

1. Agenda Approval

Changes or additions to the agenda

BOARD ACTION

I move to approve the agenda as submitted.

2. Minutes Approval

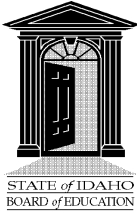
BOARD ACTION

I move to approve the minutes from the August 14-15, 2013 Regular Board Meeting, and the August 26, 2013 Special Board meeting as submitted.

3. Rolling Calendar

BOARD ACTION

I move to set October 15-16, 2014 as the date and Lewis-Clark State College as the location for the October 2014 regularly scheduled Board meeting.



STATE BOARD OF EDUCATION
 TRUSTEES OF BOISE STATE UNIVERSITY
 TRUSTEES OF IDAHO STATE UNIVERSITY
 TRUSTEES OF LEWIS-CLARK STATE COLLEGE
 BOARD OF REGENTS OF THE UNIVERSITY OF IDAHO
 STATE BOARD FOR PROFESSIONAL-TECHNICAL EDUCATION

**DRAFT MINUTES
 STATE BOARD OF EDUCATION
 August 14-15, 2013
 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 14-15, 2013 at Idaho State University, Pond Student Union Building in Pocatello, Idaho.

Present:

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

Milford Terrell
 Bill Goesling
 Ken Edmunds
 Tom Luna, State

Absent:

Wednesday, August 14, 2013

The Board met for its regularly scheduled meeting in the Pond Student Union Building at Idaho State University (ISU) in Pocatello, Idaho. Board President Don Soltman called the meeting to order at 1:00 pm. President Vailas welcomed the Board and introduced ISU student body president Matt Bloxham who gave a warm welcome to the Board and a brief update on the upcoming events signaling the start of the fall school semester. President Soltman introduced the new General Manager for Idaho Public Television, Ron Pisaneschi, and welcomed him to the meeting. Board member Lewis joined the meeting at 1:15 pm. Superintendent Tom Luna joined the meeting at 2:27 pm.

BOARDWORK

1. Agenda Review / Approval

BOARD ACTION

M/S (Atchley/Westerberg): To approve the agenda as submitted. The motion carried six to zero.

2. Minutes Review / Approval

BOARD ACTION

M/S (Atchley/Terrell): To approve the minutes from the June 19-20 regular Board meeting and the July 24, 2013 special Board meeting as submitted. The motion carried six to zero.

3. Rolling Calendar

BOARD ACTION

M/S (Atchley/Goesling): To set August 13-14, 2014 as the date and Idaho State University as the location for the August 2014 regularly scheduled Board meeting. The motion carried six to zero.

WORKSESSION**Business Affairs & (BAHR)**

A. FY 2015 Line Item Budget Requests

Mr. Terrell indicated the agencies and institutions will present their FY 2015 line item requests in detail with the assistance of Mr. Freeman from the Board office. Mr. Freeman recapped for the Board members the budget setting process, timeline, and staff recommendations. He provided an explanation for the way the line items would be presented today from the institutions, stating that the BAHR Committee is supportive of the approach. Mr. Freeman communicated with the four-year institutions that they would be able to revise their requests consistent with the discussions of the BAHR Committee.

Mr. Freeman discussed the deferred maintenance need and the need for a consistent quantification and common definition for the item. He also pointed out the Presidents' Council resolution about the CEC request and provided some detail for this request.

Mr. Freeman directed the Board members to the list of line items in their agenda materials and invited the financial vice presidents or institution representatives to provide comment if necessary on any of the requests. Mr. Fletcher provided a summary of the request made by Idaho State University (ISU) for FY15 and stated there was some confusion between what they included in their presentation and what the Board requested. He indicated their total request was for \$2,196,000 for FY 2015 line items. Mr. Fletcher indicated their primary submission includes a number of Complete College Idaho (CCI) initiatives, an adjustment for occupancy costs related to their A&P facility in Meridian, and an adjustment to their rates at Eastern Idaho Technical College (EITC). He felt there was inconsistency in the guidelines requested by the universities in their levels of submission. There was further discussion regarding the request made by ISU. Mr. Freeman restated the guidelines provided to the institutions, adding that rather than adding a separate stand-alone system-wide request for CCI for equalized funding, that those needs could be incorporated into each institutions' individual line items – with the intent being that the information would be better suited to advocate with legislators on and more easily quantifiable.

Dr. Schimpf outlined the request made by Boise State University (BSU). He indicated their request falls into three categories: CCI and equalized funding; faculty salary adjustments for merit and retention; and occupancy costs. He summarized details from each of the three areas. Dr. Schimpf also provided some detail of the national average FTE students per full time instructional faculty members and remarked that faculty growth has not kept pace with enrollment growth. He shared some trends on the percent of growth since 2006 and indicated that a number of new faculty will be required to keep up with the present growth to arrive at between a master's-large and a doctoral university, requiring 72 new faculty. He also added that there is a need to increase their advising staff. He provided a comparison of lower division students per professional advisor which shows they need at least 12 new advisors to deal with the growing workload associated with the enrollments. Dr. Schimpf pointed out salaries are well below CUPA averages and pointed out the dire need to increase salaries at BSU and other institutions across Idaho.

Ms. Atchley asked if BSU has an open enrollment policy. Dr. Schimpf responded by stating in policy they do per the parameters contained in their admission index. Mr. Freeman asked how many tenured track faculty they will be asking for. Dr. Schimpf responded that 75% of the new faculty will be tenured track.

Mr. Ron Smith reported for the University of Idaho (UI) and that their number one priority is the second year law school in Boise. Interim President Don Burnett offered some comments on the importance of

this program in Boise. Mr. Michael Sats, Interim Dean for the College of Law, provided some remarks on the law program's importance. He was accompanied by two students who commented on what the Boise program has meant to them. Mr. Edmunds remarked that the idea of a second year law program in Boise by UI is troubling for him. He believes there are other priorities the Board should be focused on, especially in consideration of funding. Mr. Terrell expressed comments in support of the program. Dr. Goesling asked for clarification on if there was duplication at each site. Mr. Burnett responded that it is one law school with two places of delivery, in where each place has its own strong points of delivery. He remarked the amount of duplication is very little and the investment is for the program and the quality to students. Mr. Westerberg also commented on prioritization regarding this program and how it affects a small number of students compared to other programs affecting a large number of students. Mr. Burnett responded it is not just related to students, but the state of Idaho and the benefits to Idaho's economy. Mr. Lewis commented in support of having a law school in Boise, but remarked that having two separate schools is not favorable. Mr. Smith went on to discuss their second line item of funding ten full time faculty positions and how this will benefit UI, adding they are in full support of the CEC request.

There was additional discussion about what the direction from the Board office was to the institutions and what was requested in the line items because of the inconsistency in institution presentations.

Mr. Chet Herbst provided information for Lewis Clark State College's (LCSC) line item request. He indicated they intend to support the CCI goal with their request and intend to focus available resources on critical instructional programs and primary missions. He identified some legislative priorities such as CEC and deferred maintenance, and commented on the importance of those items. He indicated their line item request captures the need to sustain already healthy programs and there are no new program requests. Mr. Herbst said they are requesting 14 new positions comprised of eight faculty and six support staff, and commented on the importance and benefit of adding those positions.

Dr. Todd Schwarz provided a brief recap of Professional-Technical Education's (PTE) request which is to support a sector strategy initiative to bolster programs across the postsecondary system. He commented their request involves each of the six technical colleges who each have specific regional needs.

Dr. Jeff Fox provided a recap on behalf of the College of Southern Idaho (CSI). He indicated their foremost request is one for occupancy costs. Their second request is related to funding for the voluntary framework of accountability. Thirdly, they made a request intended to offer a stronger presence in Idaho Falls through the classes they offer through EITC. Additionally, they are seeking funding for additional staff positions to help support the Board's 60% goal. Dr. Fox also commented on their STEM initiative and partnerships.

President Soltman asked about the reception to the outreach in Idaho Falls. Dr. Fox responded the enrollment is low, but they are working on growing the program. Mr. Edmunds asked about the level of communication between CSI and ISU on certain programs. Dr. Fox responded that they intend to work with ISU to create the best program for students. They are intent on being good partners with ISU and EITC. Dr. Woodworth-Ney also offered supportive comments regarding this program. Mr. Edmunds emphasized strong communications among institutions regarding program offerings to avoid overlap.

Ms. Lita Burns provided a report from North Idaho College (NIC), highlighting their line item requests. Their first line item is related to the voluntary framework of accountability for student success. Their second request is related to their service to the Sandpoint Center and service to the northern most part of the state. They would like to provide a full time faculty, full time advisor, financial aid advisor, and a support staff member at that location. Their third request is related to further establishing a veteran's center and also to provide an advisor for that center. NIC has a successful veteran's center presently, and would like to build on that success.

Ms. Cheryl Wright, CFO for the College of Western Idaho (CWI), highlighted the college's five line item requests. Their first request was for funding of occupancy costs for the Micron Center for PTE, the second request is funding for their nursing staff, adding that the funding has been absorbed by their general fund to date for that program. Their third request is for support of their virtual one-stop student services to support on-line students, and their fourth request deals with the voluntary framework of accountability.

Their fifth request deals with dual credit expansion.

Mr. Ron Smith was asked to return to the table to discuss the remainder of UI's line item requests including the additional WWAMI seats. Mr. Smith explained the details of the remaining requests for the Board. They included agriculture, the trust program, additional WWAMI seats and special programs. Mr. Smith indicated they are asking for two items in the WWAMI program. One is the continuation of the five additional seats and the second is for five new seats to be added this year. The intent is to get to 40 seats.

Mr. Lewis asked if the resources are for the seats themselves or for the resources toward the seats. Mr. Edmunds responded that it is for the cost to carry the students from the first year to the second year and so forth. Mr. Freeman clarified the reason why the first year for WWAMI is less expensive is the first year students are in Moscow. Mr. Freeman clarified additional details related to this item and how the program is laid out. Mr. Edmunds asked for a better understanding of how the costs will be absorbed. Joe Stegner responded that Dr. Allen from WWAMI would be able to address specific questions for the Board and offered details of the structure of the programs, stating the curriculum change has not quite been finalized yet.

Mr. Edmunds requested those details be provided to the Medical Education Study Committee (MESC) once finalized and urged all parties to be communicating clearly with one another. Mr. Terrell also recommended the MESC return to the Board with a recommendation on the program after they are provided with those details. Mr. Lewis expressed his hope that the work the MESC has done continues on the course of action it has developed over the years.

Under the item of special programs for the University of Idaho, Mr. Freeman commented on the request for funding for Idaho sponsored students at the University of Utah, adding it has been difficult finding preceptors to work with the Idaho sponsored students because of no federal funding.

Dr. Dick McLandress offered comments on behalf of Kootenai Health Family Medicine Residency and the overwhelming need for physicians in Idaho and the country. He followed that comment up with some statistics on the shortage of physicians in the country. Dr. McLandress commented on the need for support in rural areas and on the need for students to gain real world experience.

Mr. Freeman commented on behalf of the Board office on its two line item requests. The first is for costs related to a web developer position, indicating that budget cuts during the recession eliminated the previous funding for that position. The second is a line item related to spending authority for oversight of private postsecondary schools which currently has .80 FTE presently and has grown enough to require a full time position as well as funding for consultant fees for investigations.

Mr. Ron Pisaneschi from Idaho Public Television (IPTV) provided a recap of their two line item requests. He provided some background on IPTV as a technology dependent entity and highlighted costs and cuts experienced by IPTV. They are requesting to restore funds into their operational base in the amount of \$130,000 for maintenance costs. Their second item also addresses the technology infrastructure, particularly for items that have reached their end of life cycle and need to be replaced. The request is for \$400,000 in ongoing replacement capital to address the more than \$3 million in deferred maintenance costs. He added that each year the deferred maintenance amount grows. Mr. Soltman asked about current grants and where the funds end up. Mr. Pisaneschi responded those dollars go largely to programming costs.

Don Alveshere from the Idaho Division of Vocational Rehabilitation (IDVR) recapped their three line item requests. He pointed out their first request is related to their program involvement with the Department of Corrections for specialized counselors and assistants. Their second request relates to counseling staff salaries. He provided an example of how difficult it is to get and retain good counselors, adding this is a high priority issue. Their third request is related to maintenance of effort for services with the Department of Corrections and the Idaho School for the Deaf and Blind. He explained the ramifications for replacing the maintenance of effort agreements and to avoid costly penalties. To provide clarification on the prioritization, Mr. Alveshere added that if either of the first two requests get approved, the third will not be

necessary. However, if the first two do not, the third becomes incredibly important.

Instruction, Research & Student Affairs (IRSA)

B. Accreditation Process and Status

Ms. Selena Grace from the Board office provided a presentation on accreditation requirements for institutions who are accredited by the Northwest Commission on Colleges and Universities (NWCCU). The NWCCU covers a seven state region for public and private institutions. Along with this presentation, an update was provided on where each institution is in the accreditation process. Ms. Grace outlined the considerations used by the NWCCU and how each report is connected, and also what is included in each year's report and what objectives and achievements are measured in each report. The reports go through a seven year cycle. Ms. Grace reported that all of Idaho's public institutions with the exception of the College of Western Idaho (CWI) are accredited and at what point in the seven year cycle each institution is presently. CWI is presently a candidate and in the fall of 2014 it will begin its three year evaluation. The report was included in the agenda materials provided to Board members.

Ms. Grace outlined the role of the Board related to approval, updates and review, and integration of reporting requirements and its importance to the institutions for the accreditation process. Mr. Soltman recommended having an executive summary of the reporting information available to Board members before the accreditation review as well as having the full reports available to them.

Policy Planning & Governmental Affairs (PPGA)

C. College Completion Goal/Workforce Certificate

Mr. Edmunds provided a presentation to the Board on workforce development and the middle skills challenge. He provided a few general definitions of middle skills and summarized them as being more than high school but less than a bachelor's degree – or some college, no degree. Certificates fall in to this category. Mr. Edmunds reported that 27% of our jobs fall in that category; and a diploma is no longer sufficient for job placement. In the context of the Board's 60% goal, this equates to 44% of students, and this group has a need for training, particularly in the technology arena.

Mr. Edmunds pointed out that the updated Carnevale report increased the projections of jobs requiring postsecondary education in Idaho to 67% which is being addressed by the Boards college completion goal and initiatives. However, the workforce segment that requires some college and no degree, referred to as "middle skills" is not sufficiently addressed in the Board's planning. Carnevale indicates postsecondary training should be occupations-based rather than industry-specific. Mr. Edmunds reported that the need exists to create an education and training alternative to satisfy the employment demands for workers with some college and no degree while meeting the longer-term needs of a flexible but adequately trained employee base. He indicated the training programs should be focused around nine clusters of an industry-driven training and education system. He pointed out declining employer investment in training is also a problem. Those clusters included healthcare, professional-technical education (PTE), STEM, community services and arts, managerial and professional office, sales and office support, healthcare support, food and personal services, and blue collar. He indicated the relationship between occupations and industries is an important distinction when creating a training structure to meet future opportunities.

Mr. Edmunds outlined several options to meet workforce development needs which are under consideration. Those options included private/public partnerships in developing certificate programs tailored to industry needs, apprenticeship and internships, and further integration of professional-technical training in high schools.

Mr. Edmunds shared a list of items of an industry-driven training/education system. Some of the items included general occupations-based training with specific industry specialization; technical training based on industry requirements; the ability to combine quick-start employment with continuing education; a model combining instructor contact, online learning, and hands on training; ability to test out for

participants with training or exposure, and integration of general education requirements for writing, math and other areas tailored to occupation type and industry, transferability to higher-level degrees, and low cost programs with financing options.

Mr. Edmunds reported on the need to combine components together to develop the Idaho Certificate, a one-year certificate program to provide middle skills training. Mr. Edmunds reported that many of these things are already in place, but his request is that the Board support buy-in to this strategy. He encouraged developing a strategy for engaging industry, and commented on the need to get industry involved in education. Dr. Schwarz from PTE added comments that there are four particular areas to address which include opportunity, content, delivery, and access. He provided that while developing programs, attention needs to be paid to where opportunities will be. In terms of content, they hope to improve the system of PTE and urged paying attention to the specific outcomes. Regarding delivery, there are some constraints that will need to be addressed. And regarding access, improved access needs attention in making these types of programs more accessible and more attractive to students. Dr. Glandon from CWI also offered supportive comments on a new look at public education over the next several years. He commented on the continuing progress of CWI in getting accredited, along with some of the middle skills challenge. He commented we all are looking at an exciting and challenging period forthcoming for higher education.

Mr. Edmunds reiterated that it will be challenging, but there is a need to break out of the traditional model. He urged Board support of the concept of expanding middle skills development to accommodate the growing demand.

Mr. Lewis asked how this is different from where community colleges are headed already. Dr. Glandon responded that community colleges are moving rapidly in the direction described and are looking at various ways to improve the delivery system to students. He added these new ideas challenge the system to seek out new ways to improve and expand delivery models.

Mr. Edmunds commented that if this approach is broadened, it will ideally reach into the high school level. Additionally, there are adults that need new skills and training to be viable members of the work force. He stated there is an obvious need to break away from the traditional model and make the certificate program more useful. Dr. Schwarz offered additional comments on industry engagement and its complications. For instance, each industry sector is vastly different in how to engage them. The industry sector needs to be met with a proposal or way to market the certificate program to make it more attractive to the industry. Mr. Lewis responded they need to develop strong communications and relationships with industry and then move forward with collaborative program proposals. Dr. Schwarz commented this may be a good preface to policy changes.

At this time the Board moved into executive session.

EXECUTIVE SESSION (Closed to the Public)

M/S (Atchley/Westerberg): To go into Executive Session pursuant to Idaho Code 67-2345(1)(d) and (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: and “to discuss records that are exempt from disclosure as provided in Chapter 3, Title 9, Idaho Code.” A roll call vote was taken and the motion carried eight to zero.

M/S (Luna/Goesling): To go out of executive session at 5:36 p.m. The motion carried eight to zero.

Thursday, August 15, 2013, 8:00 a.m., Idaho State University, Pond Student Union Building, Pocatello, Idaho.

The Board convened for its regularly scheduled business at 8:00 a.m. at Idaho State University in Pocatello. Board President Don Soltman called the meeting to order at 8:00 a.m. and all Board members were present at the meeting. Dr. Rush took a few moments to introduce the Board's new Director of

Research, Carson Howell, and highlighted some of his background. Mr. Howell comes most recently from the Utah USTAR program and has legislative, executive and management experience, and has authored reports on the efficiency and value of higher education.

OPEN FORUM

President Soltman introduced Ms. Stephanie Gifford from Ammon Idaho who addressed the Board regarding the k-12 student level data collection system known as the Idaho System for Educational Excellence (ISEE). Ms. Gifford expressed great concern over data being collected without parental permission about students, one being her daughter, and that information being shared, also without parental permission, with researchers and other agencies. Ms. Gifford indicated she thought that through amendments to FERPA law, parental permissions have been written out of the picture and she strongly opposes the loss of parental authority related to the sharing of data without parental consent. She commented that the state of Idaho is endorsing the Federal government's abuse of power by establishing a Statewide Longitudinal Data System. She was also distressed that parents were not notified about the data collection being changed from aggregate level to student level data. Ms. Gifford urged the Board to reconsider this program.

President Soltman then introduced Representative Bateman who came before the Board to reflect on the legislation about cursive writing found in House Joint Resolution HJR3. He indicated that he was approached by a group of elementary and college level educators who expressed concern about the loss of cursive writing being taught in schools. This encouraged him to sponsor legislation that would request that the Board of Education commence rulemaking to require that cursive handwriting be taught in elementary schools. He indicated he received strong support for the legislation, which passed with only two dissenting votes. He publically thanked Superintendent Luna for his support of the bill.

Representative Bateman discussed the benefits and history of cursive writing and provided a handout to Board members that recapped the rationale for cursive handwriting and how it stimulates creativity and benefits growth in a child's brain. Representative Bateman requested the Board require specific standards by grade level be include in Administrative Rule.

CONSENT AGENDA

M/S (Atchley/Westerberg): To approve the consent agenda as presented. The motion carried eight to zero.

Instruction, Research & Student Affairs

1. Quarterly Report: Programs and Changes Approved by Executive Director – Information Item
2. North Idaho College - Approval to Discontinue Personal and Professional option of the Business Leadership Program.

Board Action

By unanimous consent to approve the request by North Idaho College to discontinue their Personal and Professional option of the Business Leadership Program as presented.

Policy, Planning & Governmental Affairs

3. State Rehabilitation Council Appointment

By unanimous consent to approve the re-appointment of Robbi Barrutia to the Vocational Rehabilitation State Rehabilitation Council as a representative of the Statewide Independent Living Council for a term commencing immediately and expiring June 30, 2016.

State Department of Education

4. Adoption of Curricular Materials

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.

5. Professional Standards Commission - Appointment

By unanimous consent to approve Kristi Enger as a member of the Professional Standards Commission for the remainder of a three-year term effective immediately, and expiring June 30, 2015, representing Professional-Technical Education.

PLANNING, POLICY & GOVERNMENTAL AFFAIRS

1. Idaho State University's (ISU) Annual Report

President Vailas provided a progress report from ISU. Dr. Vailas indicated that his presentation today is structured to address the issues of access and opportunity at ISU. The university is presently ranked among the 15th lowest-cost public institutions with high starting salaries for graduates, according to a national survey of 4,000 colleges and universities. Dr. Vailas reported ISU's enrollment is up 15% and credit hours are up 9% from FY12. Related to access and opportunity, on-line learning is up as well. He reported their graduate FTE is holding steady and the degrees awarded are up as well. Dr. Vailas reported on some unique programs at ISU related to access and opportunity. One of those programs is the Bengal Warrior boot camp, which is a summer enrichment program for Shoshone-Bannock students.

Dr. Vailas reported ISU has had an increase in access and opportunity in the career path internships as well. He provided a long list of health profession programs at ISU and indicated they continue to look at and engage in partnerships with other companies that benefit the students of ISU. Dr. Vailas commented on the ESTEC program that was named by the Northwest Center of Excellence for its work in nuclear education and nuclear training in a multi-state area. He also commented on the Idaho Museum of Natural History and its collaborative relationship with the Smithsonian Institute. The museum was featured in the April issue of *Museum* magazine highlighting 3D technology in museums. Additionally, two interns were awarded summer internships at the Smithsonian Institute.

Dr. Vailas thanked the other institutions for their collaborative efforts in working with ISU. He provided a visual recap of how their revenue of operating and non operating expenses are divided out, and shared the FY 2013 staff distribution and a recap of their long term debts and yearly payments. Dr. Vailas remarked on how much the athletics programs and facilities have improved, and that ISU has a number of Big Sky Conference titles under its belt. He commented on how much ISU has grown with its community and that those relationships continue to grow and improve.

2. Presidents' Council Report

Presidents' Council Chair Don Burnett reported on the recent activities of the Presidents' Council and the recommendations of UI's Taskforce on student alcohol and drug use. He started by providing some statistics related to students, young people, and alcohol in general, that painted a startling picture regarding alcohol and substance abuse on campus. He also commented that the National Institute on Health reports student alcohol abuse as an epidemic. He reported that many students are drinking not for the social engagement, but for the buzz or to become completely intoxicated.

Dr. Burnett reported that the Alcohol Task Force intends to move forward on alcohol and substance abuse safety action plans for the University of Idaho, adding that there is a need for mandatory early interaction and education about alcohol and substance abuse when students come on campus. Mr. Dean Pittman from the UI came forward at this time to provide some feedback from the President's Retreat and the topic of alcohol on campus. He remarked that drinking on campus is a timeless topic. He pointed one vital element, however, that is different today which is that students drink more to achieve an altered state and less for social experience. Often students are mixing alcohol with prescription medications to achieve an altered state rapidly. He indicated they hope the recommendations they arrived at will be a

blueprint going forward. He pointed out there is research that points toward what works and what doesn't work regarding alcohol on campus. Those recommendations were provided to the Board members in their agenda materials. He remarked on the importance of bystander intervention, and on the freshman review process. He shared the video clip on "*I got your back*" for students helping students.

Mr. Burnett pointed out a number of recommendations discussed by the Presidents' Council including establishing clear policies to report underage drinking, to law enforcement, extending the institution's code of conduct, furnishing detailed institution specific information to parents or guardians related to alcohol or substance abuse, and collaborative efforts between institutions. Their intention is to establish a memorandum of understanding (MOU) with each of the Greek life organizations with specific expectations regarding alcohol and substance abuse. The presidents expect to report on the effectiveness of the changes to the Board.

Mr. Terrell responded with great appreciation for the efforts and collaboration of the Presidents and institutions related to this topic. Mr. Lewis also thanked the Presidents' Council for their presentation, leadership and work on this subject matter. He remarked on the need for clear standards and policies and that no alcohol should be allowed in housing or residence situations. He added that the consequences need to be outlined clearly for students and parents. Dr. Goesling also complemented the Presidents' Council on their efforts. Dr. Goesling recommended the Board consider taking action on two items related to this report. He indicated the first item should be that the Board establish a policy on alcohol and substance abuse action plans; and the second that a system-wide line item be included in the budget requests to support work by the Alcohol Task Force. Mr. Edmunds commented these suggestions may be able to be addressed during the BAHHR portion of the agenda, but it is not something the committee has a position on at this time. By unanimous consent the Board requested each of the four year institutions to bring back individual alcohol and substance abuse safety action plans for Board consideration at the December Board meeting.

Mr. Burnett reported on the other items discussed by the Presidents' Council including Complete College Idaho; the Idaho Common Core; the Web Portal and electronic access and delivery to higher education; MOOCs; the program prioritization process and to identify low cost, high impact programs and vice versa; local speaking opportunities to report on institution progress and collaborative efforts outside the institution arena.

3. Idaho Bureau of Educational Services for the Deaf and Blind - Annual Report

Brian Darcy, Administrator for Idaho Bureau of Educational Services for the Deaf and the Blind (IBESDB) gave the Board an update on IBESDB's current activities and progress. He reviewed the structure of the IBESDB, and that they operate under their own board now with the chairman being the Superintendent of Public Instruction. Mr. Darcy indicated the focus of his presentation is on the continuum of services for the deaf and blind. Their approach is to look at the student and get them the service or access they need to the educational environment around them. Their outreach department serves the entire state of Idaho and they have educational specialists working in all areas. They provide home education to parents and children from birth to three years of age. From there, there is support to all school districts across the state in assisting the deaf and blind. Currently, they serve 1,435 deaf and blind students combined. Their campus exists in Gooding, ID and they have some projects proposed to update the buildings. Mr. Darcy indicated their campus numbers have grown to 84 students and they hope to hit 90 by the end of the year, providing direct access to kids. He remarked about some of the educational and real life experiences their students get to participate in and learn from, and how important it is for these students to participate in those experiences. Some unique experiences for students include skiing and dancing classes.

Mr. Darcy thanked the Board and other agencies for their support and collaboration efforts to benefit deaf and blind students. He remarked on some of their line item requests and provided explanations and comments clarifying those requests and the dire needs of the school. He concluded by saying they are growing and improving and thanked the Board for the opportunity to present today. Mr. Luna encouraged Board members to spend some time visiting the school in Gooding to get a first-hand experience of the services the school provides and its effect on students. He reminded the Board members the school's

budget is a line item in the public schools budget and not a funding formula situation, so the amount of funding per student does not increase each year. He stated that the school could really benefit from Board support.

4. EPSCoR Annual Report

Laird Noh, Vice Chair of EPSCoR provided an annual report regarding current EPSCoR activities that details all projects by federal agency source. Mr. Noh introduced Associate Director Rick Schumaker to provide a report to the Board. Mr. Noh remarked on the staff of EPSCoR and how they are recognized nationally.

Mr. Schumaker provided a recap to the Board stating that EPSCoR is about transformative research, building community and communication at all levels which translates to their "ONEIdaho" philosophy. They are at the end of a five year award for the National Science Foundation and he highlighted some details of that award including their academic research capacity, the cyber infrastructure and the intra- and inter-campus connectivity. He lighted the details of the Track 1 EPSCoR investments which include developing research infrastructure, hiring ten new tenure-track faculty, and to leverage additional positions. He remarked on their research competitiveness and noted that their reputation for high quality science is growing. They hosted a regional conference last October and expect their presence to grow even more. The EPSCoR funding has created an opportunity for high school and junior high programs which speaks to its outreach and diversity strategy. Mr. Schumaker commented on the new NSF Research Infrastructure Improvement (RII) award which will create new faculty positions, undergraduate research, modeling and visualization, and contributions to the state STEM strategic plan to name a few. Idaho's share of NSF funding has continued to increase over the years. Mr. Schumaker invited the Board members to attend the state and national EPSCoR conferences this year if they are available.

Mr. Edmunds pointed out how impressive their awards are. Mr. Schumaker didn't have exact numbers, but indicated it was a very competitive process and Idaho was within the top five for the awards. Mr. Terrell asked that a breakdown of how the funding flows to the individual institutions be provided to the Board through the Board office.

5. Proposed Rule – IDAPA 08.02.03 – Distinguished Schools

BOARD ACTION

M/S (Edmunds/Goesling): To approve the Proposed Rule changes to IDAPA 08.02.03.113 as submitted. The motion carried eight to zero.

Ms. Tracie Bent provided comments regarding the proposed rule, indicating the change relates to the accountability system going from the old Adequate yearly Progress (AYP) calculations to the new five-star process. Approval of the proposed rule will bring IDAPA 08.02.03.113 into alignment with five-star rating system. Mr. Luna expressed concern about the measures used to rate five-star schools and that those measures should be consistent from school to school. Ms. Bent responded that the categories were given to the Board staff by Department staff, and they requested the same ranking criteria that were used in the five star system. Mr. Luna indicated there is still time to work on this rule. Ms. Bent clarified details on the timing of a proposed rule and rule deadlines, and there was additional discussion about the ranking criteria for the five-star rating system. Mr. Luna was concerned about the confusion created by adding different measures to the five-star system, and recommended additional work from both the Department and Board staff on the rule. The Board supported passing the rule with the understanding that additional work would be done to come to a resolution.

6. Proposed Rule – IDAPA 47.01.02 – GED/HS Equivalency Requirements

BOARD ACTION

M/S (Edmunds/Westerberg): To approve the Proposed Rule changes to IDAPA 08.02.01.650 subject to clarification of the establishment of Idaho control over the minimum standards for successful completion of the exam as submitted. The modified motion carried eight to zero.

Ms. Bent provided details of the proposed rule and commented it will bring IDAPA 08.02.01.650 into alignment with the changes to the GED testing process. Mr. Lewis expressed concern about the GED standards and who sets those standards. Dr. Schwarz from PTE indicated the new exam is aligned with the Common Core standards. Mr. Lewis requested to know what the benchmarks are for the testing. Mr. Schwarz responded he would provide that information for the Board. Ms. Bent recommended moving forward on this proposed rule in consideration that it will come back before the Board for a second reading after further work. Mr. Terrell expressed concern for home school students related to this item and was concerned about eliminating them from the standards of the state related to Common Core and GED testing. Mr. Luna responded that Idaho does not require registration related to the teaching in a home school environment. Mr. Luna expressed concern about these proposed rules coming back in a different format far from what is being reviewed today and suggested adding a clarification to the motion. Mr. Lewis echoed those sentiments.

7. University of Idaho – Student Appeal

BOARD ACTION

M/S (Edmunds/Westerberg): To reject the request to hear the student appeal.

The motion carried seven to zero. Dr. Goesling declined to vote on the motion.

8. Board Policy I.O. Data Management Council, Data Privacy – First Reading

BOARD ACTION

M/S (Edmunds/Westerberg): To approve the first reading of Board Policy, I.O Data Management Council as modified with the following change: that in the second paragraph the words “a list of all data elements”, be changed to “a list of all data fields (but not the data within the fields)” as stated. The modified motion carried eight to zero.

Mr. Edmunds commented there has been significant concern with accumulation of data for use in unintended ways. This change to policy is to place a strict restriction on the availability of information and what data is able to be shared with the Federal Government. Mr. Edmunds indicated staff believes it addresses the privacy concerns regarding Common Core and other areas.

Mr. Lewis asked for clarification on the policy language where it states, “a list of all data elements collected...” and was concerned with the use of the term “data elements”. Mr. Carson Howell responded for the Board office and indicated that the term “data fields” could be used if the Board felt it was a better descriptor. Mr. Lewis agreed with that suggestion. Mr. Lewis recommended putting in a parenthetical “But not the data within the field” to provide further clarification. Unanimous consent was requested to make this change. There were no objections.

9. President Approved Alcohol Permits

This was an informational item, there were no questions.

BUSINESS AFFAIRS & HUMAN RESOURCES – Section I – Human Resources

1. TIAA-CREF Share Class Change/Revenue Credit Account

BOARD ACTION

M/S (Terrell/Atchley): To approve TIAA-CREF’s Share Class Change/Revenue Credit Account proposal for the Board’s 401(a), 403(b), supplemental 403(b) and 457(b) plans and to declare the fees and allocation of fees reasonable and prudent:

A Service Provider revenue requirement of 16 basis points.

- Moving the actively managed mutual funds in the fund line-up from “Retirement Share Class” to “Premier Share Class” with a corresponding 10 base point reduction in expenses charges.
- Moving the passively managed mutual funds in the investment line-up from “Retirement Share Class” to “Institutional Share Class” with a corresponding 25 base point reduction in expenses charges.
- Implementation of a Revenue Credit Account which distributes excess revenue on a pro rata basis only to the portion of participant assets invested in funds that provide revenue sharing offset.

The motion carried eight to zero.

Mr. Terrell introduced the item and turned over the time to Mr. Freeman to detail the changes to the plans and provide background information on the proposal from TIAA-CREF. Mr. Freeman indicated that staff engaged an investment consultant, Callan Associates, for evaluation and opinion on the proposed changes by TIAA-CREF. The Board was provided with an in-depth report and staff comments in their agenda materials. Based on the findings of the consultant, Board staff shared the findings with TIAA-CREF and began discussions to address some of the issues raised. TIAA-CREF followed up with a revised proposal which would result in additional savings to mutual fund participants, adding that negotiations over the past several months have also resulted in a more favorable proposal for participants.

Dr. Goesling asked about the response of the other vendor, VALIC, related to this item. Mr. Freeman responded staff has not gone to VALIC since December of 2010 when they did an investment platform change. Dr. Goesling recommended having a conversation with them in the near future. Mr. Freeman indicated he would contact VALIC and also clarified that with approval of this motion it will constitute Board staff to execute all documents necessary to implement the changes to the plan.

2. Boise State University – Amendment to Employment Agreement – Athletic Director

BOARD ACTION

M/S (Lewis/Edmunds): To approve the request by Boise State University to amend its employment agreement with Mark Coyle as Athletic Director, for a term commencing September 1, 2013 and expiring on August 31, 2018 with an annual base salary of \$331,500 and such incentive compensation provisions, in substantial conformance with the terms of the agreement as presented at the meeting, provided that in section 3.1.2. the words “may also be subject” be replaced with by “shall also be subject”. The motion carried eight to zero.

Mr. Terrell introduced Mr. Lewis on behalf of the Athletic Committee to provided some background information for this item. He pointed out a couple of provisions in the contract that were initially troubling to the Board. He indicated the hope is to resolve those concerns today and move forward on this contract. Mr. Lewis summarized the Athletics Committee was concerned with the provision that the contract is tied to President Kustra’s employment at the university, and with the removal of Board approval for pay increases. Mr. Lewis stated they would like to reaffirm a five-year contract with Mr. Coyle today and remove those provisions troubling to the Board previously identified, along with the penalty for leaving the university early. He indicated the changes to the contract were in line with the discussion of the Athletics Committee.

Mr. Terrell also recommended changing the word “may” to “shall” in the policy under section 3.1.2. for consistency. Ms. Atchley asked about the elimination of the source of funds under 3.2.1. Mr. Satterlee responded that the provision was eliminated because they felt it didn’t fit in the contract. Dr. Goesling and Mr. Westerberg expressed appreciation to the Athletic Committee for the changes to this contract.

3. Boise State University – Multi-Year Employment Agreement – Head Track and Cross Country

Coach

BOARD ACTION

M/S (Terrell/Goesling): To approve the request by Boise State University to enter into an employment contract with Corey Ihmels as head track and cross country coach, for a term commencing September 1, 2013 and expiring on June 30, 2016 with an annual base salary of \$75,000 and such base salary increases and supplemental compensation provisions, in substantial conformance with the terms of the contract set forth in Attachment 1. The motion carried eight to zero.

Mr. Terrell indicated the Athletic Committee was in strong support of this contract. Mr. Satterlee remarked on the impressive accomplishments of Coach Ihmels who comes to BSU as the former head coach of track and field from Iowa State University and that they are excited to have him coaching at BSU.

4. University of Idaho – Multi-Year Employment Agreement – Head Women's Basketball Coach

BOARD ACTION

M/S (Terrell/Lewis): To approve the request by University of Idaho of a three (3) year employment contract with Jon Newlee as Women's Basketball Team Head Coach for a term extending through June 30, 2016, with a provision for rolling one year extensions, and an annual base salary of \$92,483.20 and such base salary increases and supplemental compensation provisions, in substantial conformance to the form submitted to the Board in Attachment 1. The motion carried eight to zero.

Mr. Terrell introduced the item indicating it has gone through the Athletic Committee and is recommended for approval. Ms. Atchley commented on the contract amounts and the penalties for leaving early being disproportional to the salaries of certain coaches and she asked for feedback. Mr. Ron Smith from the UI asked Rob Spear to address that question. Mr. Spear responded that buyouts in contracts for athletic departments are very important to protect the investment. He commented that Mr. Newlee's attorney has reviewed the contract and is in agreement with it, and they feel the protections in place are proportional and adequate. Mr. Freeman also reminded the Board that the liquidated damages language in the model coaches' contract has been revised to better protect the university. Ms. Atchley recommended discussing the matter of penalties on coaches' contracts in more depth in the Athletics Committee.

5. University of Idaho – New Staff Classification System

BOARD ACTION

M/S (Terrell/Goesling): To approve the request by the University of Idaho to implement the revised classification system for classified employees at the University of Idaho. The motion carried eight to zero.

Mr. Terrell indicated staff has reviewed and recommends approval of the item. Mr. Ron Smith indicated they are proposing the revised classification system as a management tool to help better manage personnel on campus. He introduced Executive Director of Human Resources at the UI, Greg Walters, for discussion on the item, along with David Ensler from Simpson Consulting who assisted on the system. Mr. Ensler outlined why the university is proposing a new classification system, pointing out that the system has not been reviewed for eight years. He indicated the updates do not affect any faculty on the campus and commented it will work well for both classified and non-classified staff. He mentioned the system differs slightly from the Hay Points system but parallels it in many ways. The UI classification system parallels the state classification system and also has provided an opportunity to review compensation. They feel the new system will be responsive to the demands of a changing organization and will assist in program prioritization exercises.

Mr. Ensler thanked the Board for the opportunity to assist with the development on the system. He

summarized this system is better suited for a higher education system, incorporates market data effectively, incorporates one system for both classified and exempt staff and provides better measures for job impact and job knowledge. It also allows for a better level of transparency for employees of how the system works.

Mr. Lewis asked whether the \$180,000 is the full fiscal impact or if the system would be affected more over time. Mr. Smith responded that they have been thinking through the fiscal impact and will be addressing those issues as they move forward with the new system. He indicated that the longer term effect will be around \$1 million in order to eliminate equity issues and get everyone in the right classification. Mr. Ensler added there are sometimes hidden costs in upgrading a system. Mr. Lewis asked about merit increases. Mr. Hawthorn responded that merit increases will be addressed separately.

At this time the meeting recessed for lunch.

BUSINESS AFFAIRS & HUMAN RESOURCES – Section II – Finance

1. FY 2015 Line Items

BOARD ACTION

M/S (Terrell/Edmunds): To approve the following line item(s) for Boise State University as listed on Tab 1 page 4:

- 1. New Faculty/Advisors/Support**
- 2. Faculty & Staff Merit Adjustments**
- 3. Occupancy Costs**

The motion carried seven to one. Dr. Goesling voted nay on the motion.

BOARD ACTION

M/S (Terrell/Edmunds): To approve the following line item(s) for Idaho State University as listed on Tab 1 page 4 the original submission:

- 1. Occupancy Costs \$86,000**
- 2. Complete College Idaho \$1,962,800**

Which is a total of \$2,048,800. This motion was withdrawn by Mr. Terrell.

BOARD ACTION

M/S (Terrell/Edmunds): To approve the following line item(s) for Idaho State University as listed on Tab 1 page 4:

- 1. 3% Salary Increase for Faculty and Staff in addition to any approved CEC to reduce significant competitive salary gaps. The amount is \$2,998,224.**
- 2. Hiring of Graduate Teaching Assistants (GTAs) of \$989,000.**
- 3. Occupancy Costs of \$86,000.**

A roll call vote was taken and the motion failed seven to one. Mr. Terrell voted yes on the motion; all other Board members voted against it.

BOARD ACTION

M/S (Lewis/Atchley): To approve the Line Items for the community colleges, programs and agencies as listed on Tab 1 pages 5-6, and to authorize the Executive Director to approve the MCO and Line Item budget requests for all institutions and agencies due to DFM and LSO on

September 3, 2013. The motion carried seven to one. Mr. Edmunds voted nay on the motion.

AND

M/S (Lewis/Westerberg): To recommend full funding for a statewide Change in Employee Compensation (CEC) for fiscal year 2015 and to direct staff to so notify the Governor, the Chairmen of the House and Senate Commerce and Human Resources Committees, and the Co-Chairs of the Joint Finance-Appropriations Committee, and further to authorize the college and universities to include fund shifts for benefits and CEC as line items. The motion carried eight to zero.

Mr. Freeman provided an overview of today's process for Board members, indicating they would review each of the line items for the four year institutions. There was discussion about the process of approving the line items today and the categorization of system wide priorities. Dr. Goesling expressed concern about the need to come before the Legislature with a prioritized list. Mr. Terrell indicated thorough discussion had occurred in Finance Committee meetings and with the Vice Presidents of Finance, and that all parties were in agreement to this format. He did clarify that if there were format suggestions for next year, those suggestions would be accepted. Dr. Rush indicated that some of Dr. Goesling's concerns would likely be addressed during discussion, and that the line item requests would be an integrated request to the Legislature. He added that the Board has made category prioritizations, but has never prioritized the institutions in a 1, 2, 3, 4 format. Dr. Goesling expressed concern that if there was an error made after, for instance faculty positions have been filled, then there would be no way to pull funding back after the fact. He was also concerned that three of the institutions may not have had a clear understanding of what was asked of them.

Mr. Edmunds asked for clarification on items that the Board will be requesting such as CEC. Mr. Freeman responded with regard to CEC that the Presidents' Council passed a resolution urging the Board to pass a motion supporting the proposed CEC considering it a very high priority. Dr. Rush added that the CEC request is something added by the Governor after budget requests are submitted. The motion to support the CEC is to encourage the Governor to consider the request after budgets are approved. Mr. Edmunds clarified he recommends the CEC be a top priority and should be communicated as such. Mr. Freeman added that the Legislature considers the state a single employer and any CEC determination would be statewide.

Mr. Terrell moved on to outline the line items of Boise State University and that they have three requests in their motion. Dr. Goesling continued to express concern over how the line items will be approved and what message it may be sending to the Legislature.

After voting on the motion related to BSU's line items, the discussion moved to ISU. Mr. Terrell introduced Mr. Fletcher to clarify their line item request made in part at Wednesday's work session. Mr. Fletcher outlined the details of ISU's line item requests which include additions of roughly \$5 million. He added that the \$5 million corresponds to the unfunded enrollment workload adjustment (EWA). He prioritized the five items for the Board, indicating a salary increase for faculty and staff is their number one priority. He also pointed out they deleted a sixth item which would have been College Courses at EITC for \$147,200. Initially, there were to be two motions for ISU. After discussion, Mr. Terrell withdrew his original motion and proposed a new motion which included all five line item requests in the motion.

President Vailas remarked that this was discussed during the President's Retreat and that their request equalizes toward EWA. He discussed that they decided to use a line item approach in the base line adjustment so that they could make up the EWA. Ms. Atchley expressed concern about the idea of funding unfunded EWA through a line item and was very troubled by it, commenting it feels as if they are disguising it to the Legislature when everything should be handled with a straight forward approach. Mr. Luna commented that he agrees with Ms. Atchley and that this was precisely the point Dr. Goesling was trying to make earlier about the requests being unclear and not being addressed the same for the institutions. Dr. Goesling commented that there appears to be a baseline of confusion about the line item requests.

After the motion for ISU failed, Mr. Terrell recommended pulling this item from the agenda for further discussion. He also expressed concern in approving one institution request in a motion while not approving any of the other institution requests, stating that the first motion should be rescinded to keep things fair for all institutions. Mr. Westerberg also supported sending the item back to the BAHR Committee for additional work. Ms. Atchley echoed those sentiments.

Unanimous consent was requested to reconsider the motion for Boise State University. There were no objections to the motion.

M/S (Edmunds/Goesling): To refer the line items for Boise State University back to the BAHR Committee along with the other line items. The motion carried eight to zero.

Mr. Freeman reminded the Board that time is of the essence and there is a deadline to be met for the submission of the line item requests. Mr. Terrell requested clarification on how the line items should be addressed. Mr. Lewis recommended the points made by each Board member be debated in committee as to how to proceed. Dr. Rush added that there was good discussion on budgets at the work session held yesterday, and specific data was presented by the institutions as to where they feel they need the money. He also added to address Ms. Atchley's comments, there was not an attempt made to hide anything from the Legislature, but in fact an attempt to be more transparent to the Legislature. He said that ultimately there are two decisions to be made: 1) how much should each institution be approved for; and 2) what should each institution spend it on, and prioritize from there.

Mr. Lewis recommended showing where the funding is needed most. Dr. Goesling added that the Presidents' Council may be a third area for valuable of input. Mr. Edmunds asked if the Committee will be working with additional requests or within the parameters of what was already submitted. Mr. Lewis recommended leaving the door open to additional information. Mr. Edmunds asked if a prioritization approach would be used. Mr. Freeman responded in terms of prioritization these are separate requests. Mr. Terrell indicated the Committee would take it under consideration along with any suggestions from the Board members. He concluded by stating all line items will be handled at a special Board meeting that will be scheduled as soon as possible.

After discussion about the institutions, the Board discussed the community colleges and agencies. Mr. Edmunds expressed concern about whether a prioritization approach is being taken. Rather than prioritizing the whole list, Mr. Luna recommended breaking it into categories as they fall under Board priorities. Mr. Soltman reminded the Board members to forward any suggestions to the Committee for discussion.

2. FY 2015 Capital Budget Requests

BOARD ACTION

M/S (Terrell/Goesling): To recommend to the Permanent Building Fund Advisory Council the number one priority major capital project for each institution on page 5 for consideration in the FY 2015 budget process. The motion carried eight to zero.

M/S (Terrell/Lewis): 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 eight to zero.

Mr. Freeman indicated that these are the annual requests by the institutions for the funding of their major capital projects. The Board makes a recommendation to the Permanent Building Fund Advisory Council who then makes a non-binding recommendation to the Governor and Legislature for funding of major capital projects for all state agencies and institutions. Mr. Freeman indicated the recommendation from the BAHR Committee was to recommend the number one priority major capital project from each institution.

Dr. Goesling requested to know where this puts each institution in relation to their bonding capacity. Mr.

Lewis asked about the amounts listed for 2015 and how it works with the Permanent Building Fund Advisory Council. Mr. Freeman responded these projects would be on the institutions' six year capital plans and in essence, that puts the Board on notice that those plans may come forward for approval from the Board. Mr. Freeman provided the status of each of the projects for Board members. Mr. Lewis commented that even though it is on a six year plan the projects may not always be funded which is also outlined in Board policy.

3. Gender Equity Reports

BOARD ACTION

M/S (Terrell/Atchley): To approve the Gender Equity Reports for BSU, ISU, UI and LCSC as submitted. The motion carried eight to zero.

Mr. Terrell indicated the institutions have submitted their reports which were included in the Board materials. Mr. Lewis indicated that based on discussion in the Athletics Committee, they hope to accomplish two things with the reports. One is to understand the requirements related to Title IX, and the second is to give the Board information so it can make decisions with respect to funding for gender equity. Mr. Lewis explained the first two sections of the report gives information relative to compliance with Title IX. The middle section provides information on how many sports in the men's and women's categories and the number of participants. There is also historical cost data provided and a breakdown of where money is going.

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

Mr. Terrell provided a brief summary of the item and that each institution provided a statement regarding APR and how the NCAA requirement affects that institution. Mr. Lewis complemented the institutions on their progress related to this item. Mr. Edmunds requested this information be highlighted and shared with the community.

5. Boise State University – Property Purchase – Gage Warehouse

BOARD ACTION

M/S (Terrell/Atchley): To approve the request by Boise State University to purchase parcel R7777816270 located at 5475 W. Gage Street, Boise, for an amount not to exceed \$1.5 million, subject to an appraisal at or above the purchase price, plus all required closing costs normally associated with the buyer; and further to authorize the Vice President for Finance and Administration to execute all necessary transaction documents for closing the purchase. The motion carried eight to zero.

Mr. Terrell provided a summary of the item and indicated staff recommends approval. Mr. Edmunds asked the square footage of the warehouse and acreage of the property. Mr. Satterlee responded 29,874 and 1.86 respectively. Dr. Goesling asked if there would be occupancy costs. Mr. Satterlee responded there would be no occupancy costs.

6. University of Idaho – Nike Contract

BOARD ACTION

M/S (Terrell/Atchley): To approve the request by the University of Idaho Athletic Department to enter into the Nike Athletic Team Apparel agreement under the terms set out in Attachment 1 to the materials presented to the Board for the period June 1, 2013 to May 31, 2018, and to authorize the Vice President for Finance and Administration to execute the agreement in substantial conformance with the terms of the contract set forth in Attachment 1. The motion carried eight to zero.

Mr. Terrell provided a summary of the item stating the UI Athletic Department is seeking approval for the Nike Athletic Team Apparel agreement which is a five year agreement under which the University agrees to purchase all products for its covered athletic programs through Nike. The estimated cost to the university per year is approximately \$400,000 for athletic team apparel purchases.

7. University of Idaho – Executive Residence Project – Planning & Design

BOARD ACTION

M/S (Terrell/Goesling): To approve the request by the University of Idaho to expend up to \$75,000 for design and planning for the modernization, including potential replacement, of the executive residence. Authorization includes the authority to execute all requisite consulting, design, and vendor contracts necessary to fully implement the planning and design phase of the project. The motion carried six to two. Mr. Westerberg and Mr. Edmunds voted nay on the motion.

M/S (Terrell/Atchley): To approve the Resolution of the Board of Regents regarding authority for the University of Idaho to use future bond proceeds to reimburse the planning and design expenditures associated with the President’s Residence Project as set forth in Attachment 2 to the materials submitted to the Board. A roll call vote was taken and the motion carried five to two. Mr. Lewis was absent from voting. Mr. Edmunds and Mr. Westerberg voted nay on the motion.

Ron Smith from UI reported to the Board, indicating there was a committee assigned with the assessment of the UI presidential residence. Based on the review of the committee, it was decided that the current residence was too dysfunctional for repair and the university requests authority to expend up to \$75,000 for planning and design. He indicated the committee is in favor of an on-campus residence for several reasons and final recommendations from the committee were to pursue design and cost estimates, to pursue external or donor funding for the residence, and to evaluate the decision to add the gathering space/public space depending on the extent of the donor funds raised toward the total cost. Mr. Smith indicated they believe the residence costs would be between \$700 and \$800 thousand, the majority of which would come from external funds. The impact to the university would be design costs, public space, and demolition and site development costs.

Mr. Edmunds asked about the difference in costs not accounted for on the cost estimate. Mr. Smith responded those are soft costs where they add a percent to the formula. Dr. Goesling asked if they have looked at using public space separate from the residence. Mr. Smith responded that is a possible consideration.

Ms. Atchley commented they will need to be prepared to address the issue of public space and spending since the university has many areas on campus used for public space. Mr. Westerberg suggested deeper clarification on the scope of the project before asking for design dollars. Mr. Smith responded they believe they have a thorough idea of the scope of the project and the design dollars will broaden that concept. He indicated they do not know what is possible with design unless they take the step to pursue plans on design. Mr. Edmunds supported the comments of Mr. Westerberg on further clarification before design dollars are spent, feeling there is too much uncertainty. Mr. Smith reminded the Board that the presidential residence may be a factor in the current search.

8. Lewis-Clark State College – Program Prioritization

BOARD ACTION

M/S (Terrell/Atchley): To approve the program prioritization proposal for Lewis-Clark State College as presented. The motion carried eight to zero.

Mr. Terrell introduced the item indicating at the Board’s June work session each of the four-year institutions presented their program prioritization proposals. Several Board members expressed a desire for LCSC to use more than two program review criteria, and asked LCSC to come back in August with a revised proposal. Mr. Freeman indicated that members of the Board office worked directly with LCSC on

their program prioritization and are comfortable with their progress since the June meeting and their existing recommendations. He introduced Dr. Lori Stinson, Interim Provost and VP of academic affairs from LCSC to provide a presentation to the Board.

Dr. Stinson started by saying that LCSC desires a program prioritization process that is effective and yields information helpful in future planning. They want a system that is efficient and uses internal resources as well. Their proposal is to modify an existing process that the faculty and staff are familiar with. Their process will be aligned with the accreditation process and their strategic plan. Dr. Stinson recapped the top four outcomes of LCSC's strategic plan goals and discussed their process development on updating and verifying the list of all "programs". She pointed out that LCSC maintains a comprehensive list of all instructional and non-instructional programs, and that all go through an annual unit assessment process. Dr. Stinson provided some examples of the instructional programs under their academic side as well as instructional programs falling under their professional/technical side. She indicated that in process development related to data, they verify what is available from existing internal processes and identify external data sources as needed. They also establish internal systems to generate new and needed data. During this process, they use existing committee structure to refine criteria and weighting, after which they finalize the criteria and weighting. Dr. Stinson indicated they have modified the process in place at LCSC and outlined the proposed criteria. Criteria include impact, external demand, quality of outcomes, internal demand and net revenue. Dr. Stinson recapped the implementation of the prioritization process and that the programs would be placed into quintiles at the president's cabinet level. She identified challenges and how they intend to stay focused on faculty, staff and student morale. She also provided a program prioritization timeline for illustrative purposes.

INSTRUCTION, RESEARCH & STUDENT AFFAIRS

1. Five-Year Plan

BOARD ACTION

M/S (Westerberg/Goesling): To approve the Five-Year Plan as submitted. The motion carried eight to zero.

Ms. Party Sanchez from the Board office provided a report and presentation on the five-year plan which was also included in the agenda materials for closer review. Ms. Sanchez provided a planning schedule for visualization purposes and indicated in August 2014 they will bring a new five year plan forward.

Ms. Sanchez provided a program overview of the institutions starting with UI, and highlighted the programs they intend to bring forward. They intend to bring forward two new doctorate programs, one new masters program, and two new bachelor's programs. She pointed out UI has collaborative agreements with BSU, Washington State University (WSU) and the ten tribes to offer American Indian studies. They are in the discussion stages of offering an executive MBA in China. Additionally, they added to their plan the first year law curriculum to Boise projected to 2017. Ms. Sanchez highlighted the programs for ISU which included future program expansions from their main campus to the Meridian center. Their program proposals include two new graduate programs and one bachelors program.

For BSU they propose five new graduate programs, two bachelor's programs, five graduate certificates and a new bioinformatics program which will be a collaborative effort with ISU. Ms. Sanchez indicated that LCSC proposed one new bachelor's program, one new associate's program and the Schweitzer Engineering partnership to offer a new AAS degree. For CSI, they propose various PTE programs, and a collaborative career and technical education program with UI with an engineering and technology option. CWI proposes two new academic degrees, various PTE programs and a collaborative 2+2 program with UI agricultural science, communication and leadership program. For NIC, they propose four new academic programs, various PTE programs and an aerospace technology program. For EITC, they propose various PTE programs, and a collaborative program with ISU's Energy Systems Technology and Education Center (ESTEC) program. Ms. Sanchez highlighted collaborations between universities by providing a color chart for illustrative purposes.

Mr. Edmunds asked if the program changes are related strictly to the next year (2014-2015). Ms. Sanchez responded the plan is essentially for five years and those programs she highlighted today are proposed programs for the fall of 2014. Mr. Edmunds asked when they will deal with discontinued programs. Ms. Sanchez responded that the five year plan shows additions and growth. Mr. Westerberg indicated the elimination of programs still comes before the Board. He clarified that what is before the Board in the five year plan is a consensus by the CAAP Committee and recommended by the IRSA Committee. He encouraged discussion and feedback by the Board members on the institutions' five year plans.

Mr. Lewis pointed out the number of statewide programs and felt they may not all need to be statewide. He felt as related to program prioritization, they may not all get the support necessary and cautioned on awarding so many statewide programs. Ms. Grace responded it has been difficult to determine where a program falls within statewide responsibility. She clarified there is a method to amend the programs each year. Dr. Schimpf from BSU asked for clarification of the definition of statewide, commenting that his understanding is that if the program is listed as statewide in the five year plan then the program is offered statewide; it does not mean it is a statewide responsibility. Ms. Grace indicated their intent was to represent a statewide responsibility, but it doesn't appear to have been interpreted that way. It appears the campuses have interpreted it as a program that is offered statewide. Mr. Westerberg indicated that the five year plan would be made clearer to indicate a statewide responsibility where necessary.

Mr. Lewis indicated that the CAAP Committee should define what statewide programs are to avoid duplication and inefficiencies. There was additional discussion on the intent of statewide programs and Mr. Lewis recommended discussing the programs in greater detail within the IRSA Committee. Mr. Edmunds asked for an opportunity to review all programs in the five year plan in a document format and be provided a chance to express concerns. Mr. Westerberg expressed to the rest of the Board members that if they have concerns with any of the plans or programs to signify them to the IRSA Committee for relay to the provosts. Ms. Atchley reminded the Board members of the land grant university's constitutional responsibility to provide statewide programs. Mr. Edmunds asked to be provided with a list of UI programs and areas of service related to the land grant status.

2. Repeal III.K. – Prior Learning and Amendments to III.L. Continuing Education/Off-Campus Instruction – First Reading

BOARD ACTION

M/S (Westerberg/): To repeal Board Policy III.K, Credit for Prior Learning – First Reading. The motion was tabled.

M/S (/): To approve Proposed Amendments to Board Policy III.L, Continuing Education and Credit for Prior Learning– First Reading. The motion was tabled.

Ms. Grace outlined the changes to the policy. She indicated that staff has determined that certain pieces of service region program responsibilities were inappropriately placed in Board Policy III.L, and should be included in Board Policy III.Z. They also pulled a portion of III.K. into III.L. Staff also determined that the collaboration and delivery component in this section was more appropriately addressed in Board Policy III.Z. as well.

Mr. Westerberg recommended deferring discussion on this item until they get to the III.Z. item of the agenda. Unanimous consent was requested to address item three on the agenda and return to item two for discussion thereafter. There were no objections.

3. III.Z. – Delivery of Postsecondary Education – Planning and Coordination of Academic Programs and Courses – First Reading

BOARD ACTION

M/S (Westerberg/Goesling): To approve the first reading of proposed amendments to Board Policy

III.Z, Planning and Delivery of Postsecondary Programs and Courses as submitted. The motion carried unanimously eight to zero.

Ms. Grace indicated the changes are substantial, and that proposed amendments to Board Policy III.Z will provide greater clarity, create efficiencies among existing policies, and provide institutions and staff the necessary guidance for online program delivery. She indicated that staff worked with the universities to review the current statewide responsibilities to ensure the degree titles and levels are accurate. Additionally, staff worked with the institutions to address concerns over additions or deletions of statewide responsibilities. Ms. Grace summarized those changes for BSU, ISU and UI. Staff also included a revision to the UI's statewide responsibility statement to reflect their assignment for regional medical and veterinary medical education in which the state of Idaho participates.

Ms. Atchley suggested that mention of the statewide statutory responsibilities be included under definitions.

Mr. Lewis questioned WWAMI being awarded as a statewide mission or responsibility for UI and urged ongoing discussion about how medical education will be provided in the state. He commented that UI's integrated architecture and design program appeared to be described broadly in the design area. Ms. Grace indicated the current policy for design is at both the baccalaureate and master's level. Ms. Grace indicated their integrated architecture and design has been part of the statewide assignment and explained the designation of that program. Dr. Aiken echoed the remarks of it being part of their statewide responsibility, adding the programs have been approved by the Board. Mr. Lewis felt that is an area that needs clarification.

Mr. Lewis pointed out an additional recommendation with regard to how programs are categorized in the report, indicating his preference would be to put the programs on separate lines. He felt it would make it less confusing and would be easier to follow visually as well. Dr. Aiken responded they have been charged with certain statewide responsibilities identified in Idaho Code and attempted to point out those items. Ms. Atchley reminded Board members that this report serves as a guide as to what the institutions are doing now and in the next few years. It is not set in stone and is meant to be discussed and explored in greater detail, and is a tool to prevent unnecessary duplicative programs in specialized areas across the state. Mr. Lewis agreed and continued to urge caution related to statewide missions. There was additional discussion regarding statewide authority in institutional programming. Mr. Lewis concluded by saying the more definitive we can be about the programs and institution responsibility, the clearer it will be for all. It was agreed upon to consider the suggested changes to the list and make it more descriptive before the second reading.

They next discussed the changes brought over from III.L. to III.Z. related to designated institutions. He specifically was concerned with community colleges being regarded as designated institutions in some cases. Ms. Grace responded that community colleges have been acting as designated institutions in their service region. Mr. Lewis felt including community colleges at the same level as universities does not work. He felt policy III.L. should be revised as its own policy rather than brought over to III.Z., and concluded by saying that only the four year schools should have the designated responsibility in any region.

Mr. Westerberg indicated this item would receive additional work before the second reading. He requested unanimous consent to work on III.L. and bring it before the Board at a later time. There were no objections to this request. He also requested unanimous consent to table item #2 III.K. There were no objections to this request.

4. Health Share Ministries and SHIP Waiver

BOARD ACTION

M/S (Westerberg/Atchley): To waive the requirements of Board Policy III.P.16 for those students who participate in health care Sharing Ministries as defined in section 41-121, Idaho Code. The motion carried seven to zero. Mr. Terrell was absent from voting.

Dr. Rush provided a summary of the item. He indicated there has been a category serving as a substitute for insurance and there is a requirement starting in October requiring insurance. For several reasons rather than trying to change policy, and to realize the impact of the Health Care Act once data is available, staff is recommending that the Board waive the requirement for students who participate in health care sharing ministries (HCSM)'s as defined through Idaho Code. Next year, they will know more on how the Health Care Act will affect students, but at this time the waiver will allow students who participate and are enrolling in the upcoming fall semester to be exempt from obtaining student health insurance.

DEPARTMENT OF EDUCATION

1. Superintendent's Update

Superintendent of Public Instruction, Tom Luna, provided an update on the Department of Education. He recapped the mission of the State Department of Education and that their system is accountable for the success of all Idaho students. He reviewed the five-star rating system and that schools are rated on academic proficiency, academic growth, test participation, graduation rates, dual credit completion, and college entrance exam scores. He commented that these ratings are predictors of the go-on rates as we work towards the Board's 60% goal. Mr. Luna recapped that 90% of Idaho students are advanced or proficient in reading, 82% are meeting academic standards in Math, and 77% are at or above grade level in language usage. Superintendent Luna provided some grade specific highlights which showed student improvement and promising results. He indicated however, that although many students are meeting standards, many still need remediation when they go on. He commented that this is a strong argument for raising Idaho's standards.

Mr. Luna reported on the five-star rating system, commenting that last year there were 71 five-star schools and this year there were 91. He remarked on a few specific schools around the state and highlighted some of their proficiencies in reading, math and language usage. Those schools included Northside Elementary, Marsing High School, and Beutler Middle School.

Ms. Willits introduced Dr. Louis Nadelson, Coordinator of the Math-Science Stem Education at BSU who provided a presentation on the future of STEM jobs and the need to rethink education to align with the needs of our workforce. Dr. Nadelson provided a bit of history about himself with 20 years in K-12 and seven years in Higher Ed. He assists math and science teachers with preparation as well. Dr. Nadelson indicated that computer science and computing (including programming) is where the jobs will be over the next ten years and beyond. Mathematics is needed by all the areas and there is a need for integrated STEM and innovative thinking.

Dr. Nadelson outlined some challenges facing STEM and showed a slide on a leaking STEM pipeline for illustrative purposes. He commented that some students don't see the long range justification for some of the courses they take. Additionally, what students see in the classroom is much different than what occurs in the work place. He indicated there is an opportunity to align the STEM in schools with the STEM in the workplace where students can be given complex problems to work on and for schools to work toward meeting the workforce needs. He mentioned the iGEMS program is one attempt at trying to meet workforce needs for computer sciences. He complemented the efforts of Anne Siefert on helping to identify workforce needs for a lot of different ISTEM programs.

2. Proposed Rule – IDAPA 08.02.02.004 – Rules Governing Uniformity, Incorporation by Reference – Idaho Standards and Driver Education

BOARD ACTION

M/S (Luna/Westerberg): To approve the proposed revisions to the Idaho Foundation and Enhancement Standards for: English Language Arts, Gifted and Talented, Library Media Specialist, Literacy, School Administrator, Principal, School Superintendent and Special Education Directors as submitted. The motion carried seven to zero. Dr. Goesling was absent from

voting. Unanimous consent was requested to amend the motion to include reference to today's date. There were no objections to the request.

M/S (Luna/Atchley): To approve the proposed revisions to the Idaho Standards for Operating procedures for Idaho Public Driver Education Program as submitted. The motion carried seven to zero. Dr. Goesling was absent from voting.

M/S (Luna/Atchley): To approve the proposed rule change to IDAPA 08.02.02.004, Rules Governing Uniformity, Incorporation By Reference as submitted. The motion carried seven to zero. Dr. Goesling was absent from voting. Unanimous consent was requested to amend the motion to include reference to today's date. There were no objections to the request.

Mr. Luna indicated this is an annual request that is made by the Department and as recommended by the Professional Standards Commission. Mr. Luna summarized the standards that were reviewed and updated for this year. Ms. Atchley asked if the standards align with the Common Core. Mr. Luna responded in the affirmative.

3. Temporary and Proposed Rule – IDAPA 08.02.02.016 – Rules Governing Uniformity – Mathematics In-Service Program

BOARD ACTION

M/S (Luna/Westerberg): To approve the request by the Professional Standards Commission to approve the proposed rule amendments to Idaho Administrative Code IDAPA 08.02.02.016 Rules Governing Uniformity as submitted. The motion carried seven to zero. Dr. Goesling was absent from voting.

Mr. Luna indicated this rule clearly articulates that standards incorporated into the "Mathematical Thinking for Instruction" courses may be taught by all Idaho-approved preparation programs under a variety of course titles.

4. Temporary and Proposed Rule – IDAPA 08.02.02.018, .021, .022, .023, .024, .026, .100 – Rules Governing Uniformity – Idaho Educator Credentials

BOARD ACTION

M/S (Luan/Atchley): To approve the proposed rule amendments to Idaho Administrative Code IDAPA 08.02.02 Rules Governing Uniformity – subsections .018, .021, .022, .023, .024, .026, and .100, as submitted. The motion carried seven to zero. Dr. Goesling was absent from voting.

Mr. Luna indicated this is an annual request that is made by the Department and as recommended by the Professional Standards Commission. Mr. Luna summarized the standards that were reviewed and updated for this year and indicated the proposed changes were provided in attachment one of the Board agenda materials. Mr. Lewis asked about the driver's education endorsement. Ms. Willits responded there is no requirement for a driver's education endorsement to be offered.

5. Amend Temporary/Pending Rule – Docket 08.0202.1301 – Rules Governing Uniformity – District Evaluation Policies

BOARD ACTION

M/S (Luna/Atchley): To approve the pending and amended temporary rule Docket No. 08.02.02.1301 with changes to IDAPA 08.02.02.120 and to add IDAPA 08.02.02.121 as submitted. The motion carried seven to zero. Dr. Goesling was absent from voting.

Mr. Luna indicated this rule continues to make the necessary changes to state rule and state law so that

we can remain in compliance. It also states that a portion of teacher, principal and administrator evaluations will be based on student achievement. Mr. Soltman asked if part of the teacher evaluation will be based on a test. Mr. Luna indicated that evaluations will still be made up on one third of student achievement and a portion of that will be based on statewide assessment. Next year will be the only year that the one third will not be based on a statewide assessment; it will be based on other local measures.

6. Proposed Rule – IDAPA 08.02.03.103 – Rules Governing Thoroughness – Cursive Writing

BOARD ACTION

M/S (Luna/Terrell): To approve the proposed amendment to IDAPA 08.02.03.103 – Rules Governing Thoroughness, as submitted. The motion carried six to one. Mr. Edmunds voted nay on the motion. Dr. Goesling was absent from voting.

Mr. Luna indicated the proposed changes would require cursive writing to still be taught at the elementary school level.

7. Temporary Rule – IDAPA 08.02.03.105 – Rules Governing Thoroughness – Graduation Requirement

BOARD ACTION

M/S (Lewis/Westerberg): To approve the temporary rule amendment to IDAPA 08.02.03.105 – High School Graduation Requirements, as submitted with the following provided that the State Department of Education Staff and the Board of Education Staff work together to provide additional language with respect to section 03.a relating to the requirement for college entrance exams in the 11th grade and reinstating the last sentence of section 05. Middle school. The motion carried four to two. Mr. Luna and Ms. Atchley voted nay on the motion. Dr. Goesling and Mr. Terrell were absent from voting.

Ms. Willits provided a summary for Board members of the item and explained that for items 7 and 8 in the Department's agenda, one is a temporary rule and one is a proposed rule. She explained what is in the temporary rule is also included in the proposed rule because there are different sections that need to become effective at different times. She indicated that if the temporary rule is approved, it will expire at the end of the session and then the proposed rule would take into effect details of the temporary rule. This was proposed so as to not experience a gap in policy.

Ms. Willits outlined what is included in the rule and provided details of the graduation requirements. She indicated the Department has come up with a one year plan that will not double test students. She said the problem is without another transition plan, the tenth graders could take the ISAT test but it would not be aligned with the common core standards. She emphasized the need for alignment with the common core standards.

Ms. Willits directed the Board members to their agenda materials which contained a flowchart for illustrative purposes on the testing. For the class of 2014-15, if students have not passed the ISAT, they will continue to take it or take an alternate route. If they have passed the ISAT, their graduation requirements will be considered fulfilled. For the class of 2016, the rule will be amended to show that if a student passed the tenth grade test in ninth grade, their graduation requirement will be met. If they have not passed the test, they will need to take an alternate route. By Board rule, districts must offer an alternate route. As an option for the alternate route, districts can use the PSAT. Ms. Willits explained the details for the following consecutive years, mentioning cut score details, and indicated they are asking today for a one year phase-in. She concluded that the Department would return before the Board next year with a plan that includes phase in and cut scores details.

Mr. Lewis asked about the things they are taking out in subsection three. Ms. Willits responded that those items referred to by Mr. Lewis are for students who have already graduated and as such are not required and are no longer relevant. Mr. Lewis recommended moving the minimum math standards up to

Algebra II.

Mr. Lewis expressed concern about moving the college entrance exam to the senior year, indicating that the intent of having it during the junior year was to ensure students were ready to go for their college applications as seniors, and felt it should be written as exception language rather than moving the whole bar to the senior year. Ms. Bent clarified that they did attempt to write exception language for the rule because the way the rule is currently written there is no exception and found that it was difficult to cover every possible legitimate reason why a student may not be able to take the exam in their senior year. The logic around opening the requirement in rule up was that the incentive for students to take it during the eleventh year is that it would be paid for. Mr. Lewis suggested keeping it open as an exception. Ms. Willits pointed out there are exceptions now and that language could be added to point students to take the test their junior year, with a minimum number of exceptions.

There was additional discussion about the language in the rule. Mr. Luna suggested allowing students to petition the Board or the local district for a waiver or a similar case-by-case approach. The discussion resulted in the recommendation to allow the districts to make the determinations on a case-by-case basis considering student circumstances.

Mr. Lewis pointed out an additional concern about the deletion of certain requirements for math. There was considerable discussion about the math requirements for students in their last year. Mr. Luna indicated it is more of a focus on mastery and not seat time, and students still have to take math their last year. Mr. Lewis felt the requirements were being reduced. There was continued discussion on how to word the language. At this time, Mr. Lewis offered a motion. Mr. Luna suggested tabling the item and allowing staff to work on it more before voting on the motion.

8. Proposed Rule – IDAPA 08.02.03.105 – Rules Governing Thoroughness – Graduation Requirement

BOARD ACTION

M/S (Lewis/Soltman): To approve the proposed rule amendment to IDAPA 08.02.03.104, 105 provided that the Board of Education staff and the Department of Education staff work together to develop language associated with taking the college entrance exams in 11th grade and reinstating the last sentence of 05. Mr. Edmunds and Mr. Westerberg voted nay on the motion. Mr. Terrell, Ms. Atchley and Dr. Goesling were absent from voting. Motion failed 2 to 3.

M/S (Westerberg/Edmunds): To return the motion to the floor for discussion after public comment. The motion carried five to zero. Dr. Goesling, Ms. Atchley and Mr. Terrell were absent from voting.

M/S (Lewis/Soltman): To approve the proposed rule amendment to IDAPA 08.02.03.104, 105 provided that the Board of Education staff and the Department of Education staff work together to develop language associated with taking the college entrance exams in 11th grade and reinstating the last sentence of 05. The motion carried five to zero. Dr. Goesling, Ms. Atchley and Mr. Terrell were absent from voting.

Ms. Willits introduced the item indicating this proposed rule will go through the full Legislative process and have implementation dates. She pointed out that it includes two things in terms of graduation credit. The first seeks to set out minimum requirements for physical education at all grade levels. In addition, the change requires cardiopulmonary resuscitation (CPR) training; changes to requirements regarding college entrance exams, and flexibility in math and science requirements. Ms. Willits indicated these changes had been recommended by the American Heart Association, the Association of P.E. Teachers, and other stakeholders. Board members expressed concern over adding a PE requirement to Board rule, particularly if many districts already required it. It was generally felt that the P.E. requirement should be left up to the local school districts discretion. However, the Board would let the rule go through to the public comment state before making a final decision.

Ms. Willits also highlighted the STEM portion of this rule amendment which included allowing students to

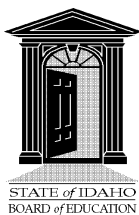
take upper level STEM classes as core classes versus electives. They propose students be allowed to take dual credit engineering or dual credit computer science or AP computer science as a math or science credit. Students must have completed Algebra II standards in order to be eligible for computer science as a graduation requirement. In addition, engineering and computer science is limited to 2 science credits for the purposes of graduation. Ms. Willits indicated the state of Washington recently passed similar legislation. The STEM portion would be implemented in school year 2014. The physical education portion would be phased in and implemented in 2019. Mr. Luna indicated for the physical education portion, the most it could be sped up is by one year.

Ms. Willits indicated they are looking forward to the public comment on the item and expect to receive a lot. Mr. Luna expressed that this is a step toward greater student achievement in the system. Mr. Edmunds expressed concern about adding more requirements and the lack of local control. Mr. Westerberg expressed similar concerns and requested that the motion be returned for discussion after public comment. Mr. Edmunds seconded that request which allowed the motion to be returned to the floor.

OTHER BUSINESS

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

M/S (Westerberg/Lewis): To adjourn the meeting at 7:10 p.m. There were no objections.



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

**DRAFT MINUTES
 STATE BOARD OF EDUCATION
 August 26, 2013
 Special Teleconference Meeting
 Boise, ID**

A special teleconference meeting of the State Board of Education was held August 26, 2013. It originated from the Board office in Boise Idaho. Board President Don Soltman presided and called the meeting to order at 9:00 a.m. A roll call of members was taken.

Present:

Don Soltman, President
 Rod Lewis, Secretary
 Emma Atchley, Vice President
 Ken Edmunds

Richard Westerberg
 Milford Terrell
 Tom Luna
 Bill Goesling

BUSINESS AFFAIRD & HUMAN RESOURCES (BAHR) – Section II Finance

1. FY2015 Line Item Budget Requests

BOARD ACTION

M/S (Terrell/Atchley): To approve the Change in Employee Compensation and benefits fund shift line item category as the first priority for the College and Universities budget request as listed on Tab 1 page 5. The motion carried unanimously.

M/S (Terrell/Atchley): To approve the 60% line item category in the amount of \$13,985,400 as the second priority for the College and Universities budget request as listed on Tab 1 page 5. The motion carried unanimously.

M/S (Goesling/Atchley): To approve the University of Idaho's College of Law 2nd Year Curriculum line item in the amount of \$400,000 also as a second priority for the College and Universities budget request as listed on Tab 1 page 5. The substitute motion offered by Dr. Goesling carried five to three in favor of the motion. Mr. Edmunds, Mr. Lewis and Mr. Westerberg voted nay on the motion.

M/S (Terrell/Atchley): To approve the Occupancy Costs line item category in the amount of \$417,800 as the third priority for the College and Universities budget request as listed on Tab 1 page 5. The motion carried unanimously.

M/S (Terrell/Atchley): To approve the Higher Education Research Council line item

category in the amount of \$400,000 as the first priority for the System-wide Needs budget request as listed on Tab 1 page 5. The motion carried unanimously.

M/S (Terrell/Atchley): To approve the Deferred Maintenance line item category in the amount of \$12,500,000 as the second priority for the System-wide Needs budget request as listed on Tab 1 page 5. The motion carried unanimously.

Mr. Terrell introduced the items, indicating the BAHR committee met after the August Board meeting to discuss the FY 2015 line items in greater detail. As a result of their meeting, they made recommendations which Mr. Freeman summarized for the Board members. Mr. Freeman first reported that the agenda materials contained a typo in the six motions referring to “page 3” wherein it should have been “page 5”. The reference is to the worksheet page containing the line items and their numbers. Mr. Freeman reported the BAHR committee concluded in recommending the line items for the Legislature and Governor’s consideration, that the items should be grouped into categories. He recapped in priority order for the colleges and universities, the first category would be for CEC. The second priority was to address faculty and student support, the third priority would be for occupancy costs for new facilities at two of the institutions. Related to the College of Law second year for the University of Idaho, it was broken out into a separate line item for purposes of having its own pass or fail vote. Mr. Freeman pointed out that if the College of Law line item is approved, then it would be rolled up into the faculty and student support category.

With respect to System-wide Needs, which is a separate budget, staff recommends making the Higher Education Research Council the first priority. This totals \$400,000 and includes \$200,000 for the state match for the EPSCoR grant renewal, and \$200,000 in new additional funds for the Incubation Fund.

The second System-wide Needs priority would be \$12.5M for deferred maintenance. The request would be a lump sum amount; BAHR recommends allocation be based on need. Staff is working with the institutions to develop a uniform definition for “deferred maintenance” so the needs can be consistently quantified.

Dr. Goesling requested clarification on the line item requests presented at today’s meeting regarding the colleges and universities. Mr. Freeman indicated that Boise State University’s (BSU) request is the same. For Idaho State University (ISU) they revised their request to \$3.1 million to include STEM faculty, graduate assistance, and programs consistent with Complete College Idaho (CCI) plan remediation and bridge programs. For the University of Idaho (UI), their number includes \$1.6 million for key faculty lines on campus and \$1.2 million for their CCI plan.

Ms. Atchley clarified that discussion in the committee focused on the effort to bring a single amount to the Legislature and advocate for the colleges and universities as a whole. Mr. Lewis pointed out that the motion was not consistent with the chart referenced in the agenda materials and recommended some changes. Mr. Freeman indicated that to clarify the motion, they could reference the 60% goal as a category. There was discussion about the College of Law item. Ms. Atchley clarified that if the College of Law was approved, it would be a separate item and second tier priority. There was additional discussion about the table on page 5 of the agenda materials and Board members concluded the law school would be a separate line item.

Dr. Goesling directed attention to page 17 of the agenda materials related to BSU’s student to faculty ratio. Mr. Freeman responded that they analyzed what BSU presented in terms of the

student to faculty ratio and the understanding was that BSU is trying to move away from a heavy reliance on adjunct faculty. He added that the ratio was compared to IPEDS calculations, institution peers and Carnegie class categories. Mr. Terrell confirmed that the BAHHR committee was comfortable with BSU's request. There was discussion concerning tenured track and lecturer faculty. Dr. Goesling recommended only having lecturer faculty on a semester by semester basis. Ms. Pearson commented for BSU that the breakdown after committee discussion was 54 new tenured track, 18 conversions of adjuncts to lecturers, 12 advisors, and 18 support professionals. Ms. Atchley reminded the Board members that the graduation rate needs to increase for BSU.

Mr. Lewis provided some comments regarding the College of Law motion, expressing that the legal market is such that additional funds should not be expended to add additional students into the law program. He felt that it would be more beneficial to move the law program entirely to Boise. He commented that in discussions with UI, it appeared they feel comfortable with the enrollment levels they are at, not necessarily intending to expand the size of the school. He indicated enrollment levels were down a bit over the last five years and they seem comfortable with the enrollments around 360 students. Mr. Lewis felt comfortable supporting the motion in the context that it is not increasing the overall student enrollment.

President Burnett responded by stating they are concerned about a cap on legal education. He indicated that if the cap is understood to be as to the law school's second year curriculum in Boise, they could make the 360 number work. He strongly urged the Board give the same discretion to the law program that other high quality programs have received. He added that the statistics on law students as reported by the Department of Labor and Statistics doesn't capture law students who do not move into a law profession. Mr. Lewis expressed concern about voting on a motion with caveats surrounding its intent.

Mr. Burnett reiterated their preference is not to have a cap on enrollment. If there is a cap, the 360 is a number that implies close to their average experience over the last five years. They believe the second year program will make the law school more attractive and competitive, and provide quality and access to students especially those considering special areas.

Ms. Atchley echoed the sentiment of Mr. Burnett, and felt adding a cap would be limiting to the university. Dr. Goesling responded with comments similar to Ms. Atchley indicating this sets a negative precedent to start recommending caps. Dr. Goesling asked if the regents can legally place a cap on enrollments in consideration of the constitutional obligations of the school. Ms. Jenifer Marcus, Deputy Attorney General for the Board office, responded that the regents have the constitutional obligation to govern the University of Idaho and in that course of action they can place whatever limits they need to in order to govern the university. Limiting the number of law students would not be viewed as unconstitutional. Dr. Goesling provided additional comments regarding the demand for law school students in Idaho. There was additional discussion related to the expansion of the law school in Boise and Mr. Lewis continued to express concern about having an over-supply of law students. He felt it would be difficult to get approval from the Legislature to fund growth in an over populated market. He felt the program would receive greater support if it were moved entirely to Boise.

Mr. Burnett commented that they are not proposing to move the law school and that they have a comparative advantage for students to offer it in both Moscow and Boise. Mr. Burnett expressed that they are nowhere near saturating the legal education market and are presently focusing on quality and have been admitting only half of students applying to the school.

Mr. Westerberg commented with supporting remarks to Mr. Lewis' argument about expanding the law school. He too expressed concern about the amount of funding required to stand behind this motion and felt the funding may be best spent elsewhere in higher priority areas. At this time, Dr. Goesling offered a substitute motion related to the University of Idaho's College of Law 2nd Year Curriculum.

DEPARTMENT OF EDUCATION

1. Temporary Rule Changes – IDAPA 08.02.02.016 – Rules Governing Uniformity

M/S (Luna/Atchley): To approve the temporary rule amendments to Idaho Administrative Code IDAPA 08.02.02.016 Rules Governing Uniformity as submitted. The motion carried unanimously.

Mr. Luna clarified that this motion is to correct the motion that was moved on at the August Board meeting where crucial wording was inadvertently omitted from the language. He indicated this rule clearly articulates that standards incorporated into the "Mathematical Thinking for Instruction" courses may be taught by all Idaho-approved preparation programs under a variety of course titles.

2. Temporary Rule – IDAPA 08.02.03.105 – Rules Governing Thoroughness, Graduation Requirement

M/S (Luna/Atchley): To approve the temporary rule amendment to Idaho Administrative Code IDAPA 08.02.05.105 High School Graduation Requirements as submitted with the provision that the last sentence in 4.05 be un-struck and remain part of the rule. The motion carried unanimously.

Mr. Luna indicated that this rule addresses some concerns that were brought forward in the proposed rule related to eleventh graders having the ability to waive certain requirements of the college entrance exam until twelfth grade. Mr. Luna identified the allowable exceptions for the eleventh graders.

Mr. Lewis asked for clarification on part of the original rule that was deleted and expressed a desire to keep the sentence in question as part of the rule. Ms. Bent clarified for the Board members what action the Board took at its meeting on August 15th; at that meeting, the motion un-struck the last sentence. By approving today's motion as submitted, the language is struck-out; thereby undoing what was done at the meeting in August. Mr. Lewis expressed concern about taking out the language of the motion. After further discussion about the struck language, Mr. Luna indicated he would amend the motion to un-strike the language in question.

Other Business:

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

M/S (Terrell/Atchley): To adjourn the meeting at 10:25 a.m. The motion carried unanimously.

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