Permits Issued by University Presidents

**By unanimous consent, the Board agreed to accept the report as submitted.**

**PLANNING, POLICY AND GOVERNMENTAL AFFAIRS AGENDA**

At this time, Board member Terrell took the opportunity to recognize Dr. Dene Thomas from Lewis-Clark State College who is leaving to take a position in Durango, Colorado. The Board acknowledged the outstanding work of Dr. Thomas in bringing LCSC to good health. Dr. Thomas was presented with a plaque on behalf of the Board for her years of dedication and commitment, and for her passion for the students of Idaho. Dr. Thomas thanked the Board and the representatives of the colleges, universities and agencies for the recognition and encouraged them to continue their hard work for the students of Idaho.

1. Presidents' Council Report

Dr. Dene Thomas noted that a brief list of the items discussed by the Presidents at their last meeting is included in the Board agenda materials. She shared concerns about the statewide longitudinal data system and the impact of the negative results of the federal grant. In addition, the Board was encouraged to advocate on behalf of the institutions in taking a CEC



recommendation to the Legislature this coming session for the retention and recruitment of faculty and staff.

Ann Stephens of the Division of Professional-Technical Education took a few moments to share about a special recognition given to Dr. Jerry Beck of College of Southern Idaho for his years of dedication and support of Professional-Technical Education. The recognition is from Idaho's Professional-Technical Educators and was given out at their recent professional development conference. Ms. Stephens noted that the award was issued 35 years to the day that Dr. Beck started employment with the College of Southern Idaho.

Dr. Robert Kustra of BSU took a few minutes to reflect on the opportunity to work alongside of Dr. Dene Thomas. On behalf of the Presidents' Council, Dr. Kustra spoke about the tremendous job Dr. Thomas has done to advance the cause of the students of Lewis-Clark State College. He noted that she has been an outstanding partner to the other Presidents of the colleges and universities. As an expression of thanks and appreciation, the Presidents Council will be presenting Dr. Thomas with a special gift before she departs to take up her new position in Colorado.

Dr. Thomas thanked the members of the Board, her colleagues on the Presidents' Council, and the Lewis-Clark State College community for their good wishes and valued friendships. In closing, Dr. Thomas announced that Mr. Burton Waite will chair the Presidents' Council next year.

## 2. Eastern Idaho Technical College Update

President Burton Waite welcomed the Board of Education to the EITC campus and presented a report to the Board. He noted that EITC's mission as the only technical college in the state makes it different from every other college in the state. Mr. Waite shared that EITC is also unique in the profile of its credit students, whose average age is 29. Mr. Waite pointed out that EITC's focus is regional; it supports the student and the workforce needs of this region. Mr. Waite explained that EITC's service area is far reaching and it is a challenge to serve some of areas.

EITC's headcount in the fall of 2009 was up 12.6% from last year even in the midst of declining financial resources. The spring headcount was up 13.2% from 2008. One thing that helps control EITC's growth is the capacity of some of the credit programs. Some is inherent with equipment needs and limitations; some is due to accreditation requirements.

EITC is training-focused. It offers workforce training, apprenticeship training, and ABE/ESL/GED training. In the area of workforce training, EITC has a number of business and industry partners including the INL. In regards to INL, EITC is in the process of renewing an agreement with them for the delivery of training at their facility. In the area of ABE services, there has been an increase in the number of individuals served and the opportunity to take those services to the outlying areas of EITC's service region. On another note, EITC's scholarship campaign is geared to allow students to pursue an education without bearing the burden of loans. The impact of the Albertson Foundation grant to EITC was huge. The numbers of students served as a result of that grant was significant.

The Board thanked Mr. Waite and expressed appreciation for EITC's hospitality as the host of the State Board of Education.

### 3. Presidents' Compensation

**M/S (Soltman/Agidius): To approve the annual salary for Dr. Robert Kustra as President of Boise State University effective July 1, 2010 in the amount of \$336,410 (comprised of \$299,410 in institutional funds, and \$37,000, plus such additional amount required for benefits, in supplemental compensation to be provided by the BSU Foundation), and to direct staff to amend the current employment agreement with Dr. Kustra extending the current contract for an additional year, to be brought back for future consideration by the Board. Motion carried unanimously.**

**M/S Soltman/Terrell): To approve the annual salary for Dr. Duane Nellis as President of University of Idaho July 1, 2010, in the amount of \$335,000 (comprised of \$298,000 in institutional funds, and \$37,000, plus such additional amount required for benefits in supplemental compensation to be provided by the UI Foundation), and to direct staff to amend the current employment agreement with Dr. Nellis extending the current contract for an additional year, to be brought back for future consideration by the Board. Motion carried unanimously.**

**M/S (Soltman/Atchley): To approve the annual salary for Dr. Art Vailas as President of Idaho State University effective July 1, 2010, in the amount of \$323,650 (comprised of \$286,650 in institutional funds, and \$37,000, plus such additional amount required for benefits in supplemental compensation to be provided by the ISU Foundation), and to direct staff to amend the current employment agreement with Dr. Vailas extending the current contract for an additional year, to be brought back for future consideration by the Board. Motion carried unanimously.**

**M/S (Soltman/Agidius): To approve the annual salary for Burton L. Waite as President of Eastern Idaho Technical College effective July 1, 2010, at an annual salary of \$115,000, and to direct staff to prepare an employment agreement with Mr. Waite for a one (1) year term and containing employment terms and conditions, to be brought back for future consideration by the Board. Motion carried unanimously.**

**M/S (Soltman/Lewis): To approve the annual salary for Mike Rush as Executive Director of the Idaho State Board of Education effective July 1, 2010, at an annual salary of \$110,012, and to direct staff to prepare an employment agreement with Dr. Rush. Motion carried unanimously.**

### 4. 2011 Legislative Issues

**M/S (Soltman/Terrell): To approve the three legislative ideas as submitted and to authorize the Executive Director to submit these and additional proposals through the Governor's legislative process. Additional Legislative Ideas are to be approved by the Board's Executive Committee prior to submittal. Motion carried unanimously.**

Executive Director Mike Rush explained that Executive proposals have to be submitted through this process. In regards to legislation that is brought forward by a legislator, those things can be brought to the Board as information items for its perusal and the Board can always take a position. Related to the budget of the Department of Education, it was noted that the State Superintendent does have the authority to submit legislation and isn't bound by these timelines as the Board is. The Board does have the opportunity to weigh in on the issues.

Dr. Rush explained that the Board has until the first week of August to submit ideas to the Governor's office. These ideas don't have to carry through to fruition. If the Governor's office agrees on those ideas, the Board can decide whether to pursue them. Board President Westerberg suggested that the Board needs to be able to respond to things on the fly. He assigned the PPGAC committee to think of a way for the Board to respond and take action given that some of those things take place very quickly. He asked that PPGAC report back to the Board related to this in August.

5. Idaho State University – Governance Review

**M/S (Soltman/Terrell): To direct Dr. Vailas to institute a review of the faculty governance structure at Idaho State University and to report back to the Board all findings at the conclusion of the review. Motion carried unanimously.**

Board member Soltman presented this item.

6. Humanitarian Bowl Alcohol Waiver

**M/S (Soltman/Terrell): To approve uDrove Humanitarian Bowl's request to operate a corporate tent village consistent with the terms herein for the 2010 through 2014 Bowl games.**

**By unanimous consent it was agreed to defer further consideration of this item until later in the agenda until after the representative from the Humanitarian Bowl arrived and was available for comment.**

Board member Soltman introduced this item. Board member Terrell indicated that this item is a request for an extra year, not an expansion of area of service. In the past the request has been for a three-year period. He noted that the Humanitarian Bowl has had a long relationship with the Board and no issues have been reported related to alcohol usage during that time.

Board member Lewis referred to a letter from the Humanitarian Bowl that indicated it will obtain the required permits and licenses. He wondered why that isn't on the standard list of requirements. Board member Terrell explained that most of the other vendors have already obtained the licenses; this one has not. In regards to the length of the agreement, Board member Terrell agreed that it should remain a three-year agreement and agreed to amend his motion to that affect.

Board member Agidius expressed a concern that the policy is waived every year. He suggested that the policy be reviewed so that it aligns with what the Board is actually doing. Board member Terrell indicated that this has been discussed already. Board President Westerberg agreed it would be good to craft Board policy so that it is consistent with what the Board is doing each year.

Board member Lewis indicated that there is ambiguity in the Board policy that allows the Humanitarian Bowl vendor to admit people of all ages into the alcohol area. Board member Terrell noted that the point was well taken and that this needs to be cleared up with them. Board member Lewis suggested that this needs to be cleared up today because this is a three-year waiver.

On another note, Mr. Lewis suggested there was ambiguity on whether or not areas of alcohol service should be cordoned off, and on the use of colored wrist bands. In the past, there have been two distinctions. One is the President's special section where families would be admitted. The other was the general population where only people over 21 would be admitted.

Board member Terrell indicated that with the Humanitarian Bowl there wasn't the age requirement. There was agreement that should be addressed. Board member Lewis noted that this hasn't been discussed with the Humanitarian Bowl in the past; it has just come up.

7. Boise State University – Alcohol Waiver for 2010 Home Football Games and Humanitarian Bowl – Stueckle Sky Center

**M/S (Soltman/Agidius): To approve the request by Boise State University to allow the sale of alcohol in the Sky Center during home games and the Humanitarian Bowl on an ongoing basis and under the following conditions:**

- 1. The Sky Center is enclosed and totally separate from the general seating areas and alcohol service will only be available to patrons with tickets in the Sky Center.**
- 2. There is no access from the general seating area into the Sky Center. Further, only patrons who hold tickets to seats in the Sky Center will be allowed into the Sky Center during games.**
- 3. The sale of alcohol will begin no sooner than three hours prior to kick off and will end at the start of the 4<sup>th</sup> quarter.**
- 4. Two entry points at the North and South Elevator Towers will be manned by security personnel.**
- 5. Security personnel will be located throughout the Sky Center area on each of the four floors monitoring all alcohol policies and patron behavior.**
- 6. Security personnel will not allow patrons to exit or enter the area with any food or beverages.**
- 7. The Boise State University campus food provider (Aramark) will carry the alcohol license and insurance and will provide TIPS trained personnel to monitor the sale and consumption of all alcohol to those of legal drinking age only.**
- 8. Boise State will abide by all terms and conditions of the Board's existing alcohol policy.**
- 9. The official food sponsor will be required to insure and indemnify the State of Idaho, the State Board of Education, and Boise State University for a minimum of \$2,000,000, and to make sure the proper permits and licenses are obtained.**
- 10. No alcohol making or distributing companies may be allowed to sponsor the activities.**
- 11. Boise State University will consider further measures to assure underage drinking does not take place in the Sky Center and to define how the Sky Center is monitored and secured to that end.**
- 12. Boise State will bring this back to the Board for review of the alcohol service during home games in 2011.**

**AMENDED M/S (Soltman/Agidius): To approve the request by Boise State University for 2010 to allow the sale of alcohol in the Sky Center during home games and the Humanitarian Bowl on an ongoing basis and under the following conditions:**

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

- 2. There is no access from the general seating area into the Sky Center. Further, only patrons who hold tickets to seats in the Sky Center will be allowed into the Sky Center during games.**
  - 3. The sale of alcohol will begin no sooner than three hours prior to kick off and will end at the start of the 4<sup>th</sup> quarter.**
  - 4. Two entry points at the North and South Elevator Towers will be manned by security personnel.**
  - 5. Security personnel will be located throughout the Sky Center area on each of the four floors monitoring all alcohol policies and patron behavior.**
  - 6. Security personnel will not allow patrons to exit or enter the area with any food or beverages.**
  - 7. The Boise State University campus food provider (Aramark) will carry the alcohol license and insurance and will provide TIPS trained personnel to monitor the sale and consumption of all alcohol to those of legal drinking age only.**
  - 8. Boise State will abide by all terms and conditions of the Board's existing alcohol policy.**
  - 9. The official food sponsor will be required to insure and indemnify the State of Idaho, the State Board of Education, and Boise State University for a minimum of \$2,000,000, and to make sure the proper permits and licenses are obtained.**
  - 10. No alcohol making or distributing companies may be allowed to sponsor the activities.**
  - 11. Boise State University will provide the Board with a list of further measures it intends to take to assure underage drinking does not take place in the Sky Center and to define how the Sky Center is monitored and secured to that end. That list will be submitted to the Board for approval by the Board President.**
  - 12. Boise State will bring this back to the Board for review of the alcohol service during home games in 2010-2011.**
- Motion carried unanimously.**

Board member Soltman introduced this item. Board member Agidius noted that this motion does not include any expansion and is the same as the request from prior years. Board member Terrell agreed.

Board member Soltman raised a point that the motion says it will be on an "ongoing basis", which suggests it will be ongoing. Board member Agidius pointed out that it is not an ongoing event because it will need to be brought back to the Board each year and that BSU will agree to abide by the Board's alcohol policy. Kevin Satterlee of BSU noted that BSU intends to comply with the Board's alcohol policy with the exception of the policy that is waived by this motion.

Board member Lewis asked to hear from BSU if there is any change in the intent of the waiver request. Dr. Kustra noted that this is a difficult issue for the colleges and universities to deal with. Dr. Kustra pointed out that with regards to the Sky Center, the alcohol service arrangement was part of a business deal that was made. He also indicated that BSU controls the serving of alcohol and there are no issues to report. Dr. Kustra observed that he looks to the Board for direction and that BSU will follow whatever policy that is in place. He also noted that BSU is deadly serious on enforcement. He pointed out that the chief of security at BSU is able to report to the Board on any issues or incidents that arise year to year.

It was clarified that there is no change in what is being requested by BSU this year. In terms of the word "ongoing" BSU clarified that it is ongoing in the same manner as BSU has done in the

past. With regards to item 12, the intent is that BSU will return to the Board next year to review the alcohol service during home games in 2011. In regards to item 11, Kevin Satterlee explained the steps that have been take to assure underage drinking does not take place. He agreed those should have been spelled out.

The Board discussed changes to the motion and Board member Soltman agreed that the words “ongoing basis” should be deleted. Also, that under item 11, that it include language stating that BSU would submit the list of measures, to be approved by the Board President. And, to change item 12 to read 2010-2011 as well as clarifying in the beginning of the motion that this is for year 2010.

Board President Westerberg charged Board member Soltman and the PPGAC committee to work on the Board policy related to alcohol service as discussed at the meeting today for clarification. Board member Terrell pointed out that the Board needs to build a framework for the institutions to follow between now and next year. He asked the Board chair to accept that responsibility.

8. Boise State University – Alcohol Waiver for 2010 Home Football Games – Caven Williams Complex

**M/S (Soltman/Terrell): To approve the conditions set forth in this request for the purpose of allowing pre-game activities for the 2010 home football season. The conditions are as follows:**

- 1. The Caven Williams Sports Complex will be secured to control access to and from the area.**
- 2. Three hour duration, ending at kick-off.**
- 3. The Boise State campus food provider (Aramark) will carry the alcohol license and insurance and will provide TIPS trained personnel to monitor the sale and consumption of all alcohol to those of legal drinking age only.**
- 4. No alcohol making or distributing companies may be allowed to sponsor the event.**
- 5. Companies involved in the corporate hospitality area would be sent a letter outlining the Caven Williams Complex Corporate Hospitality Area/SBOE alcohol policy. The letter will state that the minimum drinking age in Idaho is 21 and that at no time should they allow any underage drinking and/or serving of alcohol to visibly intoxicated patrons.**
- 6. There will be one entry point into the Caven Williams Sports Complex manned by security personnel who will check for corporate hospitality invitations of all patrons entering the facility.**
- 7. A color-coded wrist band system will be used to identify attendees over the age of 21.**
- 8. One ID station will be provided, located inside the facility, where ID's will be checked and special colored wrist bands will be issued.**
- 9. There will be one entry point into the area where beer and wine is sold manned by security personnel who will check wristbands.**
- 10. Security personnel located throughout the area will be monitoring all alcohol wristband policies and patron behavior.**
- 11. Security personnel will not allow patrons to exit or enter the secured area with any alcoholic beverages.**
- 12. The area is for sponsors to entertain clients/guests for the fall 2010 home football games.**
- 13. A request will be brought back to the Board after the conclusion of the 2010 season for reconsideration for 2011.**

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

**Motion carried unanimously.**

Dr. Kustra reported to the Board regarding to this request. He noted that currently the only way to be admitted to this alcohol service area is by invitation only. The new proposal would allow for BSU to open the doors to the indoor training facility and allow the patrons to move inside. He referred the Board to a diagram that explained the set-up.

Kevin Satterlee of BSU noted that in prior years the alcohol service area was outside of the Caven Williams complex (CW); inside was an open area where the general public was allowed for food service use. The new proposal would divide the area inside of the CW facility so that one part was for alcohol service, in order to allow patrons over age 21 to enter. There would be no service area outside of the CW facility in that case.

Mr. Satterlee explained that the guidance BSU is seeking from the Board is whether to take further steps to separate the two areas or to not allow the general public into the Caven Williams Complex for food service use at all. Dr. Kustra pointed out that the CW building was intended for family use only, but very few families have taken advantage of the facility. Mr. Satterlee clarified that the intention is to allow invited members to enter, but no one over 21 would be allowed in the alcohol service area. It was also clarified that this arrangement would replace the space that is currently used on the outside. It centralizes the space. The partition would be a fence.

Board member Lewis clarified that the change is that previously nobody was permitted in the area where alcohol is served. This proposal allows for invited guests and their family members to enter the facility, with the 21 and over area is cordoned off by a fence. It is an invitation only area. Board member Lewis thanked BSU for the changes they made in handling this. Board member Agidius thanked them as well and noted that this discussion gives the Board some guidelines for its policy.

9. Idaho State University – Alcohol Waiver for 2010 Home Football Games

**M/S (Soltman/Terrell): To approve the request by Idaho State University to establish secure areas under the conditions set forth in this request for the purpose of allowing pre-game activities for the 2010 home football season. The conditions are as follows:**

- 1. A secured area surrounded by a fence to control access to and from the area.**
- 2. Three-hour duration, ending at kick-off.**
- 3. Alcohol making or distributing companies will not be allowed to sponsor the activities or tents.**
- 4. A color-coded wrist band or pass admission system will identify attendees and invited guests. No one under legal drinking age will be admitted.**
- 5. Companies involved in the pre-game location will be sent a letter outlining the pre-game location and SBOE alcohol policy. The letter will state the minimum drinking age in Idaho is 21 and that at no time should they allow any underage drinking and/or serving of alcohol to visibly intoxicated persons.**
- 6. Two entry/exit points will be manned by security personnel.**
- 7. Security personnel located throughout the controlled area will be monitoring the alcohol wristband policy and patron behavior.**
- 8. Security personnel will not allow patrons to exit the area with alcoholic beverages.**

**9. Tent sponsors will be required to insure and indemnify the State of Idaho, the State Board of Education and Idaho State University for a minimum of \$2,000,000 and to make sure that the proper permits and licenses are obtained.**

**10. The area is for sponsors to entertain clients/guests for the Fall 2010 home football games, including the sales and service of alcohol.**

**11. A review of the 2010 events will be brought back after the conclusion of the season before consideration will be given to any future requests for similar activities on home football game days.**

**Motion carried unanimously.**

It was clarified that item 4 needs to concur with item 4 as presented in the background materials.

**10. University of Idaho – Alcohol Waiver for 2010 Home Football Games**

**M/S (Soltman/Agidius): To approve the request by the University of Idaho to establish secure areas for the purpose of allowing the above specified pre-game activities (North Kibbie Field, Student Activities Field, University Commons Building and Menard Law Building) for the 2010 home football season, such events to be in compliance with Board policy section I.J. and the following conditions:**

**1. The service area shall be secure, surrounded by a fence or otherwise enclosed to control access to and from the area.**

**2. The pre-game events shall be limited to four hours, ending at kick-off.**

**3. Alcohol making or distributing companies may not sponsor the activities or tents.**

**4. UI shall use a color-coded wrist band or pass admission system to identify attendees and invited guests; and a separate color coded wrist band to identify attendees and invited guests who are of drinking age.**

**5. UI shall send companies sponsoring a corporate tent a letter outlining the Board alcohol policy and further conditions set by the Board. The letter will state that the minimum drinking age in Idaho is 21 and that at no time may they allow any underage drinking and/or serving of alcohol to visibly intoxicated patrons.**

**6. There must be no more than two entry points, each manned by security personnel, for the secure area.**

**7. Security personnel shall be located throughout the secure service to monitor use of wristbands, patron behavior; and at entrance and exit.**

**8. No person may exit the secure area with alcoholic beverages.**

**9. Tent sponsors shall insure and indemnify the State of Idaho, the State Board of Education and Board of Regents of the University of Idaho and the University of Idaho for a minimum of \$2,000,000, and shall obtain the proper permits and licenses.**

**10. The area is for sponsors to entertain clients/guests for the fall of 2010 home football games, including the sales and service of alcohol.**

**11. This exception is only for the 2010 football season; the University shall bring the matter back to the Board after the conclusion of the 2010 football season for reconsideration for 2011.**

**Motion carried 6-1 (Lewis voted Nay).**

Board member Terrell asked for clarification on the number of areas where alcohol will be served and the reasoning behind it. Dr. Nellis emphasized that UI takes the monitoring of alcohol on campus seriously. There have been no incidences with those areas in the past related to alcohol consumption. He explained that UI would like to be able to utilize the



Commons during cold weather versus using the tent and the heaters. The area in the Commons would be more secure and it is more isolated from the general population. The Menard Law Building area is a substitute area for use only in bad weather. These areas are not expansion areas.

Board member Lewis asked for clarification on the kind of access that will be allowed in these areas. UI explained that there are two things. One is an area where you have to be 21 to get in; the other is an invitation only area and where if you are over 21 you get a wristband. Mostly donors and supporters are invited to that second area and they often bring family members so the wristband method allows them to control alcohol. In regards to the Commons there will be security stationed at the doors and only patrons 21 or over will be admitted. In the Law Building it is an invitation only situation similar to what already exists.

Board member Lewis noted that this is a distinction where the Board needs to make a decision. In the UI situation there is a mixed use situation where the alcohol service area is not cordoned off. Board President Westerberg indicated that it is not clear to him what is appropriate and what isn't. In some cases mixed ages is okay and in others it is not. As the Board reviews its policy that is a determination that probably needs to be made as to which side of the line it wants to stand on.

At this time the Board returned to item 6 which was deferred until this time to allow for remarks from the Humanitarian Bowl representative.

#### Item 6 -- Humanitarian Bowl Alcohol Waiver – Continued

**Amended Motion (Soltman/Terrell): To approve uDrove Humanitarian Bowl's request to operate a corporate tent village consistent with the terms herein for the 2010 through 2012 Bowl games. Motion carried unanimously.**

Discussion of this item was deferred earlier in the agenda. Kevin McDonald, Executive Director of the Humanitarian Bowl, appeared to answer questions. Board member Lewis asked for clarification as to how entrance controls will be undertaken. Mr. McDonald explained that wristbands are issued to identify those who can be inside. There are also security personnel who check ID's on everyone to confirm they are over 21.

Board member Terrell noted that there are uniformed and non-uniformed security personnel patrolling the area. Mr. McDonald indicated that security personnel are hired from two organizations. One group comes from the Boise Police Department and the other is from a private security firm. Mr. McDonald indicated that since his time with the Humanitarian Bowl there has never been segregation of groups; the wristband method is what has been used.

#### 11. U.S. Department of Labor Workforce Data Quality Initiative

**M/S (Soltman/Agidius): To support the Department of Labor's application for the Workforce Data Quality Initiative and to authorize the Executive Director to sign the letter of commitment of behalf of the Board. Motion carried unanimously.**

Board member Soltman presented this item.

Board member Lewis referred to the impact statement included in the Board agenda for this item, specifically item number 3. He asked if there could be a problem with this in the future because of the privacy issue. Dr. Rush explained that for the State Department of Education (SDE) to be able to use the UI unemployment data base for follow-up tracking in this technical environment, they had to use social security numbers. He pointed out that Idaho already uses social security numbers for this purpose and to that end there are strict legal MOU's with SDE as to the protection of the data, the use of it, and the segregation of that information. To date it has passed legal muster.

Dr. Rush reiterated that to get follow-up data, there is no optional methodology. The only way to participate is to build in the legal fences to protect the information. The whole purpose of the grant is to use the unemployment data base and this is part of the legal conditions, required by the feds. Without this condition there is no use applying because the data would not be accessible. Board member Lewis encouraged that there some research be done to be sure the Board isn't getting into a bad situation. He also asked that the Board President and Executive Director follow up with SDE to be sure that the Department is aware of the situation and that it doesn't present legal ramifications for them. It was agreed.

## **BUSINESS AFFAIRS AND HUMAN RESOURCES**

### **Section I – Human Resources**

Board member Terrell reported that items 1 and 2 were reviewed by the athletic committee. The committee agreed that there needs to be more academic incentives included in the agreements.

#### 1. Boise State University – Employment Agreement – Head Basketball Coach

**M/S (Terrell/Agidius): To approve the request by Boise State University to enter into a new Employment Agreement with Leon Rice, Head Men's Basketball Coach, as submitted, with the change to Provision 3.2.4 which shall now read "shall be recommended by the President and approved by the Board." Motion carried unanimously.**

Board member Terrell asked for clarification on the salary. Board member Lewis asked about the provision, Section 2.3.14, that allows for the coach to receive supplemental compensation from the president. He wondered how it got into the model contract because it appears to be an open ended ability to increase the compensation without further Board review.

Kevin Satterlee of BSU noted that this essentially grants the president the ability to make a supplement increase. He noted that at BSU it is in the contract, but it has never been done. Mr. Lewis asked how important the provision is to the contract. Mr. Satterlee explained that the way it got into the model contract as a general statement was because the different institutions have different criteria that they follow.

There was agreement that the last sentence of provision 3.2.4 should be changed to read, "shall be recommended by the President and approved by the Board." It was also agreed to strike the wording, "sole discretion of the President and consultation with the Director." Board staff was then directed to change the model contract so that it includes the same changes noted in this request and motion.

2. University of Idaho – Employment Agreement – Head Football Coach

**M/S (Terrell/Atchley): To approve the University of Idaho’s multi-year employment contract for head intercollegiate football coach for a term commencing on July 1, 2010 and terminating on December 16, 2014 in substantial conformance with the employment agreement submitted to the Board in Attachment 1 with the change to Provision 3.1.1a which will now read, “shall be recommended by the President and approved by the Board.” Motion carried unanimously.**

It was clarified for Board member Terrell that the base salary is the same as Coach Akey has been paid. Rod Spears of UI indicated that the University received a scholarship reduction from the NCAA this year due to the average number being below the APR average which is based on the retention and academic performance of the students. That reduction will continue for two more years although it is possible for UI to appeal the reduction in scholarships.

Mr. Lewis referred to provision 3.1.1a with language that was added that says Coach Akey will be eligible to receive supplemental increases not reviewed by the Board. Mr. Spears noted that this has been the standard language and UI will gladly add the language approved in the previous motion if it pleases the Board. Kent Nelson of UI noted that this language is related to things like CEC.

Mr. Lewis took a moment to congratulate the program and the work that Coach Akey has done on behalf of UI and Idaho.

3. Eastern Idaho Technical College – Reorganization and Administrative Structure

**M/S (Terrell/Soltman): To approve the request by Eastern Idaho Technical College to proceed with implementation of the proposed reorganization of the College’s central administrative functions, duties and non-instructional personnel. Motion carried unanimously.**

4. Eastern Idaho Technical College – New Positions and Deletion of Positions

**M/S (Terrell/Edmunds): To approve the request by Eastern Idaho Technical College for four (4) new positions (4.0 FTE) and to delete three (3) positions (3.0 FTE) supported by appropriated funds. Motion carried unanimously.**

5. Eastern Idaho Technical College – Appointment of the Vice President of Instruction and Student Affairs

**M/S (Terrell/Soltman): To approve the request by Eastern Idaho Technical College for the appointment of Dr. Steven K. Albiston to the position of Vice President of Instruction and Student Affairs at an annual salary of \$92,000. Motion carried unanimously.**

6. Amendment to Board policy – Section II.G.6.i – Tenure for Academic Administrators – Second Reading

**M/S (Terrell/Agidius): To approve the second reading of proposed amendments to Board Policy Section II.G.6.i, Tenure for Academic Administrators as presented. Motion carried unanimously.**

It was noted that this provision would bring Board policy into alignment with Idaho Code. It was suggested that this idea be put on the list of legislative ideas to be proposed to the Governor this year in order to facilitate a change in Idaho Code.

## **Section II – Finance**

Two items, carried over from the Consent agenda, were heard at this time. Board member Terrell introduced them.

### **Consent Agenda Item 5. Athletics Actual, Forecast and Budget Reports**

**M/S (Terrell/Agidius): To accept the Intercollegiate Athletics reports as submitted and with the request of the chairman of BAHR and the request of the Chairman of the Athletics committee. Motion carried unanimously.**

Institution representatives were invited forward to respond to questions related to this item. Board member Lewis pointed out that he had concerns about having these items in the Consent agenda because they are budget items. He asked that they be included in the regular agenda in the future.

Mr. Lewis asked about BSU's expenditures. Stacy Pearson of BSU indicated that there is a payout on a current basketball coach and assistant coaches as well as a new coach. Mr. Lewis asked about ISU's anticipated institutional support. Mr. James Fletcher of ISU agreed to check that and get back to the Board with the details.

Mr. Lewis asked UI about a budget shortfall and what appears to be a significant deficit. Rob Spears pointed out that this number is a very conservative estimate. Lloyd Mues introduced Keith Ickes, Executive Director of Planning and Budget to provide additional details.

Board member Terrell noted that athletics bring positives to the campus and agreed that the University needs to pay close attention to how it manages its athletic program. Dr. Nellis emphasized that the University is committed to bringing in the resources and making the hard decisions regarding the management of the program. Mr. Ickes explained that this is the best evaluation UI is able to present at this time. It will do all possible to control costs, in appropriate fashion. Mr. Terrell asked UI to keep the Board posted as to positive moves and setbacks. Board member Agidius asked for a formal update to BAHR and the Board in October.

Board member Lewis raised a point about student fees and noted that the Board was unable to give UI the level of fees that they said they desperately needed. He suggested that UI should come back to the Board with a new budget. It was pointed out that unlike the area of student fees and other resources, the athletic budget is more difficult to predict. Mr. Lewis noted that the University's reserves are critically low. He suggested that its budget should show a zero budget not a deficit budget.

Board member Terrell summarized that two directives had been mentioned. He noted that Board member Agidius had asked for the Athletic Committee to meet and also for BAHR to meet related to UI's budget in order to go through some of the issues and see what can be done to make it work. Mr. Terrell noted that Mr. Lewis had asked for UI to submit a zero balance budget.

Board President Westerberg suggested that the Board wait until October to hear the action plan from UI, but reminded UI to work diligently to bring the numbers in line. Mr. Lewis suggested having an interim conference call to get a status report. Mr. Terrell agreed that a monthly update would be good. Mr. Agidius noted that a combined meeting of BAHF and the Athletic Committee could be arranged.

At this time, Paul Agidius was excused for the remainder of the meeting due to a scheduling conflict.

Consent Agenda Item 6. FY 2011 Operating Budgets

**M/S (Terrell/Edmunds): To approve the FY 2011 operating budgets for the Office of the State Board of Education, Idaho Public Television, Division of Vocational Rehabilitation, College and Universities, Postsecondary Professional-Technical Education, Agricultural Research & Extension, Health Education and Special Programs, as presented. Motion carried unanimously.**

1. Differential Fees

Matt Freeman of the Board office introduced this item. He provided background details for the benefit of the Board noting that the discussion on differential fees has been going on for a number of years. He explained that last fall the Financial VP's began to earnestly look at the idea of differential fees and would like feedback from the Board at this meeting regarding a proposal they may make in the future.

Keith Ickes of UI addressed the Board on behalf of the Financial VP's. He referred to a white paper included in the Board materials that summarizes the issue of differential fees. He pointed out that differential tuition refers to any tuition charged 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.

Mr. Ickes noted that professional fees are already being charged to students in certain programs that have a higher cost. There are also course-specific fees which are associated with direct and identifiable costs of taking a particular course. These course-specific fees are not generally considered differential fees for that reason. Methods of charging differential tuition include charging according to the student's program major or program; another is to charge by the program.

Mr. Ickes shared that some of the concerns, related to differential tuition, are that it is another mechanism for raising tuition, it can complicate financial aid operational management, or it may raise a question of access. Any proposal brought to the Board will include an outline from each institution that includes a defensible proposal as to how it would apply a differential fee policy.

Board President Westerberg indicated that any proposal on how differential fees would be implemented has to make sense in a pricing mechanism within the institution. If one student pays more and another pays less, that needs to be included too. It was noted that revenue and the way institutions price education is one issue; how that education is delivered is another.

Board member Soltman suggested that this might simplify the current structure. Mr. Ickes explained there are several approaches that might be considered. One is to take an existing program like engineering and couch it in broader terms to give the Board an idea of how the framework might look.

Matt Freeman indicated that the institutions have discussed the possibility of bringing a draft policy to the Board for first reading in August; and also to present at that time a system-mockup using the engineering program. He noted that the institutions are looking for a go-ahead at this point. Board member Terrell recommended having a draft policy come forward before the first reading so the Board can build on it. Board President Westerberg agreed that having a draft policy first would make sense and should include a draft program.

Jim Fletcher of ISU added that ISU strongly supports the concept of differential fee, but with respect to having a pro forma model, it needs to be financially right and communicable and acceptable within the community. And, ISU would like the opportunity to review this with its students as well.

Stacy Pearson of BSU noted that the timeline does give some flexibility, and also allows the institutions to ask for differential fees at the April 2011 Board meeting. She pointed out that by tracking backwards from that date on the timeline, the institutions would need to bring something to the Board in August with a second reading in October or December.

Board President Westerberg reminded the institutions that the Board has the option to reject any proposal. Mr. Terrell clarified that the intent is to get the draft and move forward, keeping in mind that if the draft isn't acceptable it gets returned to the institutions for reworking. The process would start in August with the draft copy. The institutions thanked the Board for allowing them to proceed on this issue.

2. Boise State University – Right of Way Vacation Agreement – Ada County Highway District (ACHD)

**M/S (Terrell/Soltman): To ratify the agreement between Boise State University and Ada County Highway District for the vacating of right-of-way.**

**Substitute M/S (Lewis/ Edmunds): To approve the agreement between Boise State University (BSU) and Ada County Highway District (ACHD) relating to vacation of right-of-way subject to satisfactory resolution between BSU and ACHD of the following issues:**

- (a) Section 1.04(a) – mutual acceptance of the form of easement;**
- (b) Section 1.04(b) – timing issues associated with BSU's obligation to relocate sidewalks and curbs;**
- (c) Section 1.04(c) – clarification regarding appropriate limitations regarding the scope and extent of the property for which ACHD may request use without compensation.**

**Motion carried unanimously.**

Board member Lewis asked for clarification on the rights of ACHD related to the agreement. He expressed concern is that if there is any dispute as to who has rights to the land in question, it could end up in court.

Kevin Satterlee explained that BSU requested a global agreement for right-a-ways for streets from ACHD. The final version that came to BSU from ACHD did not include certain agreed upon items between ACHD and BSU. Mr. Satterlee agreed that this isn't the best situation, but explained to the Board that it has taken many years just to get ACHD to move this far.

There was discussion about how best to approach this issue with ACHD. Board member Lewis suggested several points in the agreement be clarified in order that the position of BSU and the Board be protected. The Board took a brief recess to allow time to draft a substitute motion along that line.

### 3. Boise State University – Geothermal Agreement

**M/S (Terrell/Atchley): 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. Motion carried unanimously.**

### 4. Boise State University – Purchasing Policy

**M/S (Terrell/Soltman): To approve the model purchasing policy as submitted in Attachment 1 and to find it substantially consistent with Title 67, Chapter 57 Idaho Code. Motion carried unanimously.**

Matt Freeman presented this item and provided details to the Board related to background discussion. He explained that BSU took the lead on this. They sat with counsel and other staff members and went through the current purchasing statute in the framing of this policy to make sure it was in compliance. He indicated that the only provision in the legislation was that it would be substantially consistent. This policy has been vetted with State Purchasing and they have agreed that it is fine. Mr. Freeman noted that the variances are outlined in the Board agenda materials.

As a point of clarification, Stacy Pearson pointed out that BSU took great care in drafting this model policy. In addition, at the institution, no purchase or payment is made without documentation. This model policy would make ISU, UI, BSU, LCSC, and EITC eligible to draft their own policy to bring to the Board for review and approval.

**M/S (Terrell/Edmunds): To approve the request by Boise State University to implement and utilize the model purchasing policy effective July 1, 2010. Motion carried unanimously.**

### 5. Boise State University – Lincoln Avenue Student Housing

**By unanimous consent the Board agreed to postpone this item until a date in July for a special board meeting to hear this item.**

Board member Terrell recused himself from discussion and voting on this matter due to a possible conflict of interest.

Stacy Pearson reported that BSU was bringing this item back before the Board. She noted that due diligence has been done to settle out with the American Campus Communities (ACC). BSU is still in need of additional student housing and has decided to go with a scaled-down version of

the project funded with a mix of student housing reserves and general revenue bond proceeds. This takes advantage of the work that has already been done. BSU is seeking approval to move ahead with this project through the Division of Public Works and/or the Division of Purchasing as appropriate. BSU will bring a bond issue before the Board in August related to this project.

Board member Edmunds asked if future discussions should be undertaken to negotiate for the use of the development plans from ACC. BSU indicated that it would consider that suggestion.

Board member Lewis noted this proposal is out of sequence in terms of the Board's process for building projects. Ms. Pearson indicated that BSU has tried to follow that process diligently, but this project is different because the project design was done under the ACC agreement. She emphasized that construction will not start until the bonding is approved.

Board member Atchley raised a point about the cost of student housing on this particular project. Ms. Pearson noted that when BSU looked at the project ACC designed, BSU had confidence that they could rent those rooms because there is a high need for student housing. In terms of the cost of the project, this facility was intended to last for 30 years, so it would pay for itself over time. Mr. Pearson pointed out that the cost-per-bed of this project is comparable to other units.

Mr. Lewis reiterated he would like to see the process followed. He suggested that if timing is a concern a special meeting could be held to facilitate that. Stacy Pearson explained that Division of Public Works requires certain elements to be in place prior to their approval. If there can be a special meeting in July between BSU and the Board to look at the details that would help. Mr. Lewis concurred with having a special meeting to review information and approving this project.

#### 6. Idaho State University – Naming/Memorializing Buildings and Facilities – Softball Fields

**M/S (Terrell/Soltman): 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. Motion carried unanimously.**

#### 7. Idaho State University – Idaho Accelerator Center (IAC) Expansion Project

**M/S (Terrell/Edmunds): 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. Motion carried unanimously.**

Board member Terrell presented this item.

#### 8. University of Idaho – Outdoor Track Renovation Project

**M/S (Terrell/Soltman): 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. A roll call vote was requested; motion carried unanimously.**



Board member Terrell expressed concerns about this request related to financing. He expressed concerns that this project deals with athletics and not academics. He expressed concerns that there are other deferred maintenance situations at UI that should receive attention first.

Lloyd Mues of UI walked through several of the issues with the Board. He noted that this facility happens to be an athletic facility, but it is heavily used by the University and the public, for educational and community purposes in addition to athletics. He explained that it is about 30 years old and it is falling apart. This is not a project that falls under the Permanent Building Fund. He reiterated that it serves more than athletics. This project came to the surface as a priority on its own merit. He agreed that other projects on campus need attention as well, but for this level of money and this level of assurances for payback, this project did rise to the top. Some of those other projects would fall under the Permanent Building Fund. This one will be funded by a short-term loan from a bank.

Mr. Mues explained further that the challenge for UI is that the construction window in northern Idaho is short. He reiterated that the project will be paid by fees, will require nothing additional and that it will be paid off in five years.

Board member Lewis indicated his only issue is with the process and suggested that UI come back in to the Board with the design plan. Board member Terrell made a motion to hold this item for a special Board meeting, but the motion died for lack of a second.

**M/S (Terrell/Soltman): 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%. Motion carried unanimously.**

9. University of Idaho – Request for Proposals – Television Cable Project

**M/S (Terrell/Edmunds): 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. Motion carried unanimously.**

10. University of Idaho – Kibbie Dome Enhancement Project – Game Day Renovation

**M/S (Terrell/Soltman): To approve the request by the University of Idaho to implement the construction phase of the 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. Motion carried 4-2 (Lewis and Edmunds voted Nay).**

**M/S (Terrell/Atchley): 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 and 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%. Motion carried 4-2 (Edmunds and Lewis voted Nay).**

Board member Terrell noted that in February 2010 the Board approved the design phase of this project. UI reported that the design phase is underway and this request is for the construction phase. Lloyd Mues indicated that this project is 100% funded by giving. Vice President Murray of UI provided details. It was noted that there is a mismatch between when the pledges come in and when the payment of certain construction costs are due. A bridge loan will be secured to meet that difference.

Board member Lewis asked for clarification on the point of the loan and expressed concern about the risk of a loan that is secured only by pledges. Dr. Nellis noted that this type of project is common. He explained that this project is a transformative project. He pointed out that if the Board looks at the pledges that have already come in, it is a positive. The bridge loan covers a gap. The commitment of the alumni is evident in terms of the amount of money already raised.

Mr. Murray emphasized that the revenue enhancement that this project will generate is significant. He pointed out that there is a pledge contingency built into the project. There is also a fee built into the project that can be used to backfill the pledges if necessary. Mr. Lewis noted that projects are privately funded normally don't have a risk like this one does. Dr. Nellis indicated that in terms of looking at construction costs and securing this loan which is a bridge loan, waiting too long to take care of this could impact the situation. Mr. Mues noted that the loan can be paid off ahead of time without penalty. That is the intent of the University.

Mr. Terrell asked for clarification about the cash available for projects. Mr. Spears noted that there is more than enough money in committed pledges and sponsorships to cover the project. The bridge loan is to cover the gap time-wise. He noted that this is not about athletics because the building is used 60% of the time by non-athletics.

Mr. Lewis clarified that he recollects that the Board hasn't required 100% of the cash in hand before a private project is approved; the difference here is that there is a need for a loan to cover the gap. He indicated he will vote against this because it is not a good path to approve a privately funded project that has to be backed by a loan.

11. University of Idaho – Sponsorship Agreement – Litehouse, Inc.

**M/S (Terrell/Atchley): 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. Motion carried unanimously.**

12. University of Idaho – Formation of an Applied Research Entity

**M/S (Terrell/Soltman): 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.**

**Subsidiary M/S (Terrell/Soltman): To postpone this to the August meeting and refer it to the BAHR Committee and bring it back. Motion carried unanimously.**

Dr. Nellis noted that Dr. Jack McIver who was going to appear to report on this request had to leave for a family emergency.

Board member Edmunds expressed concern that this project appears to get around the issue of tech transfer policy. If that is the case, it would break up the effort that has been underway to build partnerships. Another issue for him is the governance structure through CAMBR and the way it is set up. Mr. Edmunds indicated he was expecting tighter controls by UI. He noted that he is struggling with this request.

Kent Nelson of UI spoke to the issues that Mr. Edmunds raised. He noted that the project helps form a bridge between the University and private industry. This is a concept of an applied research laboratory where experts can carry out more focused research projects to meet industry standards. This is not an attempt to make an end-run around policy. With respect to control, there has to be a distinct entity to qualify for the federal requirements of separation. This is a 501.3c entity. For purposes of LASR, this meets the requirement of working with an educational entity. In order for the entity to function it has to be a symbiotic relationship. If that doesn't happen, the entity loses the 501.3c rating. Mr. Nelson noted as well that the intellectual rights of the University would be protected. The President of UI appoints all the members of the board. Dr. Nellis indicated that this is a common entity across the country as a way to create a dynamic for tech transfer. Mr. Nelson clarified that other documentation will be drafted when the entity and the University enter into projects.

Mr. Edmunds indicated that there could likely be control issues with the foundation after the University puts together the original slate of directors. Dr. Nellis referred to the articles of incorporation in the information that is available. Mr. Nelson referred to Article 4 that documents the connection between LASR and the University.

Mr. Lewis noted he would have expected an extensive service agreement between LASR and the University. He pointed out that the bylaws provide the scope, but do not include anything about the contractual obligations between LASR and the University. Mr. Nelson reiterated that for every project there would be whole set of agreements for that project that comply with Board policy. Mr. Nelson also indicated this is the first step in a series of steps.

Mr. Edmunds restated his concerns.

13. Lewis-Clark State College – Refinancing Clearwater Hall

**M/S (Terrell/Edmunds): 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 carried unanimously.**

14. FY 2012 Line Items

**M/S (Terrell/Lewis): To approve the FY 2011 Supplemental Appropriation Request for College of Western Idaho in the amount of \$2,656,000. Motion carried unanimously.**

**M/S (Terrell/Lewis): To approve the FY 2011 Supplemental Appropriation Request for Peace Officers/Fireman Dependent Scholarship in the amount of \$30,000. Motion carried unanimously.**

**M/S (Terrell/Atchley): To refer the FY 2012 Line Items as listed on the Line Items Summary page in Tab 14b to the BAHF Committee to review and bring back to the Board in August. Motion carried unanimously.**

Matt Freeman explained that the first two items are supplemental appropriations for FY 2011. A supplemental appropriation is usually considered an emergency situation for the current fiscal year. By approving a supplemental appropriation request, the institution can incorporate this into their budget request for FY 2011.

Matt Freeman indicated that the FY 2012 Line Items have been identified by the institutions as their unique needs and priorities. He explained that it is up to each institution to establish a list of priorities which is developed and vetted at each campus. In August, the Board will approve a full budget request for each institution which will include their line items. The approved budget requests will go to the Legislature for its consideration in 2011.

Board President Westerberg noted that the Board laid out categories of strategic initiatives for the institutions. Mr. Freeman reminded the Board that the likelihood of having all the projects funded is slim, but it is important to inform the Governor and Legislature about the compelling needs. Mr. Lewis asked that the Board members review the list of line items prior to the next Board meeting and come back with recommendations as to what to forward to the Legislature. Executive Director Rush pointed out that it is important that the Board have a realistic request and prioritize the items, but to make sure it also presents a picture of the critical needs of Higher Education.

In regards to the process and the list of priorities that have been presented by the institutions at this meeting, Lloyd Mues of UI indicated that the same conversation has taken place repeatedly these last few years. The Board requested a list of priorities from each institution and that is what is before the Board today for their review and consideration. The other VP's concurred.

**M/S (Terrell/Lewis): To postpone this discussion and decision on the FY 2012 line items to the August meeting. Withdrawn.**

It was clarified that the intent of the Board was to turn this item over to BAHR to review the line items and bring back a recommendation to the Board in August.

15. Amendment to Board Policy – Section V.R. – Inservice Teacher Education Fees – First Reading

**M/S (Terrell/Atchley): To approve the first reading of proposed amendments to Board Policy Section V.R.3.a.x, In-Service Teacher Education Fee as presented. Motion carried unanimously.**

**INSTRUCTION, RESEARCH, AND STUDENT AFFAIRS**

1. Experimental Program to Stimulate Competitive Research (EPSCoR) Annual Summary Report

Peter Goodwin, Rick Schumacher and Laird Noh presented the EPSCoR Annual Report to the Board. Dr. Peter Goodwin explained that the EPSCoR program is about building the science community within the state. It is doing that by building a cohesive research team of universities. The upcoming priorities of Idaho EPSCoR include the America Competes Act, the National Science Foundation Springboard Day, a proposal to host national EPSCoR Conference, and other EPSCoR major initiatives.

Dr. Goodwin indicated that Idaho's share of regular National Science Foundation (NSF) research funding is increasing. The Research Infrastructure Improvement (RII) funds personnel, research, cyber-infrastructure, diversity and outreach, management/stewardship, and sustainability. One example of outreach is the Idaho STEM Pipeline. This has drawn national attention. EPSCoR is in the process of transforming data policy.

Dr. Goodwin reported that Idaho was selected by the EPSCoR community to host the national convention. In this regard Idaho EPSCoR is working to balance the expectations of the NSF and the EPSCoR community and to get enough innovative outcomes to justify this meeting. Idaho EPSCoR is looking at what EPSCoR is doing on the national level. Expenses for the convention are covered by the NSF, but Idaho wants to have the proposal in place first.

Dr. Goodwin indicated that Idaho EPSCoR needs to position itself nationally so it attracts attention in terms of cyber-infrastructure. He pointed out that there are three key positions to be filled related to this effort. This is a value-added enhancement to INL and other initiatives.

Senator Noh thanked the Board for the opportunity to report. He indicated that Idaho EPSCoR appreciates the patience and involvement of the Board during the period of transitioning back under the oversight of the Board. Idaho EPSCoR looks forward to having a cooperative working relationship with the Board.

2. Idaho State University – Request to Discontinue the Electrical Technician Professional-Technical Program

**M/S (Lewis/Atchley): To approve the request by Idaho State University to discontinue the Electrical Technician Technical program. Motion carried 5-0 (Terrell absent during the vote).**

3. Idaho State University – Approval of Full Proposal: New Doctoral Program – Ph.D. Experimental Psychology

**M/S (Lewis/Edmunds): To approve the request by Idaho State University to implement the Ph.D. in Experimental Psychology. Motion carried 5-0 (Terrell absent during the vote).**

4. University of Idaho – Approval of Notice of Intent: Consolidation of the Department of Statistics

**M/S (Edmunds/Lewis): To approve the request by the University of Idaho to create a new administrative unit, Bi-State Department of Statistical Science and change the existing degree name to Master of Science in Statistical Science. Motion carried 5-0 (Terrell absent during the vote).**

5. University of Idaho – Approval of Notice of Intent: Reorganization of the College of Education

**M/S (Edmunds/Soltman): To approve the request by the University of Idaho to restructure the College of Education from four academic units into three academic units. Motion carried 5-0 (Terrell absent during the vote).**

6. University of Idaho – Approval of Notice of Intent and Full Proposal: New Professional Science Master's in Natural Resources and Environmental Science

**M/S (Edmunds/Soltman): To approve the request by the University of Idaho to create a new Professional Science Masters degree program in Natural Resources and Environmental Science. Motion carried 5-0 (Terrell absent during the vote).**

7. Idaho Technology Incentive Grant Program FY 2011 Award

**M/S (Edmunds/Soltman): To approve funding of review committee recommended projects under the Idaho Technology Incentive Grant Program for FY2011 totaling \$1,000,000 as submitted as well as a project at BSU totaling \$150,000 to fund work towards the development of the postsecondary portion of a longitudinal data system. Motion carried unanimously**

8. Approval of Higher Education Research Council (HERC) FY 2011 Budget

**M/S (Edmunds/Soltman): To approve the FY 2011 HERC Budget Allocation as presented. Motion carried unanimously.**

9. First Reading, Proposed Amendments to Board Policy III.Y., Advanced Opportunities

**M/S (Edmunds/Terrell): To approve the request by the Division of Professional-Technical Education to amend the Idaho State Board of Education Governing Policies and Procedures, Section III.Y., Advanced Opportunities as shown in Attachment 1. Motion carried unanimously.**

10. Second Reading, Proposed Amendments to Board Policy III.W., Higher Education Research

**M/S (Edmunds/Soltman): To approve the second reading of proposed amendments to Board Policy III.W. Higher Education Research to include the restructure of HERC as submitted. Motion carried unanimously.**

11. Second Reading, Proposed Amendments to Board Policy III.P., Students

**M/S (Edmunds/Terrell): To approve the second reading of the proposed addition to Board Policy III.P., Students as submitted. Motion carried unanimously.**

12. Second Reading, Proposed Amendments to Board Policy III.A.B., Rural Physicians Incentive Program Committee

**M/S (Edmunds/Soltman): To approve the Second Reading of new proposed Board Policy III.A.B., Idaho Rural Physician Incentive Program Oversight Committee as presented. Motion carried unanimously.**

Dr. Rush explained that this Board policy will be replaced by Board rule. That will come to the Board in August.

13. Course Transfer and Articulation Update

This is an information item only.

**DEPARTMENT OF EDUCATION**

Strategic Plans - Continued

c) Department of Education. Board President Westerberg reminded the Board that the discussion of the SDE Strategic Plan was deferred from yesterday. Luci Willits of the Department reviewed the highlights of the Department's plan. She noted the plan is posted on SDE's webpage. There are three overarching goals. First, is to have students be prepared all the way from K-12 and onto college and the workforce. In that regard, one area that Idaho is losing ground on is middle school; SDE will focus on this need. The second area concerns recruiting and paying highly qualified teachers. The third area of focus is the Longitudinal Data System. In terms of proficiency, Idaho is around 70%, but there is a lack of alignment and there is a need to make sure these students are prepared for high school.

**M/S (Soltman/Atchley): To approve the FY 2011-2015 Strategic Plan of the State Department Education/Public Schools. Motion carried unanimously.**

1. School District Boundary Alteration – Jefferson/Madison

**M/S (Atchley/Soltman): To approve the findings and conclusions in the recommended order issued by the hearing officer and to approve the excision and annexation of property from the Jefferson Joint School District to the Madison School District. Motion carried unanimously.**

Jennifer South, a parent, addressed the Board in favor of this motion. It was noted that the superintendent of the school district indicated support for the hearing officer's recommendation. Another parent, Susan Brigg, spoke against the recommendation. The Board clarified that the action taken by the Board today simply allows for the issue to go before the impacted community for a vote. The voters will decide the outcome.

2. Direct Math and Direct Writing Assessment Waiver

**M/S (Atchley/Edmunds): To approve the request by the Idaho State Department of Education to waive IDAPA 08.02.03.111.07.b for the 2010-2011 school year which requires the State Department of Education to administer the Direct Math and Direct Writing Assessment. Motion carried unanimously.**

Board member Lewis expressed concern about not hearing about this issue until it came before the Board for a vote. Ms. Willits explained that an email was sent to the Board about the issue. She indicated that the process includes asking for a waiver and then taking it before the Legislature. She noted that the decision to make this change is budgetary. It is a costly test to grade. In addition the results are not ready in a timely manner so it isn't used to guide instruction. There have been concerns about reliability in scoring as well because they are hand scored.

Ms. Willits reported that SDE will make the test available for the districts to use if they so choose. If districts follow that option it will be up to them to administer and grade the test on their own. Mr. Willits pointed out that as Idaho moves to the next generation of testing, items will be embedded in the ISAT so that you only have to test once. In terms of reaction from the state, it's been about 50-50.

Mr. Lewis reiterated the point that there needs to be a more collaborative effort between SDE and the Board beforehand so that everyone is fully aware of what is going on. Ms. Willits explained that the assessment committee of the Board was only recently appointed and in the future these items will be included on their agenda.



3. Temporary/Proposed Rule Change IDAPA 08.02.02.016 – Rules Governing Uniformity, Idaho Educator Credential

**M/S (Atchley/Edmunds): To approve the temporary and proposed rule change to IDAPA 08.02.02.016, Rules Governing Uniformity, Idaho Educator Credential as submitted. Motion carried unanimously.**

4. Proposed Rule Change IDAPA 08-02-02-027, Rules Governing Uniformity, Pupil Personnel Services Certificate

**M/S (Atchley/Soltman): To approve the proposed rule change to IDAPA 08.02.02.027, Rules Governing Uniformity, Pupil Personnel Services Certificate- School Psychologist Endorsement as submitted. Motion carried unanimously.**

5. Temporary/Proposed Rule Change IDAPA 08.02.03.112 – Rules Governing Thoroughness, Accountability

**M/S (Atchley/Lewis): To approve the temporary and proposed rule change to IDAPA 08.02.03.112, Rules Governing Thoroughness, Accountability as submitted. Motion carried unanimously.**

It was clarified that this rule applies to those district that don't make the 90% target. The definition of "new school" was clarified. The new school must be approved by the AYP Restructuring Committee which is a statewide committee. Board member Lewis encouraged the Department to put some language around the definition so that it is clear what the boundaries are. Ms. Atchley noted that is what the Restructuring Committee is about and that it has had extensive discussion on this issue to ensure schools use the same criteria and definition.

**M/S (Atchley/Edmunds): To approve the changes to the Consolidated State Application Accountability Workbook, section 1.2 and 7.1 to include the definition of "new school" and to reflect that schools must either meet the graduation rate target or make sufficient progress toward the target each year. Motion carried unanimously.**

6. Item Pulled

7. Appointments to the Professional Standards Commission

**M/S (Atchley/Edmunds): To approve Beth Davis as a member of the Professional Standards Commission to complete the remainder of a term of three years representing special education administrators effective July 1, 2010. Motion carried unanimously.**

**M/S (Atchley/ Soltman): To approve Becky Kiebert as a member of the Professional Standards Commission for a term of three years representing secondary school principals effective July 1, 2010. Motion carried unanimously.**

**M/S (Atchley/Lewis): To approve Kathy Aiken as a member of the Professional Standards Commission for a term of three years representing public higher education (letters and sciences representation) effective July 1, 2010. Motion carried unanimously.**

**M/S (Atchley/Soltman ):** To approve Corinne Mantle-Bromley as a member of the Professional Standards Commission for a term of three years representing public higher education effective July 1, 2010. Motion carried unanimously.

8. University of Phoenix Master of Arts in Education Program Review

**M/S (Atchley/Terrell):** To accept the State Review Team Report, thereby granting program approval of the Master of Arts in Education (MAED) programs in Elementary Education and Administrative Education at the University of Phoenix. Motion carried unanimously.

9. Northwest Nazarene University Director of Special Education and Related Services Program Review

**M/S (Atchley/Terrell):** To accept the State Review Team Report, thereby granting program approval of the Director of Special Education and Related Services Certification Program at Northwest Nazarene University. Motion carried unanimously.

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

**M/S (Atchley/Edmunds):** To approve the request by Wallace School District for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2009 of 117% Motion carried 4-0-1 (Edmunds absent during the vote and Terrell voted Nay).

**Substitute M/S (Terrell/ ):** To approve the request by Wallace School District for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2009 of 109%. Motion died for lack of a second.

Board member Terrell expressed concerns about the bus waiver issue and indicated that he intended to argue against all the requests.

Ms. Willits explained that the Legislature did make a change to Idaho Code a few years ago to provide clear, objective criteria that defines when a district may qualify to be reimbursed for expenses above the cap, and how much. These new criteria designate certain bus runs as “hardship” runs, and allow the district to receive a higher cap, based on the percentage of the district’s bus runs that are so categorized.

Brad Jensen, the Director of Transportation for the SDE pointed out that the Department had received 19 waiver requests, but the Department determined that only seven have routes that meet the statutory requirements of a hardship bus run that would allow the Board to grant a waiver.

Board member Terrell indicated that he planned to vote against the waiver requests in any case. Board member Soltman reiterated that very specific criteria have been laid out by the Legislature and that Department personnel have investigated and confirmed that the districts have met the criteria. He urged the Board to trust the Department experts on this matter.

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

**M/S (Atchley/Soltman): To approve the request by Garden Valley School District for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2009 of 143%. Motion carried 4-0-1 (Edmunds absent during the vote and Terrell voted Nay).**

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

**M/S (Atchley/Soltman): To approve the request by Kellogg School District for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2009 of 109%. Motion carried unanimously.**

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

**M/S (Atchley/Soltman): To approve the request by Orofino School District for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2009 of 103%. Motion carried 5-1 (Terrell voted Nay).**

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

**M/S (Atchley/Soltman): To approve the request by St. Maries School District for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2009 of 104%. Motion carried 5-1 (Terrell voted Nay).**

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

**M/S (Atchley/Soltman): To approve the request by Moscow School District for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2009 of 116%. Motion carried unanimously.**

16. Request for Waiver of 103% Student Transportation Funding Cap for Horseshoe Bend School District

**M/S (Atchley/Soltman): To approve the request by Horseshoe Bend School District for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2009 of 121%. Motion carried unanimously.**

17. Transportation – Students Less Than One and One-Half Mile

**M/S (Atchley/Soltman): To approve the requests by the one hundred school districts and twelve charter schools for Approval to Transport Students Less than One and One-Half Miles as listed in Attachment 1. Motion carried unanimously.**

**OTHER**

There being no further business a motion to adjourn was entertained.

**M/S (Soltman/Terrell): To adjourn at 5:45 p.m. Motion carried unanimously.**