



**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**

**APPROVED MINUTES
STATE BOARD OF EDUCATION
August 15-16, 2012
Idaho State University
Pond Student Union Building
Salmon River Suite
1065 South Cesar Chavez Avenue
Pocatello, Idaho**

A regularly scheduled meeting of the State Board of Education was held August 15-16, 2012 at the Idaho State University, Pond Student Union Building in the Salmon River Suite in Pocatello, Idaho.

Present:

Don Soltman, Vice President	Milford Terrell
Emma Atchley, Secretary	Bill Goesling
Richard Westerberg	Tom Luna

Absent:

Ken Edmunds, President – phoned in at 1:08 pm on Wednesday
Rod Lewis – phoned in at 1:00 pm on Wednesday

Wednesday, August 15, 2012

The Board met in the Salmon River Suite of the Pond Student Union Building at Idaho State University in Pocatello, Idaho. Board Vice President Don Soltman called the meeting to order at 1:00 pm and welcomed everyone to Pocatello for the meeting. Board President Ken Edmunds and Rod Lewis joined by phone.

BOARDWORK

1. Agenda Review

BOARD ACTION

M/S (Atchley/Goesling): To approve the agenda as submitted. The motion carried unanimously.

2. Minutes Review

BOARD ACTION

M/S (Atchley/Westerberg): To approve the minutes from the June 20-21, 2012 Regular Board meeting as submitted. The motion carried unanimously.

3. Rolling Calendar

BOARD ACTION

M/S (Atchley/Westerberg): To set August 14-15, 2013 as the date and the Idaho State University as the location for the August 2013 regularly scheduled Board meeting. The motion carried unanimously. Mr. Terrell expressed concern with the dates and the close proximity to the starting of school. Ms. Bent indicated the dates identified for the August meeting next year are before the start of school and none of the institutions had indicated prior to the meeting that there was a conflict with the date.

WORK SESSION

POLICY PLANNING & GOVERNMENTAL AFFAIRS (PPGA)

A. Medical Education Future Direction

Ms. Atchley introduced this item indicating it would be a discussion on the future of medical education in the state. She turned the time over to Mr. Freeman who provided information for Board members on the item.

Mr. Freeman indicated the Medical Education Study Committee (MESC) has been considering this issue for the past several years and has reached a point where it requests direction. The MESC made recommendations to the Board in 2009; those recommendations were approved by the Board at that time. Within those recommendations, the fourth recommendation was that the three universities collaborate together with the Boise Veterans Administration (VA) in an approach organized by the state Board to develop a four year medical education program. The work to date of the MESC has been in looking at expansion of either the 1st year program in Idaho or possibly adding a second year in Idaho. The MESC has not spent a lot of time looking at the fourth recommendation. The question to the Board is whether that is the continued intent, which is to have the three universities work together in a collaborative approach. Mr. Freeman indicated there are two other issues for the Board's consideration with respect to line item priorities which will be discussed in the BAHF portion of the agenda at tomorrow's meeting.

Mr. Soltman indicated the Board members were provided with copies of this material along with a status report and that the focus today is on the fourth recommendation.

The subcommittee needs direction from the Board in moving forward. Dr. Rush indicated that the specific recommendation number four states “the State Board of Education will oversee an initiative to engage all stakeholder groups, ISU, U of I, BSU, LCSC, University of Washington, VA Medical Center the hospitals and the Idaho Medical Association to jointly develop a collaborative, comprehensive plan for the establishment of a four year Idaho based MD program.”

Dr. Rush summarized why and the specific areas the sub-committee needs direction from the Board on, including the need to determine who should play what role in this recommendation. He also commented on the lack of resources for this task. Mr. Terrell asked for clarification on whether the University of Washington (UW) would lead the charge for the program in Idaho. Mr. Lewis responded that after an initial look, continuing to work with UW and evolving that program would likely be the best approach for Idaho. He added that some changes in the UW program have changed the MESC’s thoughts and have created a need to look at what the long term plans will be.

Mr. Lewis commented that there are recommendations on this item in place and to continue to proceed with those recommendations would be appropriate. Mr. Lewis suggested reaffirming the recommendations and to have a goal over time to develop a long term plan. Mr. Edmunds commented the residencies and additional seats are where the Board should be focusing right now. He asked for comment on how to get to a 15-year plan from where the committee is today. Mr. Terrell felt items 1 and 2 are incomplete and should be focused on. Mr. Edmunds clarified that the Board needs to stay focused on 1, 2, and 3, and encourage development of item 4 which is the long term plan. Mr. Westerberg expressed importance of not losing sight of all items that were recommended. Ms. Atchley asked about funding from other areas and how it might work. Mr. Soltman responded about residency programs suggesting the hospitals may assist. Mr. Edmunds responded the majority of costs are presently picked up by others. Mr. Freeman indicated currently state funding for the two family medicine residencies and psychiatry residency is around 8-9% of state funding of their total operating budget. Mr. Soltman reiterated that today’s discussion is intended to provide clarity on what the Board should do and what they want institutions to do related to item number four.

Mr. Edmunds expressed the MESC should keep the ten priorities in place while seeking a long term plan. He also commented on the lack of staff resources from the Board office. A timeline was not identified. Mr. Westerberg emphasized it be a coordinated collaborative effort going forward. Mr. Lewis reaffirmed the comments of Mr. Westerberg that initiative in this area be one that is overseen by the Board. Mr. Edmunds suggested proceeding with the recommendations as previously stated.

Mr. Terrell continued to express concern about the need to complete an item before moving on to the next one. Mr. Edmunds expressed hope planning would be going on for item 4, while items 1, 2, and 3 are being implemented. Mr. Westerberg reiterated his feeling that there are too many things being worked on at the Board office with its lack of resources to fully dive into item 4. Mr. Westerberg clarified it is an important item to

get to, but felt the resources were lacking to be able to conquer it in the next calendar year. Mr. Lewis offered some clarifying comments that there has been a historical tone of priority on items one through three and that there has been a significant shift in attention and resources toward item four. Mr. Lewis commented that the priorities need to be a Board or committee driven initiative and until the Board is ready to act, they need to be sure to not give the wrong signals to institutions or others.

Dr. Goesling suggested the University of Utah be part of the stakeholder group along with the VA medical centers in Boise and Spokane.

There were no further comments. Mr. Edmunds left the meeting at this time.

B. Economic Impact/Type of Degree

Marilyn Whitney provided a brief background on this item and indicated the content would be about ties between higher education and Idaho's economic future. She introduced John Glerum, current Vice President of Standlee Hay Company in Eden, Idaho, former director of the BSU TechCenter, and coordinator of the Governor's Idaho Science and Technology Advisory Council, and highlighted Mr. Glerum's extensive business and entrepreneurial background along with his educational background. Ms. Whitney also introduced Gynii Gilliam, Chief Economic Development Officer for the Idaho Department of Commerce. Ms. Gilliam's present role is to help create jobs across all sectors in the state through job attraction, retention and business expansion. Ms. Gilliam has over 20 years of experience in economic development.

Mr. Glerum thanked the Board for the invitation to participate in today's meeting and provided some information on his background and an overview of how Idaho's economic drivers have shifted over the last 30 years. He commented on what Idaho's economic strengths and opportunities are moving forward and presented some facts and figures that pertain in particular to the Treasure Valley but could be useful to the state of Idaho as a whole. He indicated the top employer in the state is St. Luke's, with Wal-Mart and Micron being second and third respectively. He commented that surprisingly in the last ten years Idaho has gone from a state where companies make and sell things for import and export, to a health care and service provider based economy.

He indicated that surprisingly only 10% of a region's economy is brought by attraction. Two other forms of economic development are start-ups, and expansion/retention, which account for about 45% of growth respectively. Mr. Glerum commented the focus should be on both, but with emphasis on expansion/retention. He discussed how higher education plays into these factors and the importance of the talent that comes from higher education. He shared some candid feelings from his own perspective on higher education indicating that he felt higher education is expensive and inefficient, commenting on the expense of a four year degree. He added that there is a lack of information on how to evaluate public institutions and the rate of return on investment. He felt there is disconnect between student enrollment and curricula in comparison to

the needs of the labor market. He indicated that university research, looking externally, does not produce much, if any, commercialization value considering the time and money involved. He felt university research should result in more economic development given the time and money spent on it.

In conclusion he commented on the importance of producing competitive graduates in the marketplace through higher education. Their success drives economic success which drives the funding for higher education. He felt the students should have to work hard for their degree and not just have it handed to them. He also offered suggestions from his perspective, adding that the Board would probably be surprised with how receptive businesses are for university level talent. He suggested the institutions reach out for internships with local area businesses.

Ms. Gilliam thanked the Board for the opportunity to speak with them today indicating she would be sharing the Department of Commerce's economic development strategy. She commented they look forward to partnering with the State Board of Education in aligning economic development and higher education.

Ms. Gilliam indicated they are working hard to strengthen agency partnerships. She identified their three pillars of focus as business retention and expansion, business development, and business attraction. They are working to identify areas of strength and growth from Idaho and looking at them for the region, the nation and the world's growing demands. Ms. Gilliam identified some opportunities and potential areas of growth the Department of Commerce sees ahead and indicated that is how they are targeting their attraction for expansion and consolidation to happen in Idaho. She indicated there are weak areas in the infrastructure, but they are working hard to address those concerns.

Ms. Gilliam indicated that throughout the regions of the state, they are focusing on the top three strengths from each region to help them fill the gaps affecting growth and success. She emphasized the impact that mining and agriculture have on the state and that they are major areas of production and export for Idaho. She added that global growth in data storage and gadgetry is a large area where engineers, technicians and programmers and other IT specialists will be in demand going forward. She commented a lot of the trades College of Southern Idaho (CSI), Idaho State University (ISU) and the tech schools are providing are in demand. International trade is an area that has grown significantly and it is 8% of Idaho's GSP. International trade, tourism, agri-tourism and food processing are areas where potential growth is great. The food processing industry is an area where scientists and engineers will be in demand. The food processing and Ag industry combined contribute 12% to Idaho's GSP. She indicated Idaho's strongest export partners are Asia and Canada.

Ms. Gilliam thanked the Board for their accessibility to agencies and individuals throughout the state and commented on Commerce's enthusiasm to work with the Board and other agencies in ensuring Idaho's graduates have jobs when they enter the work force.

Ms. Atchley asked Mr. Glerum about internships with his company. Mr. Glerum responded that there needs to be options at the university level to assist the interns. Ms. Gilliam suggested working with the Department of Commerce in establishing links for student internships. Ms. Atchley asked who's role it is to make the connections – the businesses or the universities. The response was that it should be initiated and set up by the universities and that the students should get some kind of credit so it is meaningful for them. Mr. Glerum added that the student services group needs to respond instantly when they are contacted for an intern because often businesses can't wait around a week or more for a response. Mr. Soltman asked Mr. Glerum for two or three suggestions the Board could do to impact economic development. Mr. Glerum responded by saying that the first is engagement of the students, and the second and consequent suggestions would be getting value out of and using the research and IP that is being done at the institutions. Ms. Gilliam added that cross training would be beneficial as well, for instance with engineers or scientists and business departments, so those in the science fields could get a better understanding of how a business model works.

Mr. Soltman thanked Ms. Gilliam and Mr. Glerum for their presentations to the Board today. Mr. Soltman recessed the meeting for a 15 minute break and asked that the meeting reconvene at 2:45.

INSTRUCTION, RESEARCH & STUDENT AFFAIRS (IRSA)

C. Five Year Plan

BOARD ACTION

M/S (Westerberg/Atchley): To approve the first two years of the Five-Year Program Plan (for the current 2012-13 and upcoming 2013-14 academic years) as submitted. The motion carried unanimously.

Mr. Westerberg introduced the item and commented on the significant work of staff on this plan. He reminded the Board that the institutions used to function off on an eight year plan which was intended to give the Board a heads up on what the institutions planned on doing programmatically. He introduced Selena Grace and Patty Sanchez from the Board office for the presentation of the plan. Ms. Grace introduced Ms. Sanchez, Academic Affairs Program Manager, who has invested considerable time and effort in the development of this plan.

Ms. Sanchez started by summarizing the original eight year plan, pointing out that it did not provide programmatic detail. The eight year plan included regional meetings which purpose was to review and discuss the proposed draft plans of the institutions. The five year plan and how it differs is a program planning document that represents the institutions' roadmap for the development or expansion of programs consistent with the

statewide and regional program responsibilities. Today, the final plans from each of the institutions in comprehensive format are being presented to the Board.

Ms. Grace indicated they are presenting a two year plan today which includes the current and next academic year. The two year plans are being presented because of the level of detail they contain within the five year plan. Ms. Sanchez summarized some of the collaborative efforts and successes of the plans which included collaborations between UI/BSU and ISU/BSU.

Ms. Grace identified some unresolved programmatic discussions which included two outstanding program duplication concerns between the University of Idaho and BSU. The first is BSU's educational leadership and superintendent endorsement. The second is UI's Natural Resource conservation proposal.

Ms. Grace indicated the next steps are to complete the five year plan, commenting there is additional data to be incorporated. The completed plan will be presented at the 2013 August Board meeting. Additional next steps are to revisit statewide program responsibilities, update program titles, determine how to classify programs and statewide responsibilities, and how to address on-line delivery.

Ms. Atchley asked if this will give the Board an opportunity to look back at existing programs as well as forward to new programs to see evidence of the number of participating students and costs of new programs. Ms. Grace responded that this will provide information on the efficiencies of the programs and will be used as a planning tool for program management. Ms. Grace redirected Ms. Atchley to policy III.H., which is more of a program efficiency model.

Mr. Lewis commented on the issue of CIP codes and recommended being careful to review and identify programs as statewide approved programs. Mr. Westerberg clarified that the programs have been reviewed thoroughly in Committee prior to coming before the Board for approval. There was discussion around the use of the word "statewide" and Mr. Soltman clarified the source document for the use of the word "statewide" is contained in policy III.Z. Mr. Westerberg added that IRSA will be doing a study on policy III.Z. roles and missions, and that III.Z. is silent on on-line courses. They have asked the Council of Academic Affairs Programs (CAAP) Committee to make recommendations on both of these issues.

EXECUTIVE SESSION

Idaho Division of Vocational Rehabilitation

M/S (Atchley/Westerberg): To go into Executive Session pursuant to Idaho Code §67-2345(1)(f) – “to communicate with legal counsel ... to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated.” The motion carried unanimously.

University of Idaho

M/S (Atchley/Westerberg): To go into Executive Session pursuant to Idaho Code §67-2345(1)(d) and (e) – “To consider records that are exempt from disclosure as provided in chapter 3, title 9, Idaho Code; ...and to consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations. The motion carried unanimously.

M/S (Terrell/Goesling): To go out of Executive Session at 4:40 p.m. The motion carried unanimously.

At this time, the Board resumed the meeting to address item 2 from the BAHR agenda to approve the settlement agreement consistent with the terms discussed in executive session.

BUSINESS AFFAIRS & HUMAN RESOURCES (BAHR) - Section I – Human Resources

2. Idaho Division of Vocational Rehabilitation – Settlement Agreement

BOARD ACTION

M/S (Terrell/Atchley): To approve the settlement considered by the Board in executive session and to authorize the Idaho Division of Rehabilitation to sign all necessary settlement documents. The motion carried unanimously.

M/S (Terrell/Goesling): To recess the meeting until Thursday morning at 8:30 a.m. The motion carried unanimously.

Thursday August 16, 2012, 8:30 a.m., Idaho State University Pond Student Union Building, Salmon River Suite, Pocatello, ID.

Vice President Soltman called the meeting to order at 8:30 a.m. Matthew Watsen, ISU student body president, welcomed the Board and attendees to the meeting and provided some updates of campus activities for this year. Mr. Soltman asked for a moment of silence to recognize Annie Veseth who was a student at LCSC recently killed while fighting fires in north Idaho. He also introduced Dr. Joe Dunlap as the new president of North Idaho College.

OPEN FORUM

Ms. Downing, a retiree of Idaho State University, is concerned about the leadership of ISU. She read aloud the definition of leadership for the Board members and indicated there have been four votes of no confidence in the university's leadership. She is

concerned that the university is losing valuable faculty and staff because of poor leadership. She also expressed concern about the exclusion of the university's faculty senate. Mr. Soltman thanked Ms. Downing for her comments.

Dr. Lloyd Call was also invited to come forward during open forum. He is a retired cardiologist and has been active in developing medical education in Idaho. He stated the time to develop medical training in Idaho is critical and that it takes 11 years to train a medical professional and up to 15 years for a specialist, pointing out that the debt ratio is also a legitimate concern for students. He felt we must support our community and students with quality medical care. He felt the education requirements for medical training could be largely supported by the three major institutions in Idaho. Dr. Call felt there should be two capabilities in the medical school, one to train physicians and the other to serve as a coordinating body for the medical programs in the state. He urged the Board to be moving forward on medical education in Idaho. Mr. Soltman thanked Dr. Call for his comments.

CONSENT AGENDA

M/S (Atchley/Goesling): To approve the Consent Agenda as submitted. The motion carried unanimously.

1. Idaho Division of Vocational Rehabilitation – Advisory Council Appointments

By unanimous consent to approve the appointment of Gordon Graff to the Vocational Rehabilitation State Rehabilitation Council for a term of three years effective September 1, 2012 and ending August 31, 2015.

2. Item pulled prior to posting Agenda

3. EPSCoR Appointment

By unanimous consent to appoint David Tuthill to the Idaho Experimental Program to Stimulate Competitive Research Committee as a representative for the private sector, effective immediately, for a term of three (3) years, expiring June 30th, 2015.

4. 2010-2011 Accreditation Summary Report of Idaho Schools

By unanimous consent to approve the 2012–2013 Accreditation Summary Report of Idaho Schools as submitted.

5. Adoption of Curricular and Related Instructional Materials as Recommended by the Curricular Materials Selection Committee

By unanimous consent to approve the adoption of English Language Arts curricular materials and related instructional materials as recommended by the curricular Materials Selection Committee as submitted.

6. Appointment to the Professional Standards Commission

By unanimous consent to approve Nick Smith as a member of the Professional Standards Commission for a term of three years representing the Department of Education, effective August 16, 2012.

By unanimous consent to approve Paula Kellerer as a member of the Professional Standards Commission for a term of three years representing Private Higher Education, effective August 16, 2012.

7. University of Idaho – Foundation Agreement

By unanimous consent to approve the Operating Agreement between the University of Idaho Foundation, Inc. and University of Idaho, including the Agreement for Loaned Employee, as presented.

8. Lewis-Clark State College – Foundation Agreement

By unanimous consent to approve the revisions to the Operating Agreement between the Lewis-Clark State College Foundation, Inc. and Lewis-Clark State College as presented.

PLANNING, POLICY & GOVERNMENTAL AFFAIRS (PPGA)

1. Idaho State University (ISU) – Annual Report

Ms. Atchley introduced ISU President Art Vailas. Dr. Vailas recognized ISU General Counsel Brad Hall who he indicated would be retiring this year. Dr. Vailas provided an overview of ISU's progress in carrying out the College's strategic plan and shared some details of implementation, status of goals and objectives and information and points of interest. He indicated total student enrollment is up; non-resident students have increased by 4% and international students have increased by 29%. He also indicated the number of students engaged in on-line learning is also going up. Early college by high school students is up from FY11 to FY12. He indicated enrollment is also up on bridge programs at ISU as well.

Dr. Vailas commented on some of the programs that have received grant funding and their importance to Idaho and beyond. Environment, energy, clinical and biological sciences are the institutions key strengths and their external grant funding exceeds \$9 million, adding that ISU is recognized for its outreach programs. He shared that ISU through its Museum of Natural History, is now the 2nd university in the United States that is a formal affiliate with the Smithsonian Institute. ISU is growing their collaborations

with BYU-Idaho, BSU, College of Idaho, the Idaho Department of Labor and ISU Workforce training.

Dr. Vailas indicated their tuition costs over time have shown a downward trend and the university's debt is also going down. He indicated the faculty turnover rate continues to be low. Dr. Vailas shared some information on cutting edge programs in energy and the proposed anatomy and physiology cadaver lab in the Meridian Health Sciences Center. He commented on some of the facilities upgrades on campus – including the reopening of Colonial Hall. Dr. Vailas pointed out that ISU's deferred maintenance costs continue to increase over time. Campus beautification was boosted because of the Wheatley Foundation Campus Beautification donation. He also pointed out that during the recent and tragic Charlotte Fire in Pocatello, many students and faculty came together to help the community who experienced loss as a result of the fire.

Mr. Luna asked about the number of patents a university should turn out and if the numbers presented yesterday were accurate. Dr. Vailas did not agree with the metrics presented yesterday but felt that progress was being made in that area. He believes the universities are working with the Department of Commerce on this subject and feels Idaho lacks the significant resources for marketing institutions' intellectual property.

2. President's Council Report

Ms. Atchley welcomed President Bert Glandon, College of Western Idaho President, and current chair of the Presidents' Council to give a report from the most recent Presidents' Council meeting.

Dr. Glandon reported that the presidents met with Dr. Rush and Dr. Swartz recently, creating a timeline and establishing breakout groups for the coming year. Dr. Glandon has also scheduled planning meetings prior to each council meeting and commented that the agenda and minutes going forth will reflect clear distinction explicitly identifying action items and who they are to be communicated to. At the most recent meeting, they discussed the Regents degree and its target audiences. They agreed that it needs to be delivered both in person and on line. Dr. Glandon indicated they conversed about the accreditation process and identified what steps need to be taken for each of the institutions. They also hope to create an evaluation system for life experiences. Dr. Glandon indicated they concluded discussion on this item by setting a timeline and intend to communicate with the provosts on the degree in November, and receive information from student services in December or January.

Dr. Glandon reported the Presidents also discussed a number of items including reciprocity and tuition waivers and the importance of a good tracking tool for use in reporting students who go on from community colleges. They discussed tech transfer and pointed out that on-campus interaction with faculty is important. They discussed learning outcomes and the importance of curriculum meeting student and community needs.

Dr. Goesling asked if the group has discussed III.Z. Dr. Glandon responded they did discuss the policy and they are in agreement that online programs should not have regional restrictions. There was discussion on how to assure credits issued at the community colleges transfer to the four year institutions. President Westerberg congratulated the President's Council on an aggressive and forward moving agenda.

3. Idaho Public Television – Annual Report

Ms. Atchley introduced Peter Morrill, General Manager the Division of Idaho Public Television (IPTV), who provided an overview of IPTV's progress in carrying out the agency's strategic plan. He indicated today's presentation includes an agency overview, funding sources for educational content, efficient delivery system details and other informational material.

Mr. Morrill shared that IPTV has been in service since 1965 and is the second most watched per capita PBS station in the United States. He described the funding for the current fiscal year and that operating and personnel costs total \$7,014,000. He reported on educational content funding which is funded by annual donations and grants. They have excellent educational partnerships with some institutions in the state and have some exciting new educational services for students and teachers. He reported on the many awards IPTV has received which include 53 national and regional awards of distinction in FY12, sharing that they are very honored and proud of that fact.

Idaho Legislature Live which is a partnership with the Legislative Services Office and the Department of Administration served over 75,000 users during the 2012 session. Beginning this August there is a similar partnership beginning with the Idaho Supreme Court and the Department of Administration.

Mr. Morrill commented on the statewide delivery system and its highly efficient design and infrastructure. He touched on general fund history and indicated they received a small boost in capital replacement this last fiscal year. He pointed out that Idaho PTV uses about half the FTEs of its benchmark comparison, which equates to using about half the number of people other comparative peer stations use. Those peers included Mississippi, Utah, Iowa, South and North Dakota and West Virginia. IPTV uses alternative funding sources but there are limitations on where revenue can be generated because of regulation. This means they do not generate revenue from commercials, or have cable or satellite charges for programming, etc. Mr. Morrill indicated there has been a decline in capital funding sources and that private donor funding is scarce. Funding will continue to be a significant challenge for public television and radio stations nationwide.

Mr. Morrill identified some areas of risk for IPTV as capital replacement, repairs and maintenance, completing the basic digital transition by 2012, FCC mandates and translator channel changes, and removal of analog equipment. Mr. Morrill shared details on some of the deferred maintenance problems they are facing indicating the current operating level is not sustainable with current level of general fund support for

operations and capital replacement funding. He pointed out clearly that if equipment replacement continues to be deferred, it will lead to loss of service.

Mr. Morrill reported that for the FY14 appropriation there is an interest that IPTV be granted a continuous appropriation for privately raised funds. The legislative budget office has indicated they would like to explore a continuous appropriation model. If they decide upon this model, there will need to be a process to recognize IPTV in Idaho Code.

Looking forward, they are excited to broadcast the Idaho debates in October, Idaho Reports and Idaho Legislature Live in January, and in March the 30th anniversary of Outdoor Idaho will be celebrated.

Mr. Soltman asked where they are with the digital transition. Mr. Morrill responded they have completed the basic transmitter conversion as mandated by the FCC and are currently working on the transition of all the translators across the state. They have funding for 30 of the 43 translators. He said they are cautiously optimistic to have the remainder completed by 2014. Mr. Soltman asked what the dollar amount is of the deferred maintenance. Mr. Morrill responded approximately \$2.8 million at this time. Mr. Luna asked if their federal funds are subject to sequestration. Mr. Morrill responded they are and provided some detail. Ms. Atchley thanked Mr. Morrill for his presentation.

4. Proposed Rule – IDAPA 08.01.10 – Work Study Program

BOARD ACTION

M/S (Atchley/Westerberg): To approve the Proposed Rule changes to IDAPA 08.01.10 as submitted. The motion carried unanimously.

Ms. Atchley gave a brief introduction of the rule and introduced Tracie Bent from the Board office for further explanation. Ms. Bent summarized the recommendations for this rule and indicated the Idaho Work Study program has been evaluated by staff as part of the review of state scholarship programs, and while it is not a scholarship program it has been determined that changes should be made to Idaho code as well as rule that will make the program easier to manage. Amendments to Idaho code will be brought back to the Board for approval at the October Board meeting.

5. Proposed Rule – IDAPA 08.01.11 – Proprietary Schools

BOARD ACTION

M/S (Atchley/Westerberg): To approve the Proposed Rule changes to IDAPA 08.01.11 as submitted. The motion carried unanimously.

Ms. Atchley gave a brief introduction of the rule. Tracie Bent from the Board office summarized the changes to this rule which were based on input received from public

and private schools. The changes were related to the reporting period for determining the gross Idaho tuition. The amendment bases it on the tax year. The proposed changes simplify the calculation of Idaho tuition revenue for the schools and institutions registering. The added disclosure to students will provide for greater consumer protection and transparency for those students who have entered a program only to find out the clinical or internship positions are out of the area.

6. Proposed Rule – IDAPA 08.01.14 – Rural Physician Incentive Fund

BOARD ACTION

M/S (Atchley/Terrell): To approve the Temporary Proposed Rule change removing IDAPA 08.01.14 – Idaho Rural Physician Incentive Program. The motion carried unanimously.

Ms. Bent clarified the changes to the rule for Board members summarizing the removal of IDAPA 08.01.14 will eliminate what is now an unnecessary section of administrative rule due to changes in statute that shifted the management of this program to the Department of Health and Welfare.

7. Proposed Rule – IDAPA 08.02.02 – Rules Governing Uniformity (Alternate Route to Certification)

BOARD ACTION

M/S (Atchley/Goesling): To approve the Proposed Rule changes to IDAPA 08.02.02 – Rules Governing Uniformity, clarifying the alternate route to certification process as submitted. The motion carried unanimously.

Ms. Bent clarified the changes to this rule for Board members summarizing the proposed changes to IDAPA 08.02.02 would repeal expired sections of administrative rule and bring the para to educator alternate route to certification into compliance with federal regulations, adding that Board staff worked with Department staff on this rule change.

8. Proposed Rule – IDAPA 08.02.04 and 08.03.01 – Charter Schools

BOARD ACTION

M/S (Atchley/Terrell): To approve the Temporary Proposed Rule changes to IDAPA 08.02.04 and IDAPA 08.03.01 as submitted. The motion carried unanimously.

Ms. Bent summarized the changes will bring both rules into compliance with changes made during the 2012 legislative session and provide for administrative efficiencies. The Charter Commission recommends approval as well.

Mr. Terrell asked Mr. Luna if he felt this goes against the reasoning for setting up the charter school system. Mr. Luna said this helps to bring definition to the roles and responsibilities of the charter commission and is a step in the right direction.

9. Proposed Rule – IDAPA 47.01.01 – Division of Vocational Rehabilitation

BOARD ACTION

M/S (Atchley/Luna): To approve the Proposed Rule changes to IDAPA 47.01.01 as submitted, effective July 1, 2013. The motion carried unanimously.

Ms. Atchley indicated the proposed changes incorporate the updated Field Service Manual into rule and clarify process and procedures for customer appeals and order of selection.

10. President Approved Alcohol Permits

Ms. Atchley indicated this information item is a review of the president approved alcohol permits, and information was provided to the Board members for review in their agenda materials. There was no discussion.

11. Students Come First

BOARD ACTION

M/S (Atchley/Terrell): To reaffirm the Board’s support of Students Come First. The motion carried unanimously.

Ms. Atchley introduced this item and gave a brief summary indicating that the Students Come First reform legislation was enacted in the 2011 legislative session in response to the budget cuts by the economic recession. The final legislation addressed three main areas of K-12 education which were labor relations, teacher pay and modernization/technology updates. Repeal of the Students Come First legislation would create uncertainty for the state’s K-12 education system. This motion is to reaffirm support for Students Come First.

DEPARTMENT OF EDUCATION

1. Superintendent’s Update

Superintendent of Public Instruction, Tom Luna, provided a brief update from the State Department of Education (SDE). He introduced Roger Quarles from BSU who gave a presentation to the Board on the Idaho Leads project. This is a new statewide project intended to improve Idaho schools that aims to build leadership, relationships and student achievement. He indicated the J.A. and Kathryn Albertson Foundation is

supportive of this program. They hope to help local school districts to build leadership capacity and emphasize regional collaboration to develop and share best practices for distributed leadership. He indicated the invitation to participate went out to all districts and charters and there are 49 districts that are currently participating.

Mr. Quarles reported the project has six levels of evaluation. He showed the regions for this program and indicated there are required participant teams that include a superintendent, a trustee, principal, teacher and student. The participant teams identified some barriers which included fear of change, time and funding resources, and lack of knowledge to name a few. He also said that the barriers identified were viewed as drivers for this program. The partners of this project include the Idaho Technology Council, school boards and school administrators to name a few. He indicated they send out a monthly newsletter and a weekly communication to all participants and indicated anyone could sign up for the newsletter from their website.

Mr. Soltman asked what would happen with the other districts. Mr. Quarles responded the other districts opted to not participate at this time and they hope that they will become involved in the future.

Dr. Goesling asked about not seeing the Idaho Education Association (IEA) on the list of participants. Mr. Quarles stated they did not solicit partnerships but if the IEA would like to participate they would be welcome. Dr. Goesling asked what the relationship would be between their effort and the star ratings. Mr. Luna felt this effort would help all districts transition to the 21st century education system. Dr. Goesling asked about collaborations with other institutions within the state. Mr. Quarles responded the J.A. and Kathryn Albertson Foundation funded this project and suggested there will be an opportunity in the future for joint collaborations.

Mr. Luna added as part of his Superintendent's report an update on the ESEA waiver with the U.S. Department of Education, pointing out they are continuing to negotiate with the U.S. Department of Education and he is hopeful they will come to a resolution soon. He indicated they are not ready to approve the motion on the ESEA waiver and requested to remove it from the agenda.

Unanimous consent was requested to remove item seven – the ESEA waiver – from the agenda. There were no objections to this request.

Mr. Terrell asked if this would hold up anything related to the Star program. Mr. Luna responded it should not.

2. Proposed Rule - IDAPA 08.02.02.004 - Rules Governing Uniformity, Incorporation by Reference

BOARD ACTION

M/S (Luna/Atchley): To approve the proposed revisions to the Idaho Foundation and Enhancement Standards for: Idaho Core Teacher Standards, Bilingual Education/ English as a New Language Teachers, Foreign Language Teachers, Professional Technical Education Teachers, and Teacher Leader Standards as submitted. The motion carried unanimously.

M/S (Luna/Terrell): To approve the proposed rule change to IDAPA 08.02.02.04.01, Rules Governing Uniformity, Incorporation by Reference. The motion carried unanimously.

3. Proposed Rule - IDAPA 08.02.02.016, .021, .022, .023, .024, .029 Rules Governing Uniformity

BOARD ACTION

M/S (Luna/Goesling): To approve the proposed rule amendment to Idaho Administrative Code IDAPA 08.02.02.016, .021, .022, .023, .024, and .029, Rules Governing Uniformity as submitted. The motion carried unanimously.

4. Proposed Rule – IDAPA 08.02.02. Rules Governing Uniformity, subsection 120 - 121, Local District Evaluation Policies

BOARD ACTION

M/S (Luna/Goesling): To approve the proposed changes to IDAPA 08.02.02, Rules Governing Uniformity, amending Subsection 120 and adding subsection 121 as submitted. The motion carried unanimously.

Mr. Luna introduced the rule and summarized changes for the Board. If the State Board of Education does not approve the changes, Idaho will be out of compliance with the requirements of the US Department of Education's ESEA Waiver application. If the waiver is not approved, Idaho schools will continue to be held accountable under the No Child Left Behind (NCLB) mandates rather than the new system of accountability approved by the State Board on February 16, 2012. There was no discussion.

5. Proposed Rule – IDAPA 08.02.03 Rules Governing Thoroughness, subsection 004 English Language Proficiency Standards – Incorporated by Reference.

BOARD ACTION

M/S (Luna/Terrell): To approve adoption of the 2012 WIDA English Language Proficiency Standards, as the English Language proficiency standards. The motion carried unanimously.

M/S (Luna/Goesling): To approve the proposed rule change to IDAPA 08.02.03.004, Rules Governing Thoroughness, to incorporate the 2012 WIDA

English Language Proficiency Standards by reference. The motion carried unanimously.

6. Proposed Rule - IDAPA 08.02.03.008, Rules Governing Thoroughness-Definitions H-S

BOARD ACTION

M/S (Luna/Atchley): To approve proposed rule changes to IDAPA 08.02.03.008, Rules Governing Thoroughness, defining one to one mobile computing devices and professional development as submitted. The motion carried unanimously.

Mr. Luna introduced the item and summarized changes for the Board. Dr. Goesling asked if the reimbursement would be at the standard cost. Mr. Luna responded the reimbursement would be what the state is paying on a per-student per-year basis. There was no further discussion.

BUSINESS AFFAIRS & HUMAN RESOURCES (BAHR) - Section I – Human Resources

1. Deferred Compensation Plan

BOARD ACTION

M/S (Terrell/Atchley): To approve the amendments to the Idaho State Board of Education 457(b) Deferred Compensation Plan document as presented in Attachment 1, and to authorize the Executive Director to duly execute the document. The motion carried unanimously.

Mr. Terrell introduced the item and asked Mr. Freeman from the Board office to provide background. Mr. Freeman indicated the state Board sponsors three different retirement plans and one of those plans had not been updated since 2006. Tax and legal counsel have reviewed the plans which incorporate required tax law changes and other appropriate modifications. There was no further discussion.

3. Idaho State University – Head Men’s Basketball Coach

BOARD ACTION

M/S (Terrell/Atchley): To approve the request by Idaho State University to enter into a multi-year employment agreement with William L. Evans, Head Men’s Basketball Coach, for a term commencing retroactively on March 9, 2012 and terminating May 9, 2015, in substantial conformance with the agreement submitted to the Board as Attachment 1 with revision of 2015. The motion carried unanimously.

Mr. Terrell asked ISU Vice President for Finance and Administration Jim Fletcher, and Athletic Director, Jeff Tingey, to come forward for discussion. Mr. Tingey summarized that the multi-year contract they are seeking would be in alignment with industry standards and consistent with other institution contracts at this time. They are asking to have this contract be a four year contract.

Mr. Terrell requested comment on this request being retroactive. Mr. Tingey responded they did not have this information to the Board in a timely manner because of a few internal reasons. He indicated the June deadline was unintentionally missed therefore the request was submitted for consideration at this time.

Mr. Terrell commented the recommendation of the Board is that the contracts do not go beyond three years without special reasons. Mr. Tingey responded that recruitment is a factor and they feel four years is more suitable for coaches to build a foundation for their programs. Dr. Goesling asked about the supplemental compensation with respect to academic and team behavior. Mr. Tingey responded those metrics are set up by the NCAA based on academic performance rates.

Ms. Atchley commented on the establishment of a three year contract that was agreed upon between the Athletic Committee and BAHHR, indicating there needs to be consistency in the policy or that it needs to say “up to” so many years. Mr. Fletcher responded that the contract length is consistent with other Idaho institutions and is consistent with the current statement in Board policy. Mr. Westerberg commented the guidelines were for the establishment of three year contracts and anything beyond is an exception. Mr. Westerberg recommended the Athletic Committee be tasked with more than establishing guidelines.

4. University of Idaho – Contract for Employee Benefits

BOARD ACTION

M/S (Terrell/Westerberg): To approve the agreements between the University of Idaho and The Standard Insurance Company with Helbling Benefit Consultants as consultant of record, in substantial conformance to the forms submitted to the Board in Attachments 1 and 2, inclusive of the University of Idaho Request for Proposals Number 12-46J and the Helbling Benefit Consultant’s response dated June 6, 2012, and to authorize the director of contracts and purchasing services to execute all necessary documents. The motion carried unanimously.

5. Lewis-Clark State College – Convert Student Affairs Program

BOARD ACTION

M/S (Terrell/Goesling): To approve the request by Lewis-Clark State College to restore its previous position of Vice President for Student Affairs by upgrading its current position of Dean of Student Services. The motion carried unanimously.

6. Eastern Idaho Technical College – Short Term Merit Increase – Executive Director of the Foundation

BOARD ACTION

M/S (Terrell/Atchley): To approve the request by Eastern Idaho Technical College and the Eastern Idaho Technical College Foundation to award a one-time short term merit pay increase in the amount of \$5,000 to the Executive Director of the Foundation, and to direct that payment be processed and paid in accordance with Board policy and the Operating Agreement between the College and the College Foundation. The motion carried unanimously.

BUSINESS AFFAIRS & HUMAN RESOURCES (BAHR) - Section II – Finance

1. Funding Equity

Mr. Terrell indicated this is an informational item and no motions will be made on it today. The item was returned to the BAHHR committee for further work.

2. Performance Based Funding Initiative (PFBI)

BOARD ACTION

M/S (Terrell/Goesling): to approve the following two Outcome Metrics for use as system-wide metrics as part of a Performance-based Funding Initiative: (1) Graduate (i.e. total student) Production; (2) Cost per successfully completed weighted student credit hour. The motion carried unanimously.

Mr. Freeman shared some background on the discussion and work behind this item. He indicated the financial vice presidents, budget directors, provosts and others attended a work session to discuss metrics of performance based funding both at a system-wide and institutional level. The two metrics arrived upon are contained in the motion. Mr. Freeman pointed out that for institutional specific metrics, institutions can have up to four metrics and they need to contain both a quality metric and a progress metric.

Mr. Soltman suggested the use of benchmarks in reviewing the institution specific metrics. Mr. Herbst indicated they would be working on the benchmarks and have them available at the October Board meeting. Mr. Westerberg thanked everyone for the collegiality and work that went into this item.

3. FY 2014 Line Items

BOARD ACTION

M/S (Terrell)/To approve the Line Items for the agencies and institutions as listed on Tab 3 pages 5-7, and to authorize the Executive Director to approve the MCO and Line Item budget requests for agencies and institutions due to DFM and LSO on September 4, 2012.

Substitute Motion:

M/S (Westerberg/Terrell): To approve the Line Items for the agencies and institutions as listed on Tab 3 pages 5-7, provided that the University of Idaho College of Law second year expansion in Boise is subject to program approval by the Board in October and to authorize the Executive Director to approve the Maintenance of Current Operations (MCO) and Line Item budget requests for agencies and institutions due to DFM and LSO on September 4, 2012. The motion carried unanimously.

Mr. Terrell introduced Dr. Nellis from the University of Idaho who thanked the Board for the opportunity to speak about the university's proposal to request funding from the Legislature to support their second year of the law program in Boise. Dr. Nellis introduced Dean of Law Don Burnett, and Ms. Megan Fernandez, 2011 graduate, to comment briefly on the institution's Boise Law School program. Ms. Fernandez expressed her gratitude to the Board for allowing her to speak today and identified why the Boise program was attractive to her as a student. She added that the variety of business clinic offerings and internship opportunities in Boise were very helpful to her as a student, because those opportunities were not available elsewhere.

Mr. Burnett summarized some background for the College of Law in Boise including their eight year plan for the program. They are presently ranked 13th out of 200 law schools in the country. He indicated the Idaho Law Learning Center in Boise has been moving ahead and there have been many letters of support for this program sent to the Board from distinguished individuals and groups. Mr. Burnett asked for the Board's support in adding second year classes to the curriculum.

Mr. Terrell asked for Mr. Burnett to respond to a letter that was sent to the Board stating there was not a need for more law graduates and that graduating students are unaware of the shortage of jobs. Mr. Burnett responded to this material by saying about 77% of graduating students nationally were offered jobs. He said employment statistics have shown the results of the recession, but Idaho is ahead of the national average at 86-87%. He also indicated that about 20% of law students have to retake the bar exam which affects the numbers. He indicated Idaho students are at about a 90% pass rate and added that often employment in the law arena shows a juris doctorate degree is preferred, but being licensed is not a requirement. Those types of jobs do not get counted in any of the labor statistics with regard to law license jobs, adding those jobs are often highly desired by law graduates.

Ms. Atchley asked for clarification on the change in delivery points of this program. Mr. Burnett clarified that there is one degree program with two points of delivery – one in

Moscow and one in Boise. He stated there is not a duplicate law school with Boise's program. In Boise they hope to accomplish an emphasis on business law, economic development, intellectual property, international business transactions, regulatory law and so forth. In Moscow the emphasis is environmental and natural resources law, Native American law, and litigation and dispute resolution types of law. He added they view the Boise curriculum and the Moscow curriculum as complementary to each other.

There was further discussion about the program and Mr. Westerberg offered some comments, indicating his feeling is that the Board should conditionally approve the line item from the University of Idaho subject to program approval at a later date.

Regarding the FY 2014 line items, Mr. Freeman made further general clarification to some of the information on the summary page provided in the Board materials, indicating the four institutions would be submitting proposals to the Board office by August 26, 2012 at which point BAHR will have the opportunity to make decisions on which proposals go forward. Mr. Freeman requested consensus in working with the financial vice presidents and BAHR to bring forward a number for the placeholder slot by the September 4th deadline.

4. FY 2014 Capital Budget Requests

BOARD ACTION

M/S (Terrell/Westerberg): To recommend no major capital funding for FY 2014 and have the Permanent Building Fund Advisory Council concentrate upon Alterations and Repairs and other non-major projects. The motion carried unanimously.

AND

M/S (Terrell/Westerberg): To approve the six-year capital construction plans for Boise State University, Idaho State University, University of Idaho, Lewis-Clark State College, and Eastern Idaho Technical College. The motion carried unanimously.

Mr. Freeman reminded the Board members that as part of the approved revisions to the capital construction policy, there is a requirement that the six year capital plans be approved by the Board on an annual basis. The policy stipulates that the approval of the six year plan puts the Board on notice that the institutions may begin soliciting funds for these projects.

5. Intercollegiate Athletic Reports – NCAA Academic Progress Rate (APR) Scores

Mr. Terrell asked for the presidents to come forward for discussion on this informational item. Mr. Terrell requested a brief update from the institutions on their NCAA APR.

Dr. Vailas summarized briefly that ISU continues to improve in regards to the NCAA APR. He mentioned they have received a letter from the NCAA in appreciation of their progress and that penalties would be removed. Dr. Nellis summarized that the University of Idaho's averages are up and he is encouraged by this trend. Their golf team needs improvement, but is improving with the new coach and their volleyball team was recognized as one of the top teams. Ms. Pearson stated their APR average multi-year score was 970 and eleven teams improved their scores from 2011. Ms. Pearson shared some of the team rankings and noted a number of awards. Boise State was the only football team to finish the 2011 season ranked in the top ten of the final polls as well as earning a public recognition award. She also shared some very positive information about team grade point averages.

Dr. Goesling recommended looking at the AYP numbers when considering coaches' contracts. Ms. Atchley offered congratulations to the institutions' student athletes both in sports and academically.

6. Amendment to Board Policy – Section V.B. Occupancy Costs – 1st Reading

BOARD ACTION

M/S (Terrell/Goesling): To approve the first reading of the proposed amendments to Board Policy V.B. as submitted. The motion carried unanimously.

7. Amendment to Board Policy – Section V.X. Intercollegiate Athletics – 2nd Reading

BOARD ACTION

M/S (Terrell/Atchley): To approve the second reading of proposed amendments to Board Policy moving Section III.T., paragraphs 1-4, Intercollegiate Athletics to Section V.X., Intercollegiate Athletics, and renumber Section III.T.5., Student Athletes – Conduct, as Section III.T.1. with all revisions as presented. The motion carried unanimously.

8. Boise State University – Clearwire Lease

BOARD ACTION

M/S (Terrell/Goesling): To approve Boise State University's request to enter into an Educational Broadband Service Long-Term De Facto Transfer Lease Agreement with Clearwire Spectrum Holdings III, LLC, and to authorize the vice-president for finance and administration to execute the lease agreement. The motion carried unanimously.

Ms. Atchley asked if these types of agreements are available to other institutions. Mr. Satterlee, general counsel from BSU responded that all institutions are taking advantage of leases like this.

9. Boise State University – Math/Geoscience Remodel Project

BOARD ACTION

M/S (Westerberg/Atchley): To approve the request by Boise State University to approve the project budget and financing plan for the Math/Geosciences Building Renovation for a total project cost not to exceed \$4.2 million and to authorize the University to proceed with construction, and to direct Board staff to provide written notification of final Board approval to the Governor and the Joint Finance-Appropriations Committee within ten business days pursuant to Board policy.

The motion carried unanimously.

Mr. Terrell excused himself from this item and turned it over to Mr. Westerberg. Ms. Pearson indicated this is a request by BSU for approval of the Math/Geosciences building renovation project and to proceed with construction. Ms. Atchley asked about a funding source. Ms. Pearson indicated funds have been set aside by BSU for this project.

10. Boise State University – Lincoln Recreation Field Project

BOARD ACTION

M/S (Westerberg/Goesling): To approve the request by Boise State University to approve the project budget and financing plan for the Lincoln Avenue recreation field for a total project cost not to exceed \$1 million and to authorize the University to proceed with construction, and to direct Board staff to provide written notification of final Board approval to the Governor and the Joint Finance-Appropriations Committee within ten business days pursuant to Board policy.
The motion carried unanimously.

11. Boise State University – Dona Larsen Park Project

BOARD ACTION

M/S (Terrell/Westerberg): To approve the request by Boise State University to enter into a Facilities Use Agreement with the Boise Independent School District for the use of Dona Larsen Park, and to authorize the vice president for finance and administration to execute the agreement. The motion carried unanimously.

Mr. Terrell provided a brief summary of the item. Dr. Goesling asked about the liability issue on this project. Ms. Marcus, Board legal counsel, indicated they are in agreement with this project. Mr. Soltman thanked BSU for addressing their prior concerns.

12. Boise State University – Yanke Family Research Park Purchase

BOARD ACTION

M/S (Terrell/Goesling): To approve the request by Boise State University to purchase the Yanke Family Research Park facility located at 220 Parkcenter Boulevard from the Boise State University Foundation for the principal balance of the loan, estimated to be approximately \$2 million, and to direct Board staff to provide written notification of final Board approval to the Governor and the Joint Finance-Appropriations Committee within ten business days pursuant to Board policy. The motion carried unanimously.

Dr. Goesling asked for an estimate of the occupancy costs. Ms. Pearson indicated they have not yet completed that calculation at this time and would have a better idea of those costs next year.

13. University of Idaho – Kibbie Dome Enhancement Project Loan Modification

There was no discussion on this item.

14. University of Idaho – Hatley Way Sidewalk Dedication to City of Moscow

BOARD ACTION

M/S (Terrell/Atchley): To approve the deed of dedication to the City of Moscow in substantial conformance to the forms submitted to the Board in Attachment 1, and to authorize the University's Vice President for Finance and Administration to execute such document. The motion carried unanimously.

15. University of Idaho – Niccolls Building Renovation – Plan/Design Phase

BOARD ACTION

M/S (Terrell/Atchley): To approve the request by the University of Idaho to supplement the Planning and Design Phase of the Niccolls Family and Consumer Sciences Building Renovations to increase the authorization by \$110,000, to a total authorization of \$260,000. Authorization includes the authority to execute all requisite consulting, design, and vendor contracts necessary to fully implement the Planning and Design Phases of the project. The motion carried unanimously.

Mr. Westerberg asked about the funding source for this project. Mr. Smith, University of Idaho Vice President for Finance and Administration, responded that there were three sources which included public works, College of Ag and institutional funds for the remainder.

16. University of Idaho – Student Union Building Floor Renovation – Plan/Design Phase

BOARD ACTION

M/S (Terrell/Atchley): To approve the request by the University of Idaho to implement the planning and design phases of a capital project for second floor renovations and improvements of the Student Union Building in the amount of \$150,000. Approval includes authorization to execute all necessary and requisite consulting, and vendor contracts to fully implement the planning and design phases of the project. The motion carried unanimously.

Mr. Freeman clarified that the funding source for the project will be university funds and reserves; there are no state funds involved for this item. Mr. Terrell asked to have the word "state funds" removed from the agenda materials for clarification where it referenced "state and institution funds".

AUDIT

1. Boise State University/Bronco Athletics Association (BAA) Agreement

BOARD ACTION

M/S (Atchley/Goesling): To approve the memorandum of understanding between the Bronco Athletic Association, Inc. and Boise State University as presented. The motion carried unanimously.

Ms. Atchley provided a brief summary of the item. She indicated there was one question about whether the required dual signatures for use of the funds should include a member of the Bronco Athletic Association as well as the BSU Foundation. She indicated that the University and the two associations agree that two signatures from the Foundation is the kind of protection that is needed and it is not necessary for the Board to specify dual signature from the BAA and the Foundation. Ms. Pearson clarified the details of the agreement for the Board members including reporting responsibilities and donor restrictions which must be followed. She indicated the preference of the two associations is being brought forth in the agreement.

2. Amendment to Board Policy – Section V.Y. Compliance Programs – 1st Reading

BOARD ACTION

M/S (Atchley/Westerberg): To approve the first reading of proposed Board Policy Section V.Y. Compliance Programs, as presented in Attachment 1. The motion carried unanimously.

Mr. Freeman expressed appreciation for everyone's work on this policy.

INSTRUCTION, RESEARCH & STUDENT AFFAIRS (IRSA)

1. Boise State University – Approval of Full Proposal – Executive Master of Business Operational Excellence

BOARD ACTION

M/S (Westerberg/Goesling): To approve the request by Boise State University to offer an Executive Master of Business Operational Excellence as a self-support program. The motion carried unanimously.

Mr. Westerberg asked for BSU to provide a short description of the program and commented that it is a self supporting program and no state appropriated funds will be used. Dr. Marty Schimpf introduced Dr. Smith, Associate Dean of the College of Business, to speak to the uniqueness of this program. Dr. Smith indicated this particular program is a partnership between BSU and the Kaizen Institute. The Kaizen Institute is a well known world-wide consulting expert in the area of lean and six-sigma operations. They will assist in instruction and will provide a “real world” perspective in the classroom; and they will help recruit students from across the globe.

2. Postsecondary Data Reporting Change to State Census Date

BOARD ACTION

M/S (Westerberg/Goesling): To approve the request to change Idaho’s official census date from 10th day to October 15th for Fall census reporting and March 15th for Spring census reporting and to direct staff to incorporate into Board policy. The motion carried unanimously.

3. EPSCoR Annual Report

Mr. Westerberg introduced Rick Schumaker and Nancy Glenn from EPSCoR to give a short presentation on this item. Mr. Schumaker, Project Administrator, and Ms. Glenn, Lead Scientist, provided a brief report on EPSCoR. Mr. Schumaker commented that EPSCoR is a research infrastructure improvement program funded by National Science Foundation grants as well as state match. They are about transformative research and building community. He expressed thanks for being involved in some state level initiatives over the past year such as the STEM Diversity Summit.

Mr. Schumaker summarized three projects from the past year for Board members. Track 1 was a research infrastructure improvement program, and Track 2 and C2 which invest in internet and cyber infrastructure capacity respectively.

Ms. Glenn provided an overview of the Track 1 project which is a five-year award in which they are presently ending year four. Its focus was on sustainability and engagement with agencies within the state and across the nation. They are geared to developing research infrastructure by investing in people. She reported on some of the highlights of the project and commented on the expansion of collaborations. She

indicated they will have an external project advisory board review in October where a group of experts help them refine their objectives and directions to make sure they are touching all of the areas of emphasis they intended to. This year they are hosting a Pacific Northwest Science Climate Conference in conjunction with their annual meeting in Boise.

Mr. Schumaker concluded that during the course of over four years over 400 people at the university level have been involved in the EPSCoR project which is in addition to the thousands of teachers and students that EPSCoR has benefitted. He indicated they have collaboration with partners in Nevada and New Mexico which has given them the chance to offer some new course work for students as well as faculty development opportunities. He concluded by saying that they are continuing to increase their share of NSF research funding they get relative to other states indicating good progress in the long term. Additionally their share of competitive funding that does not come from EPSCoR continues to increase as well, indicating a sign of growth beyond EPSCoR.

4. Quarterly Report: Programs and Changes Approved by Executive Director

Mr. Westerberg introduced this information item. Ms. Atchley asked why there were so many discontinuations of the Bachelors of Arts degrees at Boise State. Dr. Schimpf responded in each of these cases they felt they needed to simplify the program choices and streamline the curricula. In doing so, they routinely eliminate low enrollment courses. Ms. Atchley asked if they feel this enhances the STEM aspect at BSU. Mr. Schimpf responded in this case it was about reducing costs.

OTHER BUSINESS

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

M/S (Soltman/Terrell): To adjourn the meeting at 2:51p.m. The motion carried unanimously.