TAB	DESCRIPTION	ACTION
1	**FY 2015 OPERATING BUDGETS**	Motion to approve
2	**ATHLETICS – FY 2015 OPERATING BUDGET REPORTS**	Motion to approve
3	**FY 2016 LINE ITEMS**	Motion to approve
4	**AMENDMENT TO BOARD POLICY** Section V.R. – Establishment of Fees – First Reading	Motion to approve
5	**AMENDMENT TO BOARD POLICY** Section V.T. – Fee Waivers - First Reading	Motion to approve
6	**AMENDMENT TO BOARD POLICY** Section V.X. – Intercollegiate Athletics - First Reading	Motion to approve
7	**AMENDMENT TO BOARD POLICY** Section V.I. – Real and Personal Property and Services - Second Reading	Motion to approve
8	**AMENDMENT TO BOARD POLICY** Section V.K. – Construction Projects - Second Reading	Motion to approve
9	**AMENDMENT TO BOARD POLICY** Section V.W. – Litigation - Second Reading	Motion to approve
10	**BOISE STATE UNIVERSITY** Agreement for Football Stadium Naming Rights with Albertsons	Motion to approve
11	**BOISE STATE UNIVERSITY** Facility Lease with Gardner and Company	Motion to approve

TAB	DESCRIPTION	ACTION
12	**IDAHO STATE UNIVERSITY** Report of the Bengal Pharmacy LLC	Information item
13	**UNIVERSITY OF IDAHO** Authorization for Issuance of General Revenue Bonds	Motion to approve
14	**LEWIS-CLARK STATE COLLEGE** FY2015 Athletic Limit Increase	Motion to approve

SUBJECT

Approval of FY 2015 Appropriated Funds Operating Budgets

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures Section V.B.3.b.ii., 4.b., 5.c, 6.b.

BACKGROUND/DISCUSSION

Per Board policy, each institution and agency prepares an operating budget for appropriated funds, non-appropriated auxiliary enterprises, non-appropriated local services, and non-appropriated other.

For the appropriated funds operating budget, Board policy provides as follows: "each institution or agency prepares an operating budget for the next fiscal year based upon guidelines adopted by the Board. Each budget is then submitted to the Board in a summary format prescribed by the Executive Director, for review and formal approval before the beginning of the fiscal year." The appropriated operating budgets have been developed based on appropriations passed by the Legislature during the 2014 session.

For the college and universities' non-appropriated operating budgets, Board policy requires reports of revenues and expenditures to be submitted to the State Board of Education at the request of the Board. Currently, these operating budgets are submitted to the Board office and are available to Board members.

Operating budgets are presented in two formats: budgets for agencies, health education programs, and special programs contain a summary (displayed by program, by source of revenue, and by expenditure classification) and a budget overview that briefly describes the program and changes from the previous fiscal year. All sources of revenues are included (i.e. General Funds, federal funds, miscellaneous revenue, and any other fund source).

For the college and universities, postsecondary professional-technical education and agricultural research & extension, supplemental information is provided including personnel costs summarized by type of position. The college and universities' reports only contain information about appropriated funds, which include state General Funds, endowment funds, and appropriated student fees.

IMPACT

Approval of the budgets establishes agency and institutional fiscal spending plans for FY 2015, and allows the agencies and institutions to continue operations from FY 2014 into FY 2015.

ATTACHMENTS

STAFF COMMENTS AND RECOMMENDATIONS

Budgets were developed according to legislative intent and/or Board guidelines. Staff calculated the average salary increase by classification for each institution. There was funding for a 1% one-time and 1% ongoing Change in Employee Compensation (CEC) in FY 2015. Representatives from the institutions will be available to answer specific questions.

Page 32 presents a system-wide summation of personnel costs by institution, by classification and also includes the number of new positions added at each institution. Board policy only requires Board approval for the following positions:

- Any position at a level of vice-president (or equivalent) and above, regardless of funding source.
- The initial appointment of an employee to any type of position at a salary that is equal to or higher than 75% of the chief executive officer's annual salary.
- The employment agreement of any head coach or athletic director (at the institutions only) longer than one year, and all amendments thereto.

All other hiring authority has been expressly delegated to the presidents. Therefore, Board review of the operating budgets is the only time the Board sees the number of new positions added year-over-year.

The lists of FY 2015 maintenance projects recommended by the Permanent Building Fund Advisory Council is included starting at page 45.

BOARD ACTION

I move to approve the FY 2015 operating budgets for the Office of the State Board of Education, Idaho Public Television, Division of Vocational Rehabilitation, College and Universities, Postsecondary Professional-Technical Education, Agricultural Research & Extension Service, Health Education Programs and Special Programs, as presented.

Moved by ___________ Seconded by ____________ Carried Yes _____ No _____

FY15 AGENCIES & INSTITUTIONS OPERATING BUDGETS INDEX

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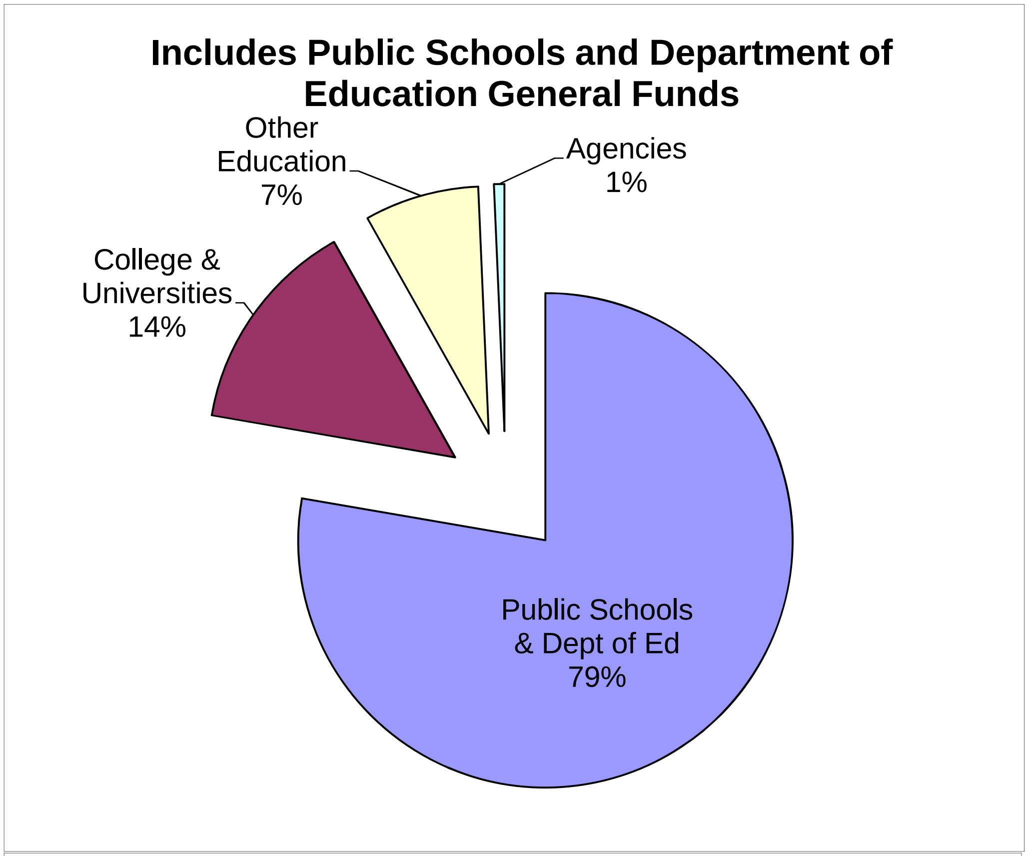
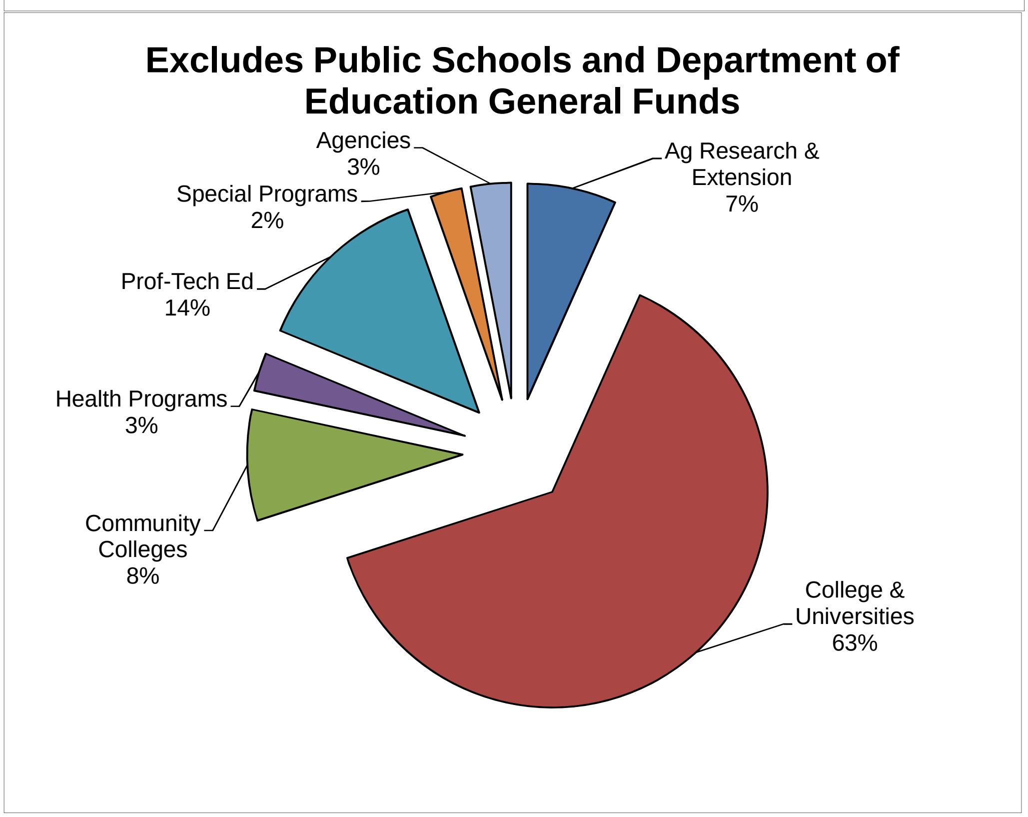
State Board of Education

FY15 General Funds by Program





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OFFICE OF THE STATE BOARD OF EDUCATION

FY 2015 Operating Budget

	FY 2014 BUDGET	FY 2015 BUDGET	PERCENT of CHANGE
By Cost Center:			
Office of the State Board of Education			
Management Services	1,762,900	1,556,900	-11.69%
Charter School Commission	313,900	313,900	0.00%
Academic Services	10,751,900	10,929,500	1.65%
Research Services	1,890,000	1,895,300	0.28%
Fiscal Services	355,500	352,000	-0.98%
System Wide Needs	1,097,200	1,001,100	-8.76%
Total Programs	**16,171,400**	**16,048,700**	-0.76%
By Fund Source:			
General Fund	2,425,000	2,245,000	-7.42%
General Fund - Scholarships	6,663,300	6,663,300	0.00%
Federal Funds	2,133,400	2,163,600	1.42%
Federal Funds - GEARUP	1,688,000	1,688,400	0.02%
Miscellaneous Revenue	2,934,300	3,206,600	9.28%
Miscellaneous - Opportunity Fund	275,800	50,000	-81.87%
Indirect Cost Recovery Fund	51,600	31,800	-38.37%
Total Funds	**16,171,400**	**16,048,700**	-0.76%
By Expenditure Classification:			
Personnel Costs	2,020,100	2,238,800	10.83%
Operating Expenditures			
Communications	44,800	44,800	0.00%
Conference Registrations	59,300	59,300	0.00%
Employee Dev./Memberships	173,000	174,900	1.10%
Professional & Other Services	1,803,900	1,834,800	1.71%
Travel	180,900	180,900	0.00%
Supplies & Scholarships	825,200	825,200	0.00%
Other	381,300	381,300	0.00%
Total Operating Expenditures	3,468,400	3,501,200	0.95%
Capital Outlay	10,400	12,400	N/A
Trustee/Benefit Payments	10,672,500	10,296,300	-3.52%
Lump Sum	0	0	N/A
Total Expenditures	**16,171,400**	**16,048,700**	-0.76%
Full Time Positions	23.75	25.60	7.79%

Budget Overview

The Office of the State Board of Education received a 1% one-time CEC and a 1% ongoing CEC. The decrease in Management Services is due to timing of a federal grant offseting the increase in CEC and $78.1k for Web Developer. The increase in Academic Services includes timing of some federal programs. System Wide Needs decreased due to moving $78.1k for the Web Developer to the OSBE budget. The reduction in the General Fund includes $54.3k for the CEC increases offset by a reduction to SWCAP of $17.8k and increases for Education Task Force of $30k and Data Security for $43k. These net increases were offset by $311k in General Funds moving to the Charter Commission under Miscellaneous Funds. Miscellaneous Fund increased due to the shift to the Charter Commission Fund noted above combined with a $55k increase to Proprietary Schools and savings to System Wide Needs in FY2014.

Personnel Costs increases include $30.7k for benefits, $37.4k for CEC, $78.1k for a web developer, $25.3k for Proprietary Schools, .5 FTP and $40k for Data Security, and a reduction of $69.8k for CACG grant. The decrease in Trustee/Beneift payments reflects the plan not to use the Opportunity Scholarship corpus and

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IDAHO PUBLIC TELEVISION
FY 2015 Operating Budget

		FY 2014* BUDGET	FY 2015* BUDGET	PERCENT of CHANGE
By Program:				
Delivery System and Administration:				
Technical Services	(1)	1,827,900	1,993,830	9.08%
Administration	(2)	1,244,200	1,428,300	14.80%
Educational Content:				
Programming Acquisitions	(3)	1,431,700	1,556,960	8.75%
IdahoPTV Productions	(4)	1,402,000	1,393,020	-0.64%
Special Productions	(5)	80,000	35,000	
Communications	(6)	726,500	643,590	-11.41%
Development		997,700	1,017,300	1.96%
Total Programs		**7,710,000**	**8,068,000**	4.64%
By Fund Source:				
General Fund - PC/OE	(7)	1,524,700	2,013,500	32.06%
General Fund - Capital (One-Time)	(7)	302,100	187,200	-38.03%
Federal Funds	(8)	208,870	23,000	-88.99%
Local Funds		5,594,330	5,809,300	3.84%
Special Productions		80,000	35,000	
Total Funds		**7,710,000**	**8,068,000**	4.64%
By Expenditure Classification:				
Personnel Costs	(9)	3,919,400	4,159,600	6.13%
Operating Expenditures:				
Programming Rights and Other	(3)	1,317,900	1,433,550	8.78%
Production, Training and Other	(10)	359,700	280,820	-21.93%
Repair/Maintenance and Leases	(11)	700,100	765,650	9.36%
Professional & Other Services	(10)	590,000	545,180	-7.60%
Utility Costs		118,000	125,000	5.93%
Total Operating Expenditures		3,085,700	3,150,200	2.09%
Capital Outlay	(1)	704,900	758,200	7.56%
Total Expenditures		**7,710,000**	**8,068,000**	4.64%
FTP Count		59.0	60.0	1.69%

Notes:

(1) Increase in planned capital equipment replacement with higher level of state funding.
(2) Increases in health premiums, CEC and additional FTP
(3) PBS FY 2015 dues increases.
(4) Both years include production equipment replacement if funding is secured.
(5) Special productions only occur if funding is secured for the project; fewer projects.
(6) Reduction in personnel costs that was reallocated elsewhere.
(7) Legislature moved $400k up to operating expenditures from capital outlay.
(8) Federal grant programs eliminated; decreases reflect remaining federal grant projects under way.
(9) Health premium increases and 2% change in employee compensation (CEC).
(10) Cut costs to pay for personnel cost increases.
(11) Increased repair and maintenance on aging equipment plus increases lease costs.

* FY 2014 budget per SB1168; FY 2015 budget per SB1397

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DIVISION OF VOCATIONAL REHABILITATION

FY 2015 Operating Budget

	FY 2014 BUDGET	FY 2015 BUDGET	PERCENT of CHANGE
By Program:			
Renal Disease	0	0	
Vocational Rehabilitation	19,049,300	19,870,400	4.31%
Comm. Supp. Employ. Work Svcs. (CSE)	3,880,200	3,896,500	0.42%
Council for the Deaf & Hard of Hearing	193,200	199,300	3.16%
Total Programs	**23,122,700**	**23,966,200**	3.65%
By Fund Source:			
General Fund	7,304,000	7,493,900	2.60%
Federal Funds	13,766,500	14,430,100	4.82%
Miscellaneous Revenue	970,700	960,700	-1.03%
Dedicated Funds	1,081,500	1,081,500	0.00%
Total Funds	**23,122,700**	**23,966,200**	3.65%
By Expenditure Classification:			
Personnel Costs	10,160,700	9,740,500	-4.14%
Operating Expenditures			
Communications	250,000	250,000	0.00%
Employee Dev./Memberships	59,300	59,300	0.00%
Professional & General Services	517,500	555,000	7.25%
Travel	90,000	96,000	6.67%
Supplies & Insurance	111,000	114,000	2.70%
Rents	430,000	430,000	0.00%
Other	20,000	20,000	0.00%
Total Operating Expenditures	1,477,800	1,524,300	3.15%
Capital Outlay	48,800	68,500	40.37%
Trustee/Benefit Payments	11,435,400	12,632,900	10.47%
Total Expenditures	**23,122,700**	**23,966,200**	3.65%
Full Time Positions	148.00	152.50	3.04%

Budget Overview

Senate Bill 1389 appropriates moneys for the Division of Vocational Rehabilitation for FY 2015.

Appropriations for Personnel Costs were reduced in FY 2015 by $1,078,500 and Trust and Benefits were increased by the same amount in FY 2015. In FY 2014 the amount was incorrectly classified. An increase in appropriations of $431,200 (and 4.5 FTP) was approved to expand a program with the Department of Corrections. Personnel costs were increased by $156,200 to implement a 1% on-going salary increase and a one-time 1% salary increase. State allocations increased by $37,500 and benefits by $207,900.

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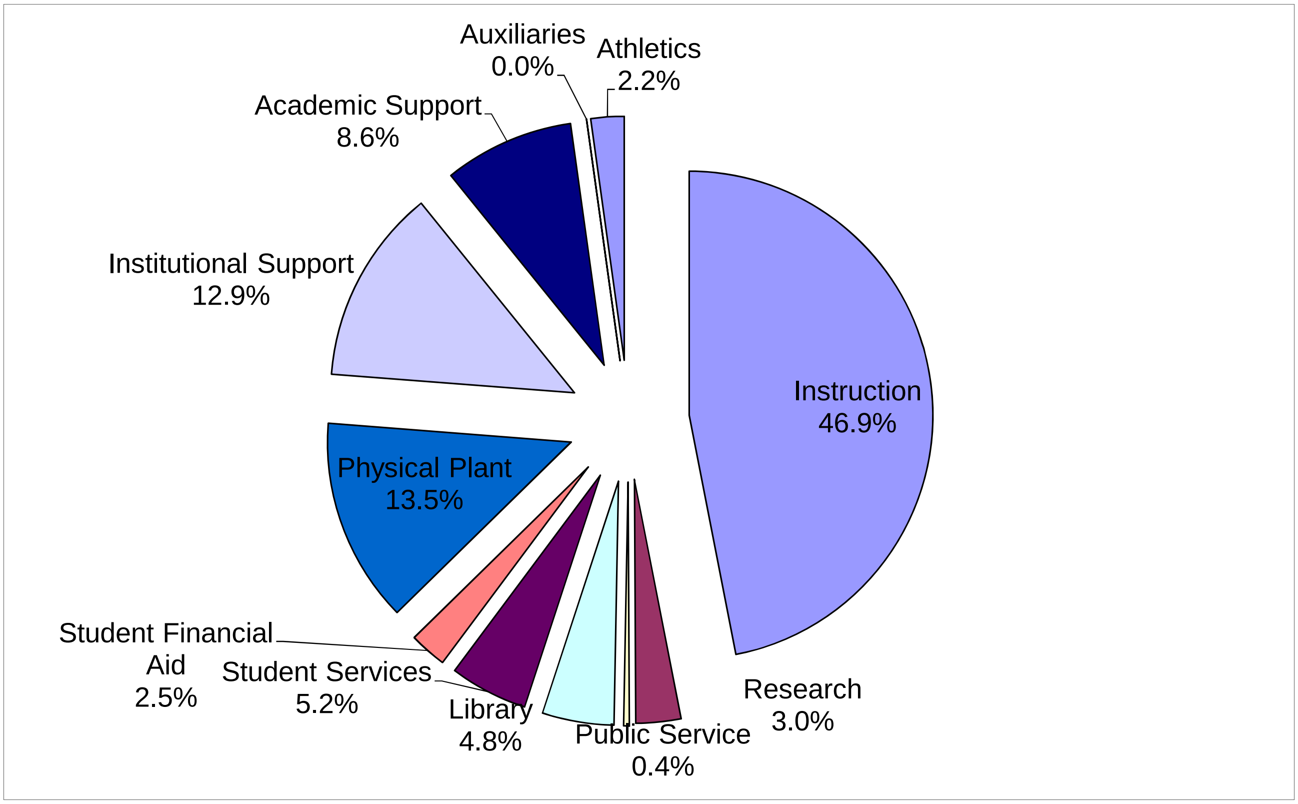
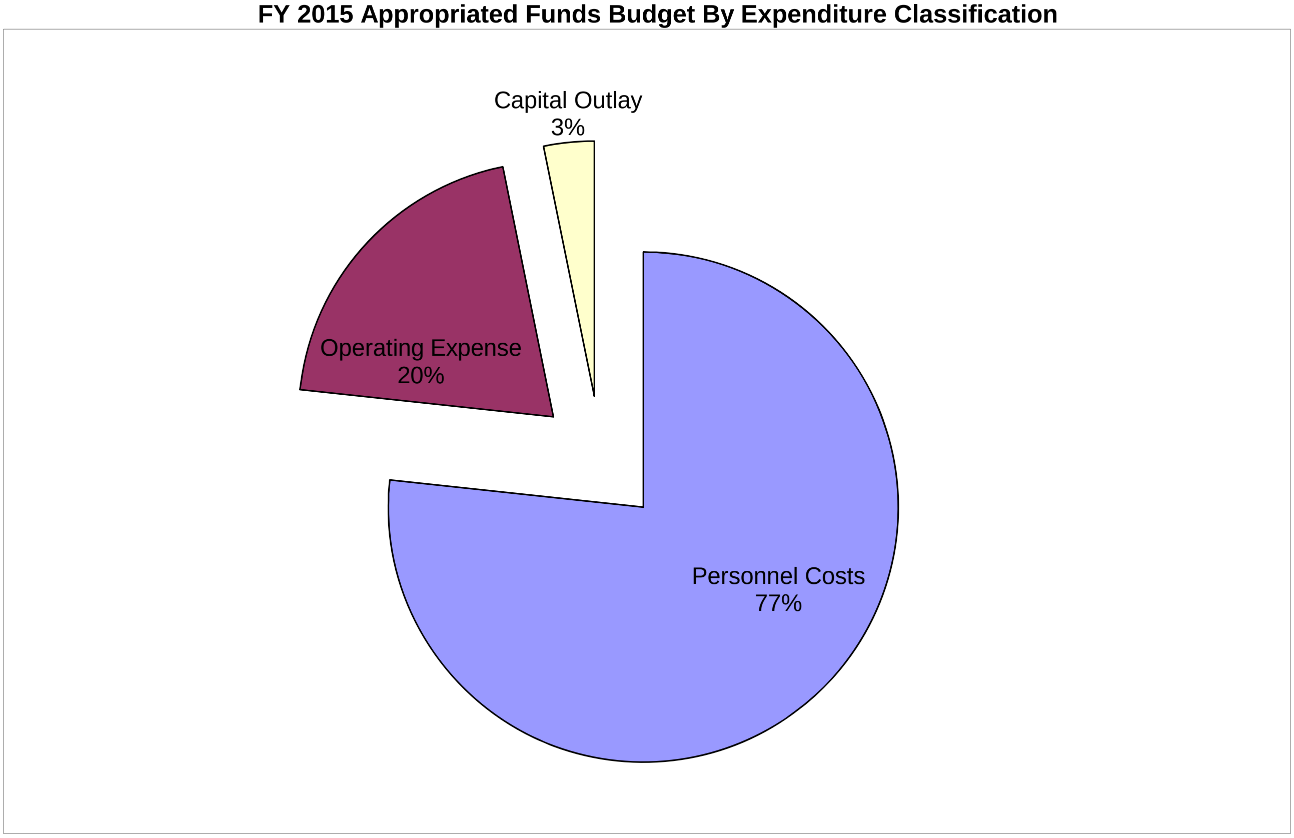
COLLEGE & UNIVERSITIES

FY 2015 Appropriated Funds Budget By Function



FY 2015 Appropriated Funds Budget By Expenditure Classification



COLLEGE & UNIVERSITIES SUMMARY
Budget Distribution by Activity and Expense Class
July 1, 2014 - June 30, 2015
Appropriated Funds

	FY2014 Original Budget		FY2015 Original Budget		Changes from	
	Amount	% of Total	Amount	% of Total	Amount	% Chge
Revenue by Source						
1 State General Account - ongoing	$232,025,500	49.39%	$240,637,000	48.12%	$8,611,500	3.71%
2 State General Account - one time	0	0.00%	5,947,400	1.19%	5,947,400	0.00%
3 State Endowments	10,729,200	2.28%	12,461,200	2.49%	1,732,000	16.14%
4 Student Tuition and Fees	226,999,800	48.32%	241,069,500	48.20%	14,069,700	6.20%
5 Total Operating Revenues	$469,754,500	100.00%	$500,115,100	100.00%	$30,360,600	6.46%
Expenses						
6 **By Function:**						
7 Instruction	$219,963,067	47.01%	$230,438,894	46.92%	$10,475,827	4.76%
8 Research	13,628,658	2.91%	14,698,993	2.99%	1,070,335	7.85%
9 Public Service	1,779,989	0.38%	1,839,633	0.37%	59,644	3.35%
10 Library	22,126,774	4.73%	23,332,213	4.75%	1,205,439	5.45%
11 Student Services	23,811,775	5.09%	25,370,180	5.17%	1,558,405	6.54%
12 Student Financial Aid	11,153,714	2.38%	12,102,076	2.46%	948,362	8.50%
13 Physical Plant	64,451,194	13.77%	66,540,257	13.55%	2,089,063	3.24%
14 Institutional Support	61,351,625	13.11%	63,596,163	12.95%	2,244,538	3.66%
15 Academic Support	39,489,787	8.44%	42,387,202	8.63%	2,897,415	7.34%
16 Auxiliaries	11,400	0.00%	11,400	0.00%	0	0.00%
17 Athletics	10,154,052	2.17%	10,811,550	2.20%	657,498	6.48%
18 **Total Bdgt by Function**	$467,922,035	100.00%	$491,128,561	100.00%	$23,206,526	4.96%
19 **By Expense Class:**						
20 Personnel Costs:						
21 Salaries:						
22 Faculty	$138,842,124	29.67%	$144,161,622	29.35%	$5,319,498	3.83%
23 Executive/Admin	16,800,888	3.59%	17,587,635	3.58%	786,747	4.68%
24 Managerial/Prof	56,622,388	12.10%	59,239,287	12.06%	2,616,899	4.62%
25 Classified	39,923,030	8.53%	42,134,254	8.58%	2,211,224	5.54%
26 Grad Assist	9,093,864	1.94%	9,595,244	1.95%	501,380	5.51%
27 Irregular Help	6,151,823	1.31%	6,357,788	1.29%	205,965	3.35%
28 Total Salaries	$267,434,117	57.15%	$279,075,830	56.82%	$11,641,713	4.35%
29 Personnel Benefits	91,078,430	19.46%	97,560,238	19.86%	6,481,808	7.12%
30 Total Pers Costs	$358,512,547	76.62%	$376,636,068	76.69%	$18,123,521	5.06%
31 Operating Expense:						
32 Travel	1,389,645	0.30%	1,506,415	0.31%	116,770	8.40%
33 Utilities	19,883,853	4.25%	19,511,048	3.97%	(372,805)	-1.87%
34 Insurance	2,708,570	0.58%	2,708,966	0.55%	396	0.01%
35 Other Oper. Exp	69,896,018	14.94%	75,083,679	15.29%	5,187,661	7.42%
36 Total Oper. Exp	$93,878,086	20.06%	$98,810,108	20.12%	$4,932,022	5.25%
37 Capital Outlay:						
38 Depart Equipment	4,782,475	1.02%	4,256,105	0.87%	(526,370)	-11.01%
39 Library Acquisitions	10,748,927	2.30%	11,426,280	2.33%	677,353	6.30%
40 Total Cap Outlay	$15,531,402	3.32%	$15,682,385	3.19%	$150,983	0.97%
41 **Tot Bdgt by Exp Class**	$467,922,035	100.00%	$491,128,561	100.00%	$23,206,526	4.96%
42 One-time CEC/Bonus	$0		$2,109,300		$2,109,300	
43 One-time Other	$1,832,465		$6,877,239		$5,044,774	
44 **Activity Total**	$469,754,500		$500,115,100		$30,360,600	6.46%
45 **TOTAL FTE POSITIONS**	4,122.43		4,226.02		103.59	2.51%

BOISE STATE UNIVERSITY
FY2015 BUDGET OVERVIEW
Appropriated Funds

FY 2014 Base Operating Budget	**$159,834,500**
Adjustments to Base from State Funds	
Personnel Benefits (Health Insurance Costs)	1,058,900
CEC – 1% Merit Pool	589,200
Payline Adj. Classified Employees	15,700
60% Initiative	1,379,000
Occupancy Costs	334,300
CAES	333,300
Net Reduction SWCAP	(31,200)
Reduction in Enrollment Workload Funding	(219,200)
NET INCREASE IN BASE STATE FUNDING	**$3,460,500**
Increases from Student Tuition/Fees	**7,269,800**
FY 2015 Base Operating Budget	**$170,564,800**
One-time increases from State General Account and Student Tuition and Fees	**$3,114,400**

Boise State's FY 2015 base operating budget of $170,564,800 is a $10.7 million increase over the previous year's base funding. The majority of the new funding will come from student tuition and fees, which will increase an average of 4%. The State general account funding comprises 47% of the base operating budget and totals $80,770,800, and student tuition and fees comprise 53% of the base operating budget for a total of $89,794,000.

Following are highlights of the FY 2015 appropriated operating budget.

- Health insurance costs continue to increase. The employer costs will be covered with partial funding from the State and the remaining from student tuition and fees. Total fringe costs are estimated to increase $3.5 million.

- Salary Adjustments - State funding will partially cover the 1% merit based permanent increases, and student tuition and fees are required for approximately half of the cost. The total cost is $1.15 million. In addition, reallocations of base funding enabled equity adjustments for some faculty and staff. The increases are targeted for employees furthest away from benchmark data (CUPA comparisons for faculty and compa-ratios for staff). There is also one-time funding from the State to administer a one-time merit increase. Since State funding only covers about half of the need, student tuition and fees will cover the remainder. Total cost for the one-time merit pay is $1.15 million.

- 60% Initiative – State funding of $1,379,000 is provided to assist with the university meeting the 60% goal by 2020. This amount is 20% of what was requested; therefore student tuition and fee revenues will be used to ensure necessary progress is made towards realizing this goal. New academic positions, including academic student advisors are the positions intended to utilize this funding. These positions have been strategically identified in targeted areas with the intention of enhancing instructional capacity, reducing bottlenecks and enhancing student success.

- $334,000 in occupancy funds will be allocated to hire custodians, pay utility costs and fund on-going maintenance needs for The BoDo Center and University Drive Annex. Total square feet of these two facilities is 54,000.

- Center for Advanced Energy Studies (CAES) will receive an allocation of $333,300 – to be used to hire graduate students and enable faculty led research efforts to grow.

- Projected revenue growth from student tuition and fees is based on flat enrollments. Current data suggests enrollments may be up in non-resident students and stable (flat) in resident students. $1.895 million of the estimated new tuition and fee revenues are required to cover unfunded fund shifts.

- Prioritized budget needs identified during the university's annual budget process continued to focus on fully funding existing permanent positions (previously funded with one-time sources). In addition the FY 2015 budget will fund several adjunct to lecturer conversions, additional new lecturer positions to assist with the course bottleneck challenges, and increased funding for library materials. Reallocations will permanently fund the Material Science PhD Program now that the Micron grant funds are close to being depleted.

- One-time funds will be used for the 1% one-time merit based pay, security needs due to recent Legislation and one-time academic needs identified thru the annual budget process.

The intense review process associated with Program Prioritization is in the final stages of completion with results scheduled to be provided in July and August. Re-allocation opportunities have been identified through this process. It is anticipated that some reallocations will occur in FY 2015 and others will likely occur in subsequent years.

BOISE STATE UNIVERSITY

Budget Distribution by Activity and Expense Class

July 1, 2014 - June 30, 2015

Appropriated Funds

		FY2014 Original Budget		FY2015 Original Budget		Changes from Prior Year	
		Amount	% of Total	Amount	% of Total	Amount	% Chge
	Revenue by Source						
1	State General Account - ongoing	$77,310,300	48.28%	$80,770,800	46.51%	$3,460,500	4.48%
2	State General Account - one time		0.00%	2,278,800	1.31%	2,278,800	0.00%
3	State Endowments		0.00%		0.00%	0	0.00%
4	Student Tuition and Fees	82,819,800	51.72%	90,629,600	52.18%	7,809,800	9.43%
5	Total Operating Revenues	$160,130,100	100.00%	$173,679,200	100.00%	$13,549,100	8.46%
	Expenses						
	By Function:						
6	Instruction	$79,356,774	49.56%	$84,487,607	49.53%	$5,130,833	6.47%
7	Research	3,861,019	2.41%	4,209,380	2.47%	348,361	9.02%
8	Public Service	1,568,673	0.98%	1,518,438	0.89%	(50,235)	-3.20%
9	Library	7,008,037	4.38%	7,266,866	4.26%	258,829	3.69%
10	Student Services	7,900,142	4.93%	8,510,270	4.99%	610,128	7.72%
11	Student Financial Aid	1,560,816	0.97%	1,617,278	0.95%	56,462	3.62%
12	Physical Plant	16,985,014	10.61%	17,502,770	10.26%	517,756	3.05%
13	Institutional Support	23,382,475	14.60%	25,019,211	14.67%	1,636,736	7.00%
14	Academic Support	15,991,350	9.99%	17,761,080	10.41%	1,769,730	11.07%
15	Auxiliaries		0.00%		0.00%	0	0.00%
16	Athletics	2,515,800	1.57%	2,671,900	1.57%	156,100	6.20%
17	**Total Bdgt by Function**	$160,130,100	100.00%	$170,564,800	100.00%	$10,434,700	6.52%
18	**By Expense Class:**						
19	Personnel Costs:						
20	Salaries:						
21	Faculty	$51,732,113	32.31%	$54,732,127	32.09%	$3,000,014	5.80%
22	Executive/Admin	5,441,957	3.40%	5,756,122	3.37%	314,165	5.77%
23	Managerial/Prof	23,285,679	14.54%	25,227,080	14.79%	1,941,401	8.34%
24	Classified	10,091,858	6.30%	10,281,157	6.03%	189,299	1.88%
25	Grad Assist	4,010,238	2.50%	4,211,635	2.47%	201,397	5.02%
26	Irregular Help	1,220,491	0.76%	1,154,343	0.68%	(66,148)	-5.42%
27	Total Salaries	$95,782,336	59.82%	$101,362,464	59.43%	$5,580,128	5.83%
28	Personnel Benefits	32,685,095	20.41%	36,242,603	21.25%	3,557,508	10.88%
29	Total Pers Costs	$128,467,431	80.23%	$137,605,067	80.68%	$9,137,636	7.11%
30	Operating Expense:						
31	Travel	$512,856	0.32%	$579,388	0.34%	66,532	12.97%
32	Utilities	4,030,906	2.52%	3,692,406	2.16%	(338,500)	-8.40%
33	Insurance	837,480	0.52%	878,992	0.52%	41,512	4.96%
34	Other Oper. Exp	21,614,673	13.50%	23,091,347	13.54%	1,476,674	6.83%
35	Total Oper. Exp	$26,995,915	16.86%	$28,242,133	16.56%	$1,246,218	4.62%
36	Capital Outlay:						
37	Depart Equipment	$1,874,458	1.17%	$1,770,304	1.04%	(104,154)	-5.56%
38	Library Acquisitions	2,792,296	1.74%	2,947,296	1.73%	155,000	5.55%
39	Total Cap Outlay	$4,666,754	2.91%	$4,717,600	2.77%	$50,846	1.09%
40	**Tot Bdgt by Exp Class**	$160,130,100	100.00%	$170,564,800	100.00%	$10,434,700	6.52%
41	One-time CEC/Bonus	$0		$1,149,100		$1,149,100	
42	One-time Other	$0		$1,965,300		$1,965,300	
43	**Activity Total**	$160,130,100		$173,679,200		$13,549,100	8.46%
44	**TOTAL FTE POSITIONS**	1,411.00		1,474.62		63.62	4.51%

BOISE STATE UNIVERSITY

Summary of Salary Changes for FY2015 by Employee Group

	Existing Positions								Position Adjustments		Total		
		FY2014			Salary Adjustments								
Institution/Agency by Group	FY14 FTE	Salary Base	Promotion	Perf/Exp/Merit	Equity	Total		% Incr	FTE	Salary Base	FY15 FTE	FY15 Salary	% change
General Education (Approp Only)													
Faculty													
Professor	165.95	13,969,682.00	$132,334	$147,378	$928,954	$1,208,666	$15,178,348	0.09	0.07	25,004	166.02	15,203,352	8.8%
Associate Professor	211.65	14,282,090.00	$167,350	$143,382	$90,421	$401,153	$14,683,243	2.8%	2.13	107,298	213.78	14,790,541	3.6%
Assistant Professor	143.33	8,360,277.00	$50,570	$87,043	$7,976	$145,589	$8,505,866	1.7%	5.09	-133,830	148.42	8,372,036	0.1%
Instr/Lect	94.39	4,120,064.00	$117,711	$63,839	$94,466	$276,016	$4,396,080	6.7%	13.83	870,118	108.22	5,266,198	27.8%
Part-Time Instructor	0.00	11,000,000.00	$0			$0	$11,000,000	0.0%	0.00	-607,336	0.00	10,392,664	-5.5%
Total Faculty	615.32	51,732,113.00	$467,965	$441,642	$1,121,817	$2,031,424	$53,763,537	3.9%	21.12	261,254.00	636.44	54,024,791	4.4%
Executive/Administrative	36.04	5,441,957.00	$142,168	$32,567	$133,120	$307,855	$5,749,812	5.7%	0.04	6,310	36.08	5,756,122	5.8%
Managerial/Professional	412.03	23,285,679.00	$225,585	$292,140	$302,155	$819,880	$24,105,559	3.5%	40.44	1,721,521	452.47	25,827,080	10.9%
Classified	347.61	10,091,858.00	$21,008	$106,958	$139,954	$267,920	$10,359,778	2.7%	2.02	-78,621	349.63	10,281,157	1.9%
Student/Teaching Assistant	0.00	4,010,238.00				$0	$4,010,238	0.0%	0.00	201,397	0.00	4,211,635	5.0%
Irregular Help	0.00	1,220,491.00				$0	$1,220,491	0.0%	0.00	41,188	0.00	1,261,679	3.4%
Total	1,411.00	95,782,336.00	$856,726	$873,307	$1,697,046	$3,427,079	$99,209,415	3.6%	**63.62**	2,153,049.00	1,474.62	101,362,464.00	5.8%
										0.05			
										0.03			
Idaho Small Business Development Center													
Faculty													
Professor						0	0	0.0%					
Associate Professor						0	0	0.0%					
Assistant Professor						0	0	0.0%					
Instr/Lect						0	0	0.0%					
Part-Time Instructor						0	0	0.0%					
Total Faculty		0	0	0	0	0	0	0.0%					
Executive/Administrative						0	0	0.0%					
Managerial/Professional	0.79	55,967		56	0	56	56,023	0.1%	-0.33	-28,957	0.46	27,066	
Classified						0	0	0.0%					
Student/Teaching Assistant						0	0	0.0%					
Irregular Help		2,000					2,000				0.00	2,000	
Total	0.79	57,967	0	0	0	0	58,023	0.0%	-0.33	-28,957.00	0.46	29,066	
TechHelp													
Faculty													
Professor						$0.00	0.00	0.0%					
Associate Professor						0	0	0.0%					
Assistant Professor						0	0	0.0%					
Instr/Lect						0	0	0.0%					
Part-Time Instructor						0	0	0.0%					
Total Faculty			0	0	0	0	0	0.0%					
Executive/Administrative						0	0	0.0%					
Managerial/Professional	1.95	130,202		1,142	2,124	3,266	133,468	2.5%	-0.22	-17,298	1.73	116,170	
Classified	0.00	0				0	0	0.0%				0	
Student/Teaching Assistant						0	0	0.0%					
Irregular Help													
Total	1.95	130,202	0	0	0	0	133,468	0.0%	-0.22	-17,298.00	1.73	116,170.00	

IDAHO STATE UNIVERSITY
FY2015 BUDGET OVERVIEW
Appropriated Funds

In this budget cycle, we continued the use of the Special Budget Consultation Committee (SBCC) to facilitate key budget discussions, deliberations, and recommendations. The SBCC included extensive representation of students, faculty, and staff.

The 3.5% tuition and fee increase reflected in this budget is our lowest increase in twenty-six years.

A key component of the FY2015 budget was the program prioritization initiative. The instruction to the Vice Presidents, Academic Deans and Unit Directors was: "In line with the Program Prioritization initiative, budget adjustments will be based upon the following five criteria:

1. Cost Effectiveness (budget vs. actual, productivity, performance)
2. Importance to the institution (mission, vision, core themes, strategic plan, mandates)
3. Demand (internal, external)
4. Quality (input, outcomes, how well delivered, research, student retention)
5. Opportunity (collaboration, resource sharing, savings, improvements)

This responds to the State Board determined goals related to increasing enrollment, reducing costs per credit hour, and improving retention and research productivity. Each area of the University is being asked to take a "bottoms up" view of their resources to determine whether existing programs or activities can be done more efficiently, streamlined, or eliminated.

Another key component of the FY2015 budget was our continuing effort to maintain discipline on all University controllable costs. This is exercised through a range of university cost controls currently in place and through such means as our Increased Personnel Action Scrutiny (IPAS) system, which requires approval by the University Business Officers, and the Office of Human Resources, and Budget, as well as the Vice President for Finance and Administration, after first approvals by the applicable area line managers and Vice President are secured. New positions also require approval by the President. Another key means of exercising cost discipline is the use of the Quarterly Financial Measurement System for early warning of any potentially emerging cost problems and the immediate implementation of appropriate control actions to contain them.

FUNDING ENHANCEMENTS

Employee Compensation:

"It is the intent of the Legislature, working cooperatively with the Governor's Office, the Division of Human Resources, and the Division of Financial Management, to progress toward the goal of funding a competitive salary and benefit package that will attract qualified applicants, retain employees committed to public service excellence, motivate employees to maintain high standards of productivity, and reward employees for outstanding performance. The Legislature also finds that investing in state employee compensation should remain a high priority even in tough economic times, and therefore, strongly encourages agency directors, institution executives and the Division of Financial Management to approve the use of salary savings to provide either one-time or ongoing merit increases for deserving employees...." (SB1417 Section 2)

At the encouragement of the Legislature, ISU has continued to invest in our employees. ISU matched the State appropriation by increasing the merit pool to 2% of salary base. In addition to merit increases based upon performance, the minimum salary for employees was adjusted to an amount above the poverty rate and/or moved to 75% of policy compensation.

Through state appropriations, institutional reallocations and tuition revenue, funding was provided for:

1. Compensation/Benefits (excluding one-time bonus) – $3,481,737
2. Academic Promotion in Rank – $122,262
3. Complete College Idaho (CCI) – $610,800 (100% state appropriation)
4. Center for Advanced Energy Studies – $333,300 (100% state appropriation)
5. Instruction and Instruction Support – $260,700
6. Career Path Internships (CPI) – $300,000
7. Student Scholarships – $985,000
8. Risk Management – $199,794
9. Library Collection – $186,400
10. Other critical University staffing/operating needs – $242,009
11. Reserve for "Guns on Campus" (SB1254) response costs – $500,000

IDAHO STATE UNIVERSITY
Budget Distribution by Activity and Expense Class
July 1, 2014 - June 30, 2015
Appropriated Funds

	FY2014 Original Budget		FY2015 Original Budget		Changes from Prior Year	
	Amount	% of Total	Amount	% of Total	Amount	% Chge
Revenue by Source						
1 State General Account - ongoing	$64,540,600	51.61%	$66,683,800	50.35%	$2,143,200	3.32%
2 State General Account - one time		0.00%	562,700	0.42%	562,700	0.00%
3 State Endowments	2,227,800	1.78%	2,599,200	1.96%	371,400	16.67%
4 Student Tuition and Fees	58,283,300	46.61%	62,591,100	47.26%	4,307,800	7.39%
5 Total Operating Revenues	$125,051,700	100.00%	$132,436,800	100.00%	$7,385,100	5.91%
Expenses						
By Function:						
6 Instruction	$60,731,210	49.29%	$62,660,918	48.32%	$1,929,708	3.18%
7 Research	3,944,409	3.20%	4,846,201	3.74%	901,792	22.86%
8 Public Service	0	0.00%	0	0.00%	0	0.00%
9 Library	5,185,735	4.21%	5,490,128	4.23%	304,393	5.87%
10 Student Services	6,051,360	4.91%	6,417,983	4.95%	366,623	6.06%
11 Student Financial Aid	1,930,555	1.57%	3,215,555	2.48%	1,285,000	66.56%
12 Physical Plant	18,232,676	14.80%	18,805,245	14.50%	572,569	3.14%
13 Institutional Support	13,288,259	10.78%	14,131,519	10.90%	843,260	6.35%
14 Academic Support	10,604,831	8.61%	10,651,112	8.21%	46,281	0.44%
15 Auxiliaries	0	0.00%	0	0.00%	0	0.00%
16 Athletics	3,250,200	2.64%	3,451,900	2.66%	201,700	6.21%
17 **Total Bdgt by Function**	$123,219,235	100.00%	$129,670,561	100.00%	$6,451,326	5.24%
18 **By Expense Class:**						
19 Personnel Costs:						
20 Salaries:						
21 Faculty	$35,385,234	28.72%	$36,441,514	28.10%	$1,056,280	2.99%
22 Executive/Admin	4,275,401	3.47%	4,351,869	3.36%	76,468	1.79%
23 Managerial/Prof	14,817,075	12.02%	15,055,723	11.61%	238,648	1.61%
24 Classified	11,794,748	9.57%	12,111,226	9.34%	316,478	2.68%
25 Grad Assist	1,702,081	1.38%	1,934,432	1.49%	232,351	13.65%
26 Irregular Help	3,498,876	2.84%	3,691,408	2.85%	192,532	5.50%
27 Total Salaries	$71,473,415	58.01%	$73,586,172	56.75%	$2,112,757	2.96%
28 Personnel Benefits	24,955,340	20.25%	27,256,153	21.02%	2,300,813	9.22%
29 Total Pers Costs	$96,428,755	78.26%	$100,842,325	77.77%	$4,413,570	4.58%
30 Operating Expense:						
31 Travel	$501,252	0.41%	$551,490	0.43%	50,238	10.02%
32 Utilities	4,651,270	3.77%	4,764,570	3.67%	113,300	2.44%
33 Insurance	757,989	0.62%	757,989	0.58%	0	0.00%
34 Other Oper. Exp	16,034,563	13.01%	18,139,597	13.99%	2,105,034	13.13%
35 Total Oper. Exp	$21,945,074	17.81%	$24,213,646	18.67%	$2,268,572	10.34%
36 Capital Outlay:						
37 Depart Equipment	$2,232,377	1.81%	$1,813,161	1.40%	(419,216)	-18.78%
38 Library Acquisitions	2,613,029	2.12%	2,801,429	2.16%	188,400	7.21%
39 Total Cap Outlay	$4,845,406	3.93%	$4,614,590	3.56%	($230,816)	-4.76%
40 **Tot Bdgt by Exp Class**	$123,219,235	100.00%	$129,670,561	100.00%	$6,451,326	5.24%
41 One-time CEC/Bonus	$0		$858,200		858,200	
42 One-time Other	$1,832,465		$1,908,039		75,574	
43 **Activity Total**	$125,051,700		$132,436,800		$7,385,100	5.91%
44 **TOTAL FTE POSITIONS**	1,130.25		1,144.21		13.96	1.24%

IDAHO STATE UNIVERSITY

Summary of Salary Changes for FY2015 by Employee Group

	Existing Positons								Position Adjustments		Total	
		FY2014		Salary Adjustments			FY2015					FY2015
Institution/Agency by Group	FTE	Salary Base	Promotion	Perf/Exp	Equity	Total	Salary	% Incr	FTE	Salary Base	FTE	Salary
General Education												
Faculty	443.25	29,958,141.45	84,951.86	541,596.99	61,495.60	688,044.45	30,646,185.90	2.30	7.62	312,221.51	450.87	$30,958,407.41
Adjunct Faculty		5,427,092.35	9,110.40	59,627.23		68,737.63	5,495,829.98	1.27		-12,723.64		$5,483,106.34
Executive/Administrative	30.19	4,275,400.51	14,872.00	112,819.27	4,513.60	132,204.87	4,407,605.38	3.09	0.35	-55,736.80	30.54	$4,351,868.58
Managerial/Professional	256.77	14,817,074.64	4,076.80	293,493.52	9,235.20	306,805.52	15,123,880.16	2.07	0.23	-68,156.69	257.00	$15,055,723.47
Classified	400.04	11,794,748.20		291,929.40		291,929.40	12,086,677.60	2.48	5.76	24,548.91	405.80	$12,111,226.51
Teaching Assistant	0.00	1,702,081.44		33,747.04		33,747.04	1,735,828.48	1.98		198,603.20	0.00	$1,934,431.68
Irregular Salaries	0.00	3,498,876.33				0.00	3,498,876.33	0.00		192,531.48	0.00	$3,691,407.81
Total	1,130.25	$71,473,414.92	$113,011.06	$1,333,213.45	$75,244.40	$1,521,468.91	$72,994,883.83	2.13	13.96	$591,287.97	1,144.21	$73,586,171.80
Idaho Dental Education Program												
Faculty	2.00	115,544.00		1,726.40		1,726.40	117,270.40	1.49			2.00	$117,270.40
Adjunct Faculty		20,155.20				0.00	20,155.20	0.00		45,000.00	0.00	$65,155.20
Executive/Administrative	0.00	0.00				0.00	0.00	N/A			0.00	$0.00
Managerial/Professional	1.25	93,691.00		2,392.54		2,392.54	96,083.54	2.55		3.20	1.25	$96,086.74
Classified	0.00	0.00				0.00	0.00	0.00			0.00	$0.00
Teaching Assistant	0.00	0.00				0.00	0.00	N/A			0.00	$0.00
Irregular Salaries	0.00	63,135.03				0.00	63,135.03	N/A		-41,831.51	0.00	$21,303.52
Total	3.25	$292,525.23	$0.00	$4,118.94	$0.00	$4,118.94	$296,644.17	1.41	0.00	$3,171.69	3.25	$299,815.86
Idaho Museum of Natural History												
Faculty	0.17	13,046.66		323.22		323.22	13,369.88	2.48			0.17	$13,369.88
Adjunct Faculty		0.00				0.00	0.00					$0.00
Executive/Administrative	0.41	55,723.87		561.75		561.75	56,285.62	1.01			0.41	$56,285.62
Managerial/Professional	5.30	198,554.72		4,873.36		4,873.36	203,428.08	2.45			5.30	$203,428.08
Classified	1.20	36,063.04		915.20		915.20	36,978.24	2.54		-1,206.40	1.20	$35,771.84
Teaching Assistant	0.00	0.00				0.00	0.00	N/A			0.00	$0.00
Irregular Salaries	0.00	12,218.79				0.00	12,218.79	N/A		703.35	0.00	$12,922.14
Total	7.08	$315,607.08	$0.00	$6,673.53	$0.00	$6,673.53	$322,280.61	2.11	0.00	-$503.05	7.08	$321,777.56
Family Practice Residency												
Faculty	1.50	229,092.42		1,299.79		1,299.79	230,392.21	0.57			1.50	$230,392.21
Adjunct Faculty		916.57				0.00	916.57			-95.49		$821.08
Executive/Administrative	0.00	0.00				0.00	0.00	N/A			0.00	$0.00
Managerial/Professional	1.80	188,064.16		2,936.58		2,936.58	191,000.74	1.56			1.80	$191,000.74
Classified	1.00	30,368.00		707.20		707.20	31,075.20	2.33			1.00	$31,075.20
Teaching Assistant	0.00	0.00				0.00	0.00	N/A			0.00	$0.00
Irregular Salaries	0.00	0.00				0.00	0.00	N/A			0.00	$0.00
Total	4.30	$448,441.15	$0.00	$4,943.57	$0.00	$4,943.57	$453,384.72	1.10	0.00	-$95.49	4.30	$453,289.23

UNIVERSITY OF IDAHO
FY2015 BUDGET OVERVIEW
Appropriated Funds

The FY2015 General Education operating budget totals $164,115,000 with $161,111,100 in permanent base funding and $3,003,900 in one-time funding. The base state general fund allocation for FY2015 includes $1,124,300 in permanent funding for benefits, $607,700 for salary increases as well as funding for the 2nd year Law program in Boise and the Center for Advanced Energy Studies (CAES) leading to an overall increase is permanent state funding from $76,713,900 to $79,120,500 or 3.1%.

The Board approved an undergraduate student fee increase of 4.0% or $260 per academic year. The ASUI leadership once again provided key support for the operating budget, in this case by limiting the student activity fee increase for the coming year to 0.95%. They were able to accomplish this in part through the reallocation of existing activity fees to higher priority activities. This action by student leadership enabled the majority of the student fee increase to go to tuition, which is the primary source of flexible dollars to meet the institution's key operating budget needs. There were no increases to the facility or technology fees for FY15.

The Board approved professional fee increases for the UI College of Law and the Art and Architecture program. These increases will enable these programs to sustain quality and provide services at a level that ensures continued accreditation and student development.

The University continues to focus on ensuring that all university resources are used in an effective manner to meet the strategic priorities of the university. Within the General Education budget these efforts for the coming year include full base funding for the entire 2% CEC, a critical need of the university as we try to compete for the best faculty and staff on the behalf of our students. In addition, we used increased state funding to help cover the increased costs of providing medical benefits to our employees, and, together with the funds received through the basic fee increase, to meet obligated cost increases for utilities, contracts, faculty promotions, inflationary costs in Library serials and periodicals, critical new faculty positions and support for the second year Law program in Boise.

We believe the budget you see here will provide a sound base from which to grow an effective and efficient institution that can continue to meet its key roles in education, research and outreach.

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UNIVERSITY OF IDAHO

Budget Distribution by Activity and Expense Class

July 1, 2014 - June 30, 2015
Appropriated Funds

	FY2014 Original Budget		FY2015 Original Budget		Changes from Prior Year	
	Amount	% of Total	Amount	% of Total	Amount	% Chge
Revenue by Source						
1 State General Account - ongoing	$76,713,900	48.99%	$79,120,500	48.21%	$2,406,600	3.14%
2 State General Account - one time	0	0.00%	3,003,900	1.83%	3,003,900	0.00%
3 State Endowments	7,166,400	4.58%	8,356,800	5.09%	1,190,400	16.61%
4 Student Tuition and Fees	72,703,700	46.43%	73,633,800	44.87%	930,100	1.28%
5 Total Operating Revenues	$156,584,000	100.00%	$164,115,000	100.00%	$7,531,000	4.81%
Expenses						
By Function:						
6 Instruction	$66,395,244	42.40%	$68,871,955	42.75%	$2,476,711	3.73%
7 Research	5,712,749	3.65%	5,505,125	3.42%	(207,624)	-3.63%
8 Public Service	642	0.00%	654	0.00%	12	1.87%
9 Library	8,777,624	5.61%	9,344,682	5.80%	567,058	6.46%
10 Student Services	7,474,123	4.77%	7,905,747	4.91%	431,624	5.77%
11 Student Financial Aid	7,122,343	4.55%	6,729,243	4.18%	(393,100)	-5.52%
12 Physical Plant	26,364,014	16.84%	27,247,634	16.91%	883,620	3.35%
13 Institutional Support	20,320,796	12.98%	20,296,667	12.60%	(24,129)	-0.12%
14 Academic Support	10,939,065	6.99%	11,516,193	7.15%	577,128	5.28%
15 Auxiliaries		0.00%		0.00%	0	0.00%
16 Athletics	3,477,400	2.22%	3,693,200	2.29%	215,800	6.21%
17 **Total Bdgt by Function**	$156,584,000	100.00%	$161,111,100	100.00%	$4,527,100	2.89%
18 **By Expense Class:**						
19 Personnel Costs:						
20 Salaries:						
21 Faculty	$43,527,433	27.80%	$44,346,411	27.53%	$818,978	1.88%
22 Executive/Admin	5,850,551	3.74%	6,191,337	3.84%	340,786	5.82%
23 Managerial/Prof	14,926,472	9.53%	15,017,281	9.32%	90,809	0.61%
24 Classified	15,507,339	9.90%	17,087,951	10.61%	1,580,612	10.19%
25 Grad Assist	3,381,545	2.16%	3,449,177	2.14%	67,632	2.00%
26 Irregular Help	1,001,096	0.64%	1,028,937	0.64%	27,841	2.78%
27 Total Salaries	$84,194,436	53.77%	$87,121,094	54.08%	$2,926,658	3.48%
28 Personnel Benefits	27,218,688	17.38%	26,974,882	16.74%	(243,806)	-0.90%
29 Total Pers Costs	$111,413,124	71.15%	$114,095,976	70.82%	$2,682,852	2.41%
30 Operating Expense:						
31 Travel	$375,537	0.24%	$375,537	0.23%	0	0.00%
32 Utilities & Debt Service	10,313,677	6.59%	10,166,072	6.31%	(147,605)	-1.43%
33 Insurance	939,385	0.60%	885,685	0.55%	(53,700)	-5.72%
34 Other Oper. Exp	27,957,035	17.85%	29,671,635	18.42%	1,714,600	6.13%
35 Total Oper. Exp	$39,585,634	25.28%	$41,098,929	25.51%	$1,513,295	3.82%
36 Capital Outlay:						
37 Depart Equipment	$584,640	0.37%	$581,640	0.36%	(3,000)	-0.51%
38 Library Acquisitions	5,000,602	3.19%	5,334,555	3.31%	333,953	6.68%
39 Total Cap Outlay	$5,585,242	3.57%	$5,916,195	3.67%	$330,953	5.93%
40 **Tot Bdgt by Exp Class**	$156,584,000	100.00%	$161,111,100	100.00%	$4,527,100	2.89%
41 One-time CEC/Bonus	$0		$0		$0	
42 One-time Other	$0		$3,003,900		$3,003,900	
43 **Activity Total**	$156,584,000		$164,115,000		$7,531,000	4.81%
44 **TOTAL FTE POSITIONS**	1,254.65		1,268.62		13.97	1.11%

UNIVERSITY OF IDAHO

Summary of Salary Changes for FY 2015 by Employee Group

	FY2014 Budget Book		Annual Salary Process							Midyear Changes and Position Adjustments		FY2015 Budget Book		
		FY2014		Salary Adjustments				FY2015						
Institution/Agency by Group	FTE	Salary Base	Promotion	Merit	Equity/Other	Across the Board	Total	Salary	% Incr	FTE	Salary Base	FTE	Salary	% Incr
General Education (U1)														
Faculty														
Professor	159.23	$14,982,282.00	$ 109,198.25	$ 314,729.83	$ -	$ -	$ 423,928.08	$ 15,406,210.08	2.83%	0.79	$ (101,864.08)	160.02	$15,304,346.00	2.15%
Associate Professor	144.63	10,454,026.00	134,562.49	225,168.59	-	-	359,731.08	10,813,757.08	3.44%	4.28	(140,163.08)	148.91	10,673,594.00	2.10%
Assistant Professor	110.75	6,602,843.00	-	140,464.13	-	-	140,464.13	6,743,307.13	2.13%	(4.15)	(123,021.13)	106.60	6,620,286.00	0.26%
Other	122.93	11,488,282.00	-	92,147.70	-	-	92,147.70	11,580,429.70	0.80%	1.28	167,755.30	124.21	11,748,185.00	2.26%
Total Faculty	537.54	$43,527,433.00	$ 243,760.74	$ 772,510.25	$ -	$ -	$1,016,270.99	$ 44,543,703.99	2.33%	2.20	$ (197,292.99)	539.74	$44,346,411.00	1.88%
Executive/Administrative	39.47	5,850,551.00	-	114,748.90	-	-	114,748.90	5,965,299.90	1.96%	1.69	226,037.10	41.16	6,191,337.00	5.82%
Managerial/Professional	240.17	14,926,472.00	-	291,730.98	-	-	291,730.98	15,218,202.98	1.95%	(4.71)	(200,921.98)	235.46	15,017,281.00	0.61%
Classified	437.47	15,507,339.00	-	316,836.83	-	-	316,836.83	15,824,175.83	2.04%	14.79	1,263,775.17	452.26	17,087,951.00	10.19%
Teaching Assistant	-	3,381,545.00	-	67,630.70	-	-	67,630.70	3,449,175.70	2.00%	-	1.30	-	3,449,177.00	2.00%
Irregular Help	-	1,001,096.00	-	-	-	-	-	1,001,096.00	0.00%	-	27,841.00	-	1,028,937.00	2.78%
Total	1,254.65	$84,194,436.00	$ 243,760.74	$ 1,563,457.66	$ -	$ -	$1,807,218.40	$ 86,001,654.40	2.15%	13.97	$ 1,119,439.60	1,268.62	$87,121,094.00	3.48%

LEWIS-CLARK STATE COLLEGE
FY2015 BUDGET OVERVIEW
Appropriated Funds

LCSC's FY2015 General Fund budget of $14,163,900 represents a 5.2% increase in appropriated General Fund dollars compared to FY2014, reflecting additional funding to cover increased employee salary and benefit costs, partial funding (approximately 20%) of the College's "CCI/60%" line item request, and a small increase for Enrollment Workload Adjustment (EWA) funding (appropriated at 67% of calculated cost of credit hour delivery). Continuing a trend which started in FY2010, the Legislature did not fund LCSC's FY2015 MCO inflation request. General fund dollars were provided to cover a portion of the Legislature's 1% ongoing and 1% one-time CEC increases. A portion of the CEC increase and increased employee benefit costs will be borne by LCSC students—a request to fund shift these dollars to the General Fund was not approved for FY2015. Sustaining delivery of quality instructional programs in 2015 will require careful planning and execution—and reallocation, as necessary, in accordance with Zero-Based Budgeting principles—as the College works to make the most effective and efficient use of all available resources.

The cumulative negative impact of austere budgets since FY2009 will be partially offset by increased tuition fees. A 2.0% increase in tuition for LCSC students was approved by the State Board of Education in April 2014—the projected revenue from this increase will be used entirely to fund the CEC and benefit costs allocated to student fees by the Legislature—the tuition increase is not expected to generate funds needed for program expansion. Based on our enrollment projections and the newly-approved tuition level, we estimate that approximately $14.2M in student fees will be generated in FY2015. A small increase in Normal School Endowment funds ($1,572,000 in FY2015 compared to $1,335,000 in FY2014) will help offset increased operating costs. LCSC's Professional-Technical Education (PTE.) appropriation for FY2015 ($4,221,634) is approximately $100,000 below the funding level provided for our PTE programs in FY2009.

The total of the budget components outlined above (General Fund, Student Fees, Normal School Endowment, and PTE. dollars) equals LCSC's FY2015 Total General Education and Professional-Technical Education budget of $3,907,017.

LCSC's General Education personnel structure will remain stable in FY2015, with a total of 338.57 FTE on board. In FY2015 the institution will continue austerity measures for Personnel Costs, Operating Expenses, Capital Outlay, and maintenance expenditures.

Looking ahead to FY2016 and beyond, LCSC will work to secure additional funds for Personnel, Operating Expense, and Capital Outlay accounts to continue to expand student programs to meet the State Board's "60%" target, sustain campus infrastructure, rebuild financial reserves, and narrow the compensation gap between LCSC employees and their counterparts at peer institutions. LCSC is committed to maintaining sound stewardship of our FY2015 operating funds and to efficiently and effectively deliver the instructional programs within our Board-assigned mission areas, while preserving student access to quality educational services.

LEWIS-CLARK STATE COLLEGE
Budget Distribution by Activity and Expense Class
July 1, 2014 - June 30, 2015
Appropriated Funds

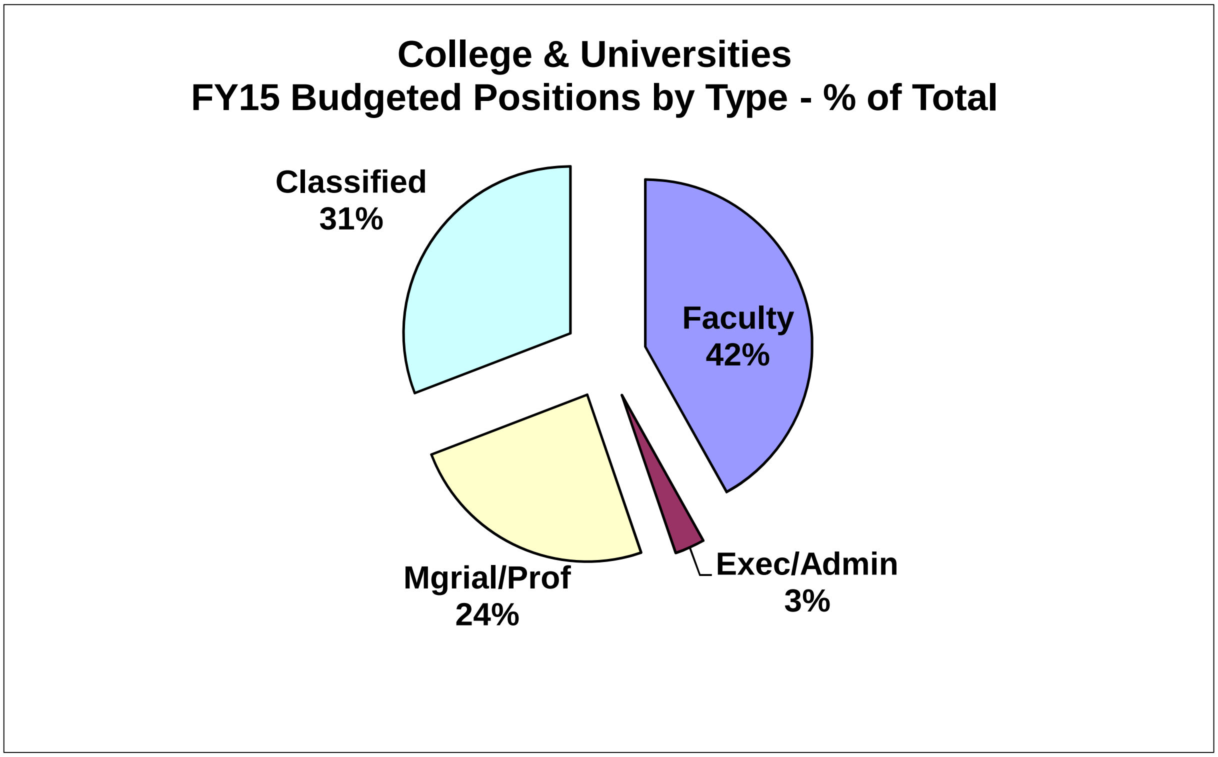
		FY2014 Original Budget		FY2015 Original Budget		Changes from Prior Year	
		Amount	% of Total	Amount	% of Total	Amount	% Chge
Revenue by Source							
1	State General Account - ongoing	$13,460,700	48.09%	$14,061,900	47.05%	$601,200	4.47%
2	State General Account - one time	0	0.00%	102,000	0.34%	102,000	0.00%
3	State Endowments	1,335,000	4.77%	1,505,200	5.04%	170,200	12.75%
4	Student Tuition and Fees	13,193,000	47.14%	14,215,000	47.57%	1,022,000	7.75%
5	Total Operating Revenues	$27,988,700	100.00%	$29,884,100	100.00%	$1,895,400	6.77%
Expenses							
	By Function:						
6	Instruction	$13,479,839	48.16%	$14,418,414	48.41%	$938,575	6.96%
7	Research	110,481	0.39%	138,287	0.46%	27,806	25.17%
8	Public Service	210,674	0.75%	320,541	1.08%	109,867	52.15%
9	Library	1,155,378	4.13%	1,230,537	4.13%	75,159	6.51%
10	Student Services	2,386,150	8.53%	2,536,180	8.52%	150,030	6.29%
11	Student Financial Aid	540,000	1.93%	540,000	1.81%	0	0.00%
12	Physical Plant	2,869,490	10.25%	2,984,608	10.02%	115,118	4.01%
13	Institutional Support	4,360,095	15.58%	4,148,766	13.93%	(211,329)	-4.85%
14	Academic Support	1,954,541	6.98%	2,458,817	8.26%	504,276	25.80%
15	Auxiliaries	11,400	0.04%	11,400	0.04%	0	0.00%
16	Athletics	910,652	3.25%	994,550	3.34%	83,898	9.21%
17	**Total Bdgt by Function**	$27,988,700	100.00%	$29,782,100	100.00%	$1,793,400	6.41%
18	**By Expense Class:**						
19	Personnel Costs:						
20	Salaries:						
21	Faculty	$8,197,344	29.29%	$8,641,570	29.02%	$444,226	5.42%
22	Executive/Admin	1,232,979	4.41%	1,288,307	4.33%	55,328	4.49%
23	Managerial/Prof	3,593,162	12.84%	3,939,203	13.23%	346,041	9.63%
24	Classified	2,529,085	9.04%	2,653,920	8.91%	124,835	4.94%
25	Grad Assist		0.00%		0.00%	0	0.00%
26	Irregular Help	431,360	1.54%	483,100	1.62%	51,740	11.99%
27	Total Salaries	$15,983,930	57.11%	$17,006,100	57.10%	$1,022,170	6.39%
28	Personnel Benefits	6,219,307	22.22%	7,086,600	23.79%	867,293	13.95%
29	Total Pers Costs	$22,203,237	79.33%	$24,092,700	80.90%	$1,889,463	8.51%
30	Operating Expense:						
31	Travel	$0	0.00%	$0	0.00%	0	0.00%
32	Utilities	888,000	3.17%	888,000	2.98%	0	0.00%
33	Insurance	173,716	0.62%	186,300	0.63%	12,584	7.24%
34	Other Oper. Exp	4,289,747	15.33%	4,181,100	14.04%	(108,647)	-2.53%
35	Total Oper. Exp	$5,351,463	19.12%	$5,255,400	17.65%	($96,063)	-1.80%
36	Capital Outlay:						
37	Depart Equipment	$91,000	0.33%	$91,000	0.31%	0	0.00%
38	Library Acquisitions	343,000	1.23%	343,000	1.15%	0	0.00%
39	Total Cap Outlay	$434,000	1.55%	$434,000	1.46%	$0	0.00%
40	**Tot Bdgt by Exp Class**	$27,988,700	100.00%	$29,782,100	100.00%	$1,793,400	6.41%
41	One-time CEC/Bonus	$0		$102,000		102,000	
42	One-time Other	$0		$0		0	
43	**Activity Total**	$27,988,700		$29,884,100		$1,895,400	6.77%
44	**TOTAL FTE POSITIONS**	326.53		338.57		12.04	3.69%

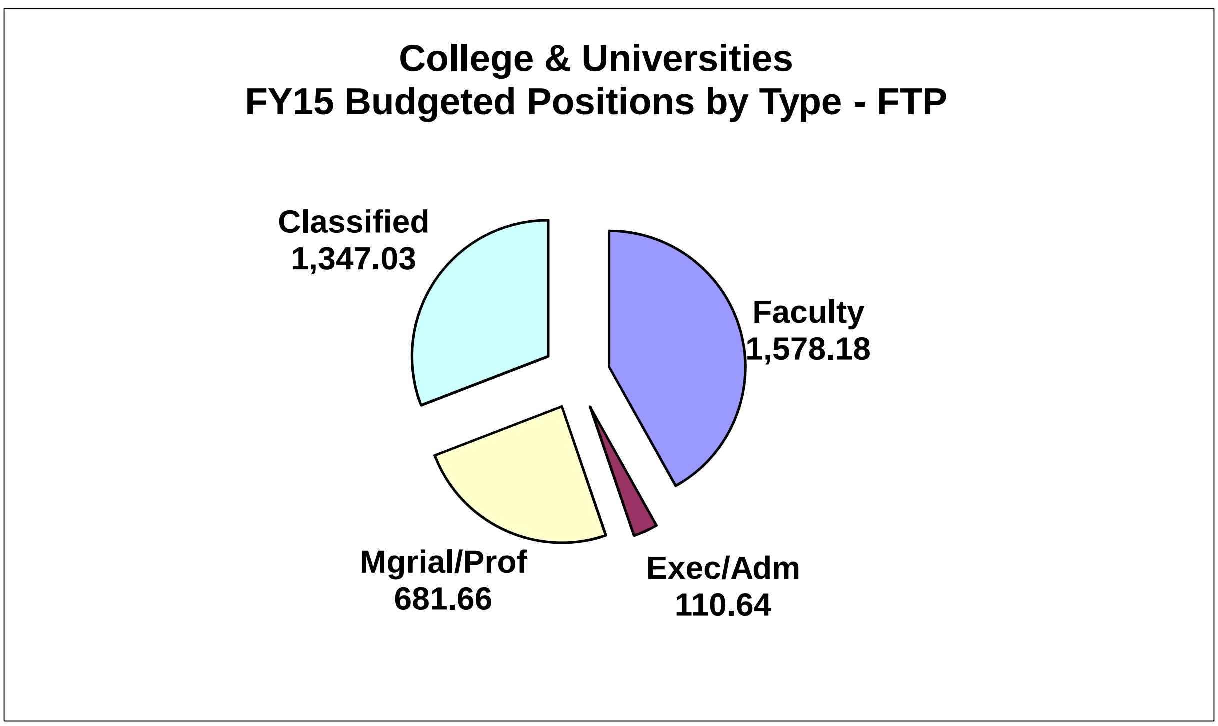
Schedule A:

LEWIS-CLARK STATE COLLEGE

Summary of Salary Changes for FY2015 by Employee Group

	Existing Positons								Position Adjustments		Total	
	FY2014			Salary Adjustments			FY2015				**FY2015**	
Institution/Agency by Group	FTE	Salary Base	Promotion	Perf/Exp	Equity	Total	Salary	% Incr	FTE	Salary Base	FTE	Salary Base
General Education												
Faculty												
Professor	45.00	2,736,935	18,000	29,222	28,396	75,618	2,812,553	2.76		(24,367)	45.00	2,788,186
Associate Professor	25.00	1,322,109	12,000	14,405	19,800	46,205	1,368,314	3.49	(0.50)	(79,536)	24.50	1,288,778
Assistant Professor	43.50	1,994,237		18,449	8,320	26,769	2,021,006	1.34	3.00	238,607	46.50	2,259,613
Instr/Lect	24.50	1,002,063		9,408	4,700	14,108	1,016,171	1.41	2.50	146,822	27.00	1,162,993
Part-Time Instructor	0.00	1,142,000				0	1,142,000	0.00		0	0.00	1,142,000
Total Faculty	138.00	8,197,344	30,000	71,484	61,216	162,700	8,360,044	1.98	5.00	281,526	143.00	8,641,570
Executive/Administrative	13.90	1,232,979		16,609	16,870	33,479	1,266,458	2.72		21,849	13.90	1,288,307
Managerial/Professional	81.06	3,593,162		42,883	66,681	109,564	3,702,726	3.05	4.90	236,477	85.96	3,939,203
Classified	93.57	2,529,085		56,003	16,385	72,388	2,601,473	2.86	2.14	52,447	95.71	2,653,920
Irregular Help	0.00	431,360				0	431,360	0.00		51,740	0.00	483,100
Total	326.53	15,983,930	30,000	186,979	161,152	378,131	16,362,061	2.37	12.04	644,039	338.57	17,006,100


College & Universities
FY15 Budgeted Positions by Type - % of Total
Classified
31%
Faculty
42%
Mgrial/Prof
24%
Exec/Admin
3%


College & Universities
FY15 Budgeted Positions by Type - FTP
Classified
1,347.03
Faculty
1,578.18
Mgrial/Prof
681.66
Exec/Adm
110.64

COLLEGE & UNIVERSITIES
Operating Budget Personnel Costs Summary
July 1, 2014 - June 30, 2015

	FY2014 Original Budget				FY2015 Original Budget			
Classification	FTE	Salaries	Benefits	Total	FTE	Salaries	Benefits	Total
BOISE STATE UNIVERSITY								
Faculty	615.32	$51,732,113	$16,747,682	$68,479,795	636.44	$54,732,127	$17,940,043	$72,672,170
Executive/Administrative	36.04	5,441,957	$1,500,706	6,942,663	36.08	5,756,122	$1,657,927	7,414,049
Managerial/Professional	412.03	23,285,679	$8,767,537	32,053,216	452.47	25,227,080	$10,371,448	35,598,528
Classified	347.61	10,091,858	$5,338,046	15,429,904	349.63	10,281,157	$6,000,829	16,281,986
Irregular Help		1,220,491	170,714	1,391,205		1,154,343	103,891	1,258,234
Graduate Assistants		4,010,238	160,410	4,170,648		4,211,635	168,465	4,380,100
TOTAL	1,411.00	$95,782,336	$32,685,095	$128,467,431	1,474.62	$101,362,464	$36,242,603	$137,605,067
			Number of New Positions		63.62			
IDAHO STATE UNIVERSITY								
Faculty	443.25	$35,385,234	$ 11,622,115	$47,007,349	450.87	$36,441,514	$ 12,704,173	$49,145,687
Executive/Administrative	30.19	4,275,401	1,142,005	5,417,406	30.54	4,351,869	1,219,033	5,570,902
Managerial/Professional	256.77	14,817,075	5,416,827	20,233,902	257.00	15,055,723	5,887,585	20,943,308
Classified	400.04	11,794,748	6,394,051	18,188,799	405.80	12,111,226	7,073,135	19,184,361
Irregular Help		3,498,876	372,724	3,871,600		3,691,408	363,569	4,054,977
Graduate Assistants		1,702,081	7,618	1,709,699		1,934,432	8,658	1,943,090
TOTAL	1,130.25	$71,473,415	$24,955,340	$96,428,755	1,144.21	$73,586,172	$27,256,153	$100,842,325
			Number of New Positions		13.96			
UNIVERSITY OF IDAHO								
Faculty	537.54	$43,527,433	$13,388,099	$56,915,532	539.74	$44,346,411	$13,066,679	$57,413,090
Executive/Administrative	39.47	5,850,551	1,503,237	7,353,788	41.16	6,191,337	1,520,005	7,711,342
Managerial/Professional	240.17	14,926,472	5,115,808	20,042,280	235.46	15,017,281	4,927,871	19,945,152
Classified	437.47	15,507,339	6,977,509	22,484,848	452.26	17,087,951	7,220,047	24,307,998
Irregular Help		1,001,096	200,220	1,201,316		1,028,937	205,787	1,234,724
Graduate Assistants		3,381,545	33,815	3,415,360		3,449,177	34,493	3,483,670
TOTAL	1,254.65	$84,194,436	$27,218,688	$111,413,124	1,268.62	$87,121,094	$26,974,882	$114,095,976
			Number of New Positions		13.97			
LEWIS CLARK STATE COLLEGE								
Faculty	138.00	$8,197,344	$2,880,503	$11,077,847	143.00	$8,641,570	$3,268,427	$11,909,997
Executive/Administrative	13.90	1,232,979	382,703	1,615,682	13.90	1,288,307	411,164	1,699,471
Managerial/Professional	81.06	3,593,162	1,500,866	5,094,028	85.96	3,939,203	1,752,668	5,691,871
Classified	93.57	2,529,085	1,418,095	3,947,180	95.71	2,653,920	1,612,746	4,266,666
Irregular Help		431,360	37,140	468,500		483,100	41,595	524,695
Graduate Assistants		0	0	0		0	0	0
TOTAL	326.53	$15,983,930	$6,219,307	$22,203,237	338.57	$17,006,100	$7,086,600	$24,092,700
			Number of New Positions		12.04			
TOTAL COLLEGE & UNIVERSITIES								
Faculty	1,734.11	$138,842,124	$44,638,399	$183,480,523	1,770.05	$144,161,622	$46,979,322	$191,140,944
Exec/Admin	119.60	16,800,888	4,528,651	21,329,539	121.68	17,587,635	4,808,129	22,395,764
Mgrial/Prof	990.03	56,622,388	20,801,038	77,423,426	1,030.89	59,239,287	22,939,572	82,178,859
Classified	1,278.69	39,923,030	20,127,701	60,050,731	1,303.40	42,134,254	21,906,757	64,041,011
Irregular Help	0.00	6,151,823	780,798	6,932,621	0.00	6,357,788	714,842	7,072,630
Graduate Assistants	0.00	9,093,864	201,843	9,295,707	0.00	9,595,244	211,616	9,806,860
TOTAL	4,122.43	$267,434,117	$91,078,430	$358,512,547	4,226.02	$279,075,830	$97,560,238	$376,636,068
			Number of New Positions		103.59			

POSTSECONDARY PROFESSIONAL-TECHNICAL EDUCATION SYSTEM
FISCAL YEAR 2015 BUDGET OVERVIEW

Funds are appropriated to the State Division of Professional-Technical Education for professional-technical education programs and services. The State Board of Education approved the allocation of the appropriation for postsecondary professional-technical education at its April 16-17, 2014 meeting. The State Division of Professional-Technical Education requests approval of the FY2015 Operating Budget for the Postsecondary Professional-Technical Education System.

The allocation and reallocation of funds for the FY2015 Postsecondary Professional-Technical Education System is based on the Strategic Plan for Professional-Technical Education in Idaho – FY2014 – 2018, as well as Board and Legislative Intent.

The FY2015 budget reflects an overall increase in the on-going budget of $1,379,900 or 3.95% increase in the state general fund. The increase in the on-going state general fund allocation includes: (1) $279,100 for a 1% CEC increase; (2) $689,900 for employee benefit increase; (3) $416,500 and six faculty positions for the new Advanced Manufacturing programs; and (4) an operating expense decrease in the amount of $5,600 for Controller fees and risk management costs at EITC.

In addition, the Legislature appropriated a decrease of $30,000 in student fees at EITC; $278,700 one-time state General Funds for personnel costs; $176,700 one-time state General Funds for library books and periodicals at EITC and operating expenses associated with the new Advanced Manufacturing programs; $748,900 one-time state General Funds for capital outlay associated with the new Advanced Manufacturing programs; and $632,500 one-time state General Funds for replacement capital outlay.

The following schedules are provided for review:

Postsecondary Professional-Technical Education System

Operating Budget Distribution by Activity and Expense Standard Class

			July 1, 2014 - June 30, 2015			
	Original FY2014	Percent of Total	Original FY2015	Percent of Total	Change from Prior Year	Percent Change
By Activity:						
Instruction	34,395,121	96.68%	35,754,519	92.56%	1,359,398	3.95%
Plant Maintenance & Operations	1,046,179	2.94%	1,036,681	2.68%	(9,498)	-0.03%
One-Time Funds	136,400	0.38%	1,836,800	4.76%	1,700,400	
Total Operating Budget	35,577,700	100.00%	38,628,000	100.00%	3,050,300	8.57%
TOTAL BUDGET	35,577,700	100.00%	38,628,000	100.00%	3,050,300	8.57%
By Expense Standard Class:						
Personnel Costs:						
Faculty	14,340,794	40.46%	14,960,456	40.66%	619,662	4.32%
Executive/Administrative	854,074	2.41%	868,019	2.36%	13,945	1.63%
Managerial/Professional	3,113,789	8.79%	3,194,086	8.68%	80,297	2.58%
Classified	3,716,186	10.49%	3,738,971	10.16%	22,785	0.61%
Irregular Help	1,138,117	3.21%	923,421	2.51%	(214,696)	-18.86%
Total Salaries	23,162,960	65.36%	23,684,953	64.38%	521,993	2.25%
Personnel Benefits	8,982,499	25.34%	9,948,199	27.04%	965,700	10.75%
Total Personnel Costs	32,145,459	90.70%	33,633,152	91.42%	1,487,693	4.63%
Operating Expenses:	3,275,841	9.24%	3,158,048	8.58%	(117,793)	-3.60%
Capital Outlay:	20,000	0.06%	0	0.00%	(20,000)	-100.00%
Total On-Going Operating Budget	35,441,300	100.00%	36,791,200	100.00%	1,349,900	3.81%
One-Time Personnel Costs	0		278,700		278,700	
One-Time Operating Expenses	27,000		176,700		149,700	
One-Time Capital Outlay	109,400		1,381,400		1,272,000	
Total One-Time Funds	136,400		1,836,800		1,700,400	
TOTAL BUDGET	35,577,700	100.00%	38,628,000	100.00%	3,050,300	8.57%
Total Full Time Positions (FTP)	472.09		484.46		12.37	2.62%

Postsecondary Professional-Technical Education System
Operating Budget Personnel Costs
Summary
July 1, 2014 - June 30, 2015

	FY 2014 Operating Budget				FY 2015 Operating Budget			
Classification	**FTP**	**Salaries**	**Benefits**	**Total**	**FTP**	**Salaries**	**Benefits**	**Total**
Faculty	287.450	14,340,794	5,526,767	19,867,561	298.030	14,960,456	6,211,557	21,172,013
Exec/Admin	8.975	854,074	258,618	1,112,692	8.980	868,019	287,025	1,155,044
Manage/Prof	58.390	3,113,789	1,180,395	4,294,184	60.010	3,194,086	1,323,848	4,517,934
Classified	117.270	3,716,186	1,812,029	5,528,215	117.440	3,738,971	1,992,681	5,731,652
Irreg Help	0.000	1,138,117	204,690	1,342,807	0.000	923,421	133,088	1,056,509
TOTAL	**472.085**	**23,162,960**	**8,982,499**	**32,145,459**	**484.460**	**23,684,953**	**9,948,199**	**33,633,152**

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University of Idaho
FY2015 Budget Overview
Agricultural Research and Extension Service

The Agricultural Research and Extension Service Appropriation (ARES) received an 8.2% increase in appropriation from FY14.

We continue to develop our strategic direction and realign and redirect our resources to promote the Programs of Distinction as identified in the strategic planning process completed during FY14. We will redirect resources and the efforts of current faculty and staff to grow these areas. An analysis is underway to identify the best practices and organizational structure needed to market and communicate our successes and "tell our story". ARES will also continue to identify alternate funding sources to bring funding levels back to an appropriate balance between personnel and operating expenditures.

In order to adequately serve the needs of the citizens and stakeholders of Idaho we must continue to modify our "road map" to the future and make appropriate changes in our programs and operations.

UNIVERSITY OF IDAHO
AVAILABILITY AND ALLOCATION OF FUNDS FOR FY2015
AGRICULTURAL RESEARCH AND EXTENSION SYSTEM

FUNDS AVAILABLE	FTE	AMOUNT
FY2014 Operating Budget Base	280.73	$ 24,510,100
Adjustments: Reappropriation		-
Adjustments: Appropriation Adjustment		(28,000)
Adjustments: Remove One-Time		(385,400)
		-
Adjustments: FTP Additions	5.00	-
Adjustments: FTP Adjustment	(0.49)	
FY2014 Adjusted Budget Base	285.24	$ 24,096,700
Additional Funding for FY2014		
		$ -
		-
Total Funding Reduction	-	$ (413,400)
Total Funds Available for FY2014	285.24	$ 24,096,700

ALLOCATION OF FUNDS	FTE	AMOUNT
FY2014 Adjusted Budget Base	285.24	$ 24,096,700
MCO Increases/Decreases to Budget Base		
Operating Expense		$ 1,200,000
Inflationary Adjustments		$ 1,700
Benefit Costs		414,100
Change in Employee Compensation		374,400
Total MCO Increases/Decreases	-	$ 1,990,200
Enhancements to Budget Base		
Increase in Personnel (4 FTP)		$ 310,000
Restore FFA Position		82,500
Total Enhancements	-	$ 392,500
Total Increases	-	$ 2,382,700
FY2015 Operating Budget	285.24	$ 26,479,400

AGRICULTURAL RESEARCH & EXTENSION SERVICE

Operating Budget Personnel Costs Summary

July 1, 2014 - June 30, 2015

	FY2014 Operating Budget				FY2015 Operating Budget			
Classification	FTE	Salaries	Benefits	Total	FTE	Salaries	Benefits	Total
Faculty	167.86	$10,311,122	$3,985,048	$14,296,170	171.64	$11,053,578	$4,068,346	$15,121,924
Executive/Administrative	2.68	420,839	$123,285	544,124	2.68	429,263	$124,724	553,987
Managerial/Professional	29.24	1,462,155	$609,690	2,071,845	30.74	1,508,834	$677,346	2,186,180
Classified	80.95	2,688,410	$1,368,421	4,056,831	80.18	2,726,025	$1,482,506	4,208,531
Irregular Help		297,569	44,635	342,204		362,354	54,353	416,707
Graduate Assistants		239,827	2,398	242,225		244,625	2,446	247,071
TOTAL	280.73	$15,419,922	$6,133,478	$21,553,400	285.24	$16,324,679	$6,409,721	$22,734,400

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HEALTH EDUCATION PROGRAMS

FY 2015 Operating Budget

		FY 2014 BUDGET	FY 2015 BUDGET	PERCENT of CHANGE
1				
2	**By Program:**			
3	WI Veterinary Education	1,955,800	2,051,300	4.88%
4	WWAMI Medical Education	4,250,700	3,962,000	-6.79%
5	IDEP Dental Education	1,643,000	1,705,500	3.80%
6	University of Utah Medical Education	1,283,200	1,333,600	3.93%
7	Family Medicine Residencies	2,023,900	2,241,800	10.77%
8	Boise Internal Medicine Residency	240,000	240,000	0.00%
9	Psychiatry Residency	111,400	121,400	8.98%
10	**Total Programs**	**11,508,000**	**11,655,600**	1.28%
11	**By Fund Source:**			
12	General Fund	10,548,800	11,355,700	7.65%
13	Student Fee Revenue	959,200	299,900	-68.73%
14	**Total Funds**	**11,508,000**	**11,655,600**	1.28%
15	**By Expenditure Classification:**			
16	Personnel Costs	2,457,700	2,196,300	-10.64%
17	Operating Expenditures	1,941,700	1,750,300	-9.86%
18	Capital Outlay	64,600	108,600	68.11%
19	Trustee & Benefits	7,044,000	7,600,400	7.90%
20	Lump Sum	0	0	0.00%
21	**Total Expenditures**	**11,508,000**	**11,655,600**	1.28%
22	**Full Time Position**	21.3	21.3	0.00%

23 **Budget Overview**

The FY 2015 budget for Health Education Programs reflects a 1.28% increase including contract inflation totaling $99K, ongoing CEC of $19k, one-time CEC of $19k, and benefit cost increases of $27k. The WI Veterinary Education program received $103K in one-time replacement capital . The WWAMI program received $252K ongoing funds for the second year of the five TRUST (Targeted Rural Under-Served Track) medical studnets approved for FY 2014, and $113k ongoing funds to add five more first year medical students . The University of Utah program received $28k for physician stipends to serve as mentors for third-year Idaho students participating in the University of Utah Medical Education Program. Finally, $200k was appropriated to support the Kootenai Health Family Medicine Residency.

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SPECIAL PROGRAMS

FY 2015 Operating Budget

		FY 2014 BUDGET	FY 2015 BUDGET	PERCENT of CHANGE
1				
2	**By Program:**			
3	Forest Utilization Research	667,400	887,100	32.92%
4	Geological Survey	706,900	821,100	16.16%
5	Scholarships and Grants:			
6	Idaho Promise Scholarship - A	317,000		0.00%
7	Idaho Promise Scholarship - B	3,634,500		0.00%
8	Atwell Parry Work Study Program	1,186,000	1,186,000	0.00%
9	Minority/"At Risk" Scholarship	210,000		0.00%
10	Teachers/Nurses Loan Forgiveness	150,000	80,000	-46.67%
11	Freedom Scholarship	40,000	40,000	0.00%
12	Peace Officer/Firefighter Scholarship	80,000	80,000	0.00%
13	Grow Your Own Teacher Scholarship	0	0	0.00%
14	Scholarships Program Manager	58,100	60,100	3.44%
15	Opportunity Scholarship	1,045,800	5,277,300	404.62%
16	GEARUP Scholarship	1,688,100	1,688,400	0.02%
17	Unallocated Federal Appropriation	34,700	34,700	0.00%
18	Total Scholarships and Grants	8,444,200	8,446,500	0.03%
19	Museum of Natural History	476,600	503,900	5.73%
20	Small Business Development Centers	248,800	260,500	4.70%
21	TechHelp	144,400	150,400	4.16%
22	**Total Programs**	**10,688,300**	**11,069,500**	3.57%
23	**By Fund Source:**			
24	General Fund	8,965,500	9,346,400	4.25%
25	Federal Funds	1,722,800	1,723,100	0.02%
26	Opportunity Scholarship Fund			0.00%
27	**Total Funds**	**10,688,300**	**11,069,500**	3.57%
28	**By Expenditure Classification:**			
29	Personnel Costs	2,164,100	2,420,300	11.84%
30	Operating Expenditures	124,100	146,100	17.73%
31	Capital Outlay	32,200	135,200	
32	Trustee/Benefit or Lump Sum Payments	8,367,900	8,367,900	0.00%
33	**Total Expenditures**	**10,688,300**	**11,069,500**	3.57%
34	**Full Time Position**	28.33	32.13	13.41%

35 **Budget Overview**

The FY 2015 budget for Special Programs reflects a 3.57% increase including an addition of $43K in benefit cost increaes, $20k in one-time CEC and $20k in ongoing CEC, and $105k in replacement capital. The Forest Utilization Research program received $56k and .5 FTP to increase the forest operations assistant professor to full-time, to increase travel and operating costs, and $10k capital outlay. The Forest Utilization Research program also received $65k for the Policy Analysis Group including .8 FTP for a research scientist, .5 FTP for an administrative assistant, and $3k one-time capital outlay. The Forest Utilization Research program also received $17k one-time capital outlay. The Geological Survey received $74k for .5 FTP for an administrative assistant and two research geologists

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AGENCY	PROJECT #	DESCRIPTION OF WORK	PBF A&R $ SB1425	HB635	HB635	PBF CAP $ SB1425:2B	CY $	Agy/Other
LCSC	15-150	Upgrade Clearwater Hall First Floor - Phase 2	375,000					50,000
150-169	15-151	Upgrade International Programs Space	150,000					
	15-152	Upgrade Admin Bldg Conference Area	65,000					
	15-153	New HVAC, President's Residence	50,000					
	15-154	Sidewalk/Hardscape Repairs	75,000					
	15-155	Replace roof, Reid Centennial Hall		170,000				
	15-156	Upgrade Campus Heating/Cooling Line Systems		40,000				30,000
BSU	15-190	Cooling System, Bronco Gym		140,000				
190-219	15-191	Elevator Upgrades Phase 4, Multiple Buildings	460,000					
	15-192	Freight Elevator Science Building		175,000				
	15-193	Replace Roof, Capital Village Building #6 **(Priority Roofing Project - Temp CY=$15,600)**		195,000				
	15-194	Classroom Renovations (cont.), Multiple Buildings	225,000					
	15-195	AHU Replacement Engineering Building		300,000				
	15-196	AHU Replacement & DDC Upgrade Kinesiology Annex		230,000				
	15-197	Penthouse Leak Repair, Micron Engineering Center		125,000				
	15-198	Interior Renovations, SMTC		450,000				
	15-199	Yanke Window & Skylight		400,000				
	15-200	Replace Irrigation Main Pump		250,000				
	15-201	Space Consolidation and Renovation (cont.)	676,000					
	15-202	Replace 800 amp Electrical Service, Heat Plant		75,000				
	15-203	Sidewalk Repair & Replacement (cont.)	145,000					
	15-204	Interior Renovations SMTC Phase 2		395,000				
	15-205	ADA Access Improvements, Campus Wide						75,000
ISU	15-220	Remodel Tingey Admin Bdg, Id Falls	990,400					
220-249	15-221	Physician Assistant Prgm Expansion, Meridian	728,000					364,000
	15-222	Tunnel Repairs, Chemistry to 9th St, PH 2	400,000					
	15-223	Heat Plant - Heat Recovery System	147,500					
	15-224	Garrison Hall - Parapet and Roof Repairs **(Priority Roofing Project - Temp CY=$2,800)**	35,000					
	15-225	Administration - Partial Roof Replacement **(Priority Roofing Project - Temp CY=$10,400)**	130,000					
	15-226	Gale Life Science - Partial Roof Replacement		133,000				
	15-227	Gravely Hall - Roof Replacement		165,000				
	15-228	Reed Gym - Partial Roof Replacement		112,900				
	15-229	Replace Tunnel Lid and Walls, W of ESTEC		65,136				
	15-230	Ext. Stairs & Railing Repairs, Owen Redfield, Trade & Tech		208,000				
	15-231	Relocate Steam Regulator, Lillibridge Engineering		76,500				
	15-232	Replace Fire Alarm System, Fine Arts		150,000				
	15-233	Bio Skills Learning Center				1,060,100		1,060,074
	15-234	Replace Failing Heat Pumps (University Place)	300,000				300,000	
UI	15-250	Integrated Research and Innovation Center				2,500,000		
250-279	15-251	Admin Bldg Entry Foyer & Main Stair Renovations	947,600					
	15-252	Janssen Engineering Bldg HVAC Upgrade, Phase 3	956,700					
	15-253	Upgrade Piping, Student Health Center	273,300					
	15-254	Holm Center Emergency Generator	289,900					
	15-255	Education Building Renovations			2,000,000			
	15-256	ADA Food Research New Elevator, Entrance & Stair Renov						412,000
OSBE	15-280	Renovation KUID-TV, Paradise Ridge					520,000	

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COLLEGE AND UNIVERSITIES OF THE STATE BOARD

SUBJECT
FY 2015 Intercollegiate Athletics Operating Budget Report

REFERENCE
April 2014 — Board approved athletics limits for general funds, gender equity funds, and institutional funds

APPLICABLE STATUTE, RULE, OR POLICY
Idaho State Board of Education Governing Policies & Procedures Section V.X.

BACKGROUND/ DISCUSSION
State Board of Education policy provides "the institutions shall submit an operating budget for the upcoming fiscal year beginning July 1 in a format and time to be determined by the Executive Director." A common reporting format has been established for reporting intercollegiate athletic revenues and expenditures.

Board policy establishes limits on the amount of funds the institutions can allocate to athletics from the state General Fund and institutional funds. At its regular April 2014 meeting the Board set the general funds, including a gender equity component and institutional funds limit for athletics as follows:

	General Fund	Gender Equity	Institutional
BSU	$2,671,900	$1,178,600	$430,200
ISU	$2,671,900	$ 780,000	$602,200
UI	$2,671,900	$1,021,300	$860,400
LCSC	$ 993,300	N/A	$171,900

Page 3 displays a four-part pie chart that shows FY15 revenue by fund source by institution. Page 4 (FY15 Board Limits on General and Institutional Funds) separates the state General Fund limits between regular General Funds and gender equity. Note that all three universities are budgeting General Fund, gender equity, and institutional funds for athletics within their limits. LCSC is also within its General Fund limit, and chooses not to use its gender equity limit. Page 5 displays non-program revenue as a percentage of total athletic revenue and expenditures per varsity participant.

The individual institution reports, starting on page 7, begin with worksheets for each institution displaying the following data:

- FY13 Actual Expenditures (June 2013) – columns 1 & 2
- Latest FY14 Estimate (May 2014) – columns 3 & 4
- Variance ($ and %) comparing the FY13 Actual with the latest FY14 estimate – columns 5 & 6

- FY15 Operating Budget (June 2014) – columns 7 & 8
- Variance ($ & %) comparing the FY15 proposed Budget with the FY14 Estimate – columns 9 & 10

For each institution, revenue by source and expenditures by classification is reported, as is revenue and expenditures by general administration and sport.

IMPACT

The institutions presented their gender equity reports at the April Board meeting at which time institutions could request an increase to their respective gender equity limit above the normal amount calculated per Board policy.

ATTACHMENTS

STAFF COMMENTS AND RECOMMENDATIONS

In FY 2013 Idaho State University exceeded its institutional funds limit of $540,400 by $22,300 or 4%.

In reviewing the budget reports, each institution has areas in which the variance from FY14 estimate to FY15 budget is significant. The institutions are prepared to explain their respective reports and variances therein.

All institutions show positive ending balances for FY 2015.

BOARD ACTION

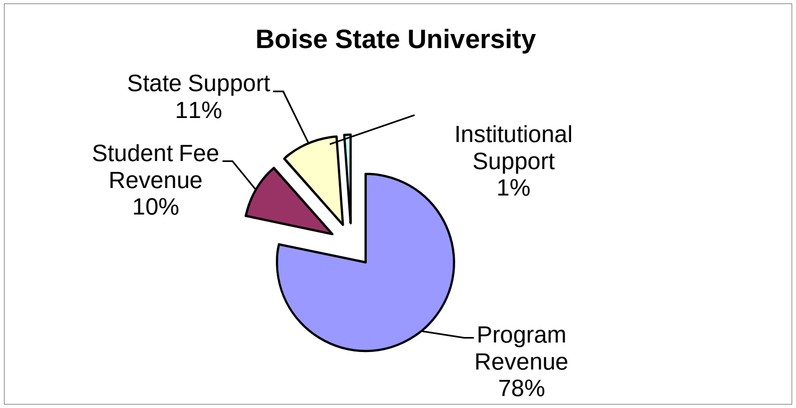
I move to accept the Athletics Operating Budget reports for Boise State University, Idaho State University, University of Idaho and Lewis-Clark State College, as presented.

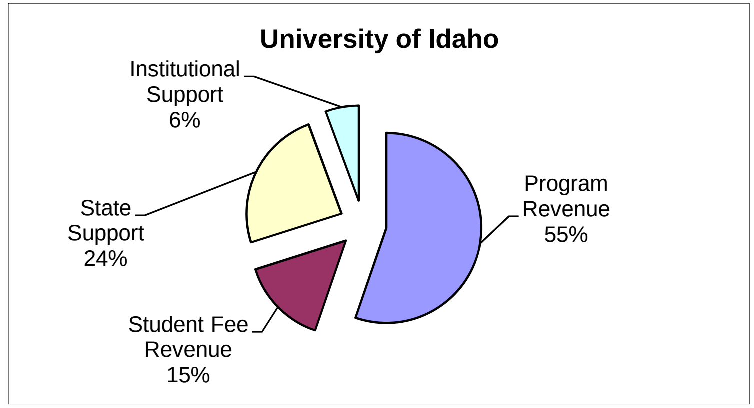
Moved by __________ Seconded by ___________ Carried Yes _____ No _____

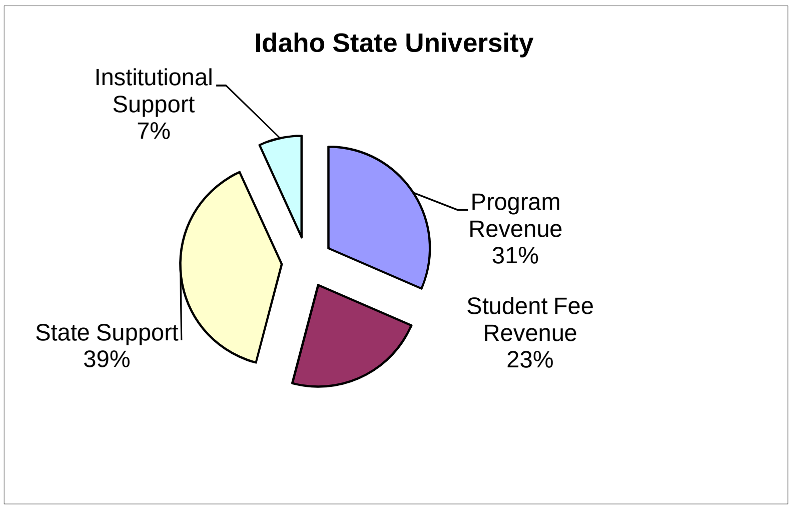
Intercollegiate Athletics

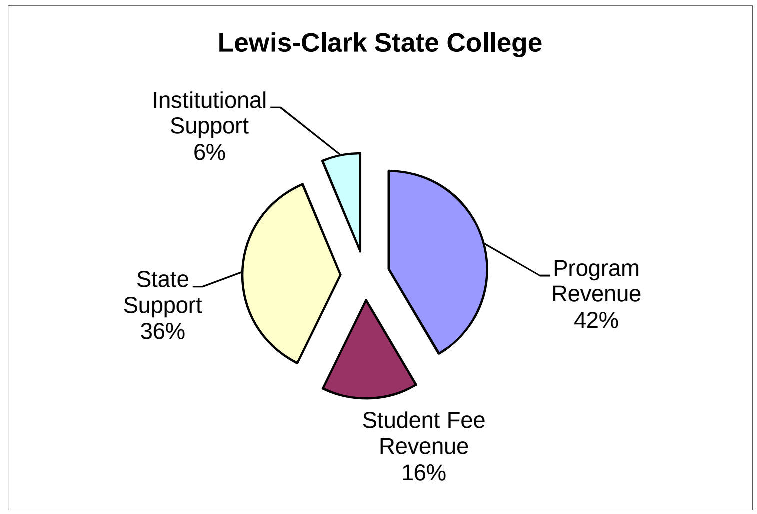
FY15 Revenue by Source by Institution

Attachment 1

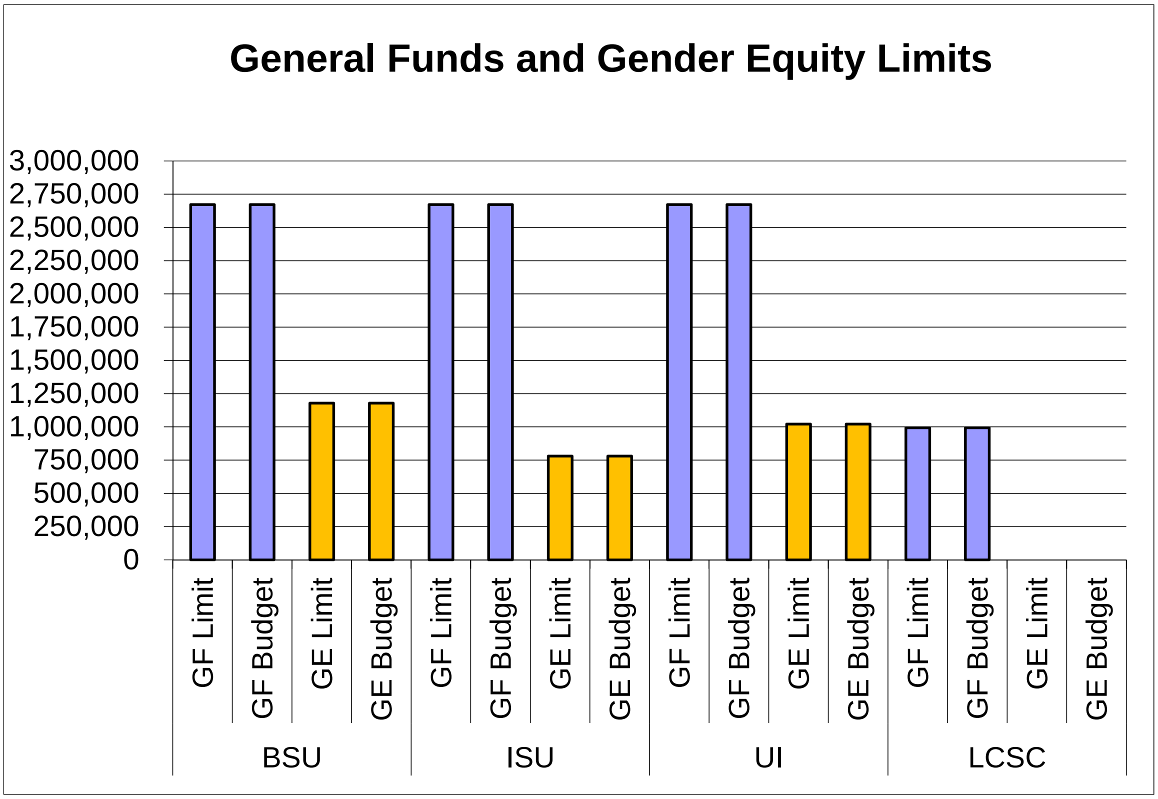


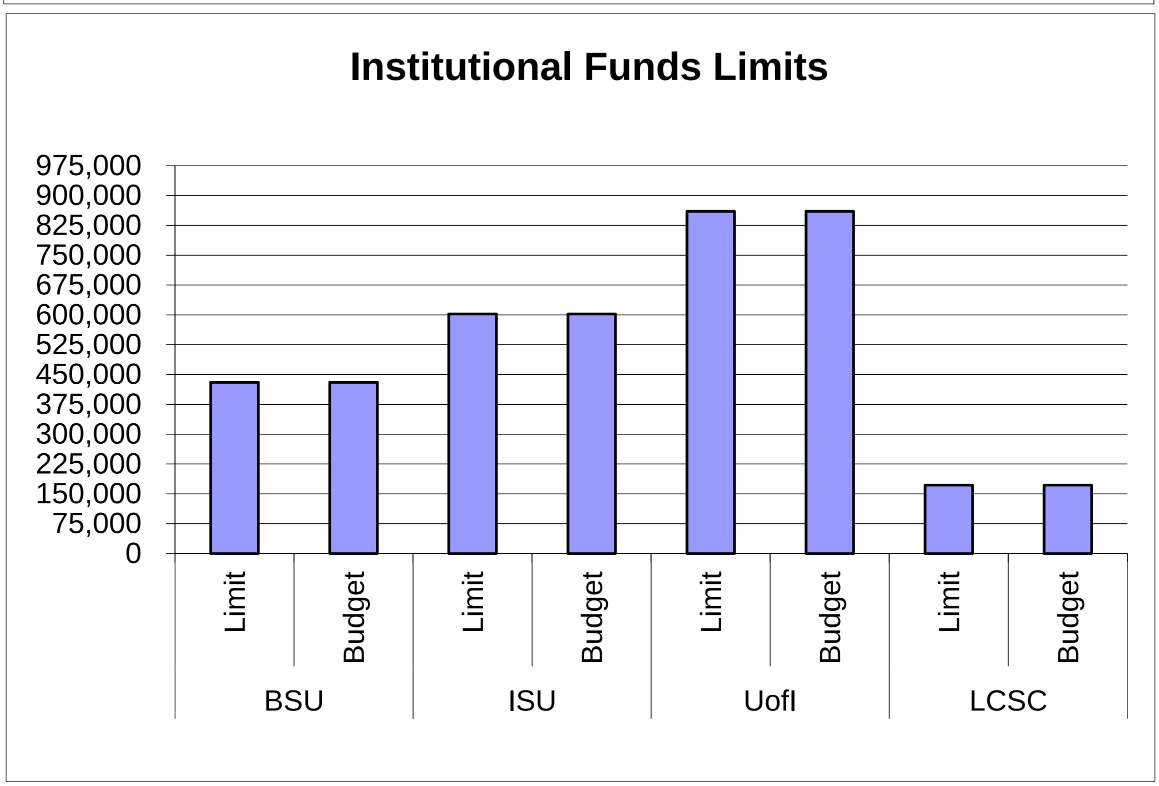




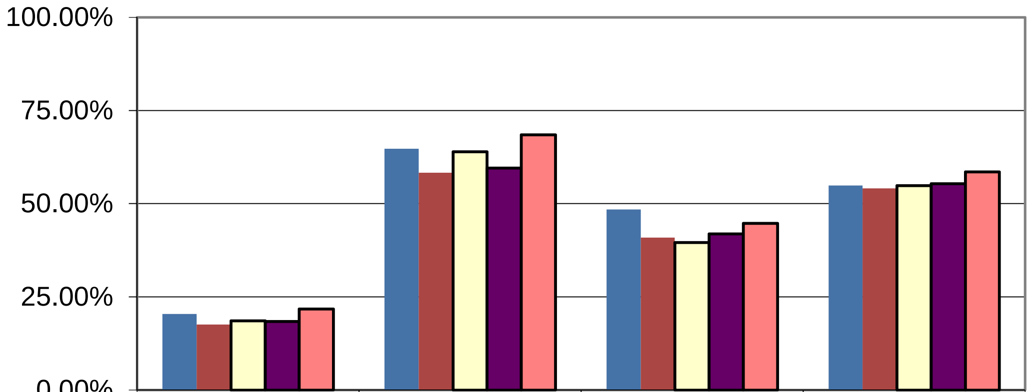


FY15 Board Limits on General and Institutional Funds



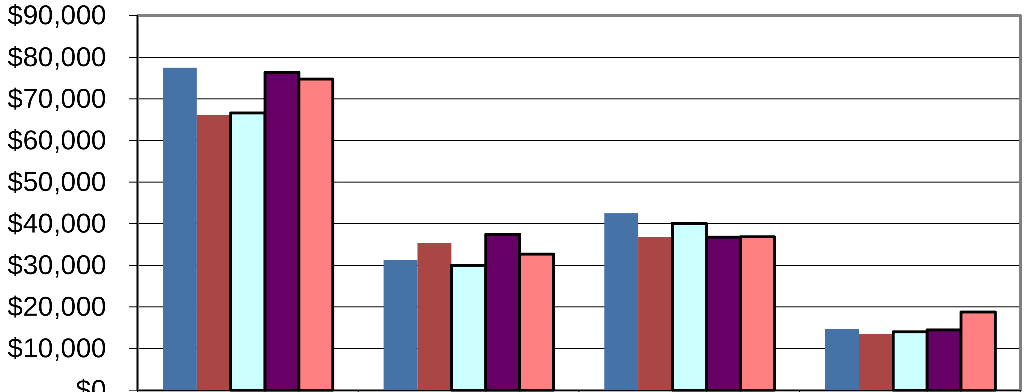


Student Fee/State & Institution Support as a % of Total Athletic Revenue



	BSU	ISU	UI	LCSC
FY11 Act.	20.38%	64.70%	48.40%	54.86%
FY12 Act.	17.52%	58.25%	40.90%	54.04%
FY13 Act.	18.55%	63.89%	39.57%	54.87%
FY14 Est.	18.39%	59.58%	41.87%	55.37%
FY15 Bud	21.72%	68.50%	44.74%	58.51%

Expenditures per Varsity Participant



	BSU	ISU	UI	LCSC
FY11 Act.	$77,476	$31,218	$42,454	$14,631
FY12 Act.	$66,116	$35,285	$36,748	$13,475
FY13 Act.	$66,592	$29,981	$40,087	$14,045
FY14 Est.	$76,345	$37,502	$36,815	$14,478
FY15 Bud	$74,732	$32,713	$36,826	$18,802

Boise State University
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 5

		(1) FY13 Act	(2) %	(3) FY14 Est as of 5/13	(4) %	(5) (3-1) Variance 14 Est/13 Act	(6) (5/1) Variance %	(7) FY15 Orig Oper Bdgt	(8) %	(9) (7-3) Variance 15 Bud/14 Est	(10) (9/3) Variance %
1	**Revenue:**										
2	**Program Revenue:**										
3	Ticket Sales	8,309,461	19.52%	8,321,733	18.00%	12,272	0.15%	7,703,396	18.31%	(618,337)	-7.43%
4	Guarantees	1,575,000	3.70%	665,000	1.44%	(910,000)	-57.78%	1,400,000	3.33%	735,000	110.53%
5	Contributions	11,142,524	26.18%	13,810,591	29.88%	2,668,067	23.94%	8,396,385	19.95%	(5,414,206)	-39.20%
6	NCAA/Conference/Tournaments	3,335,018	7.84%	4,391,230	9.50%	1,056,212	31.67%	5,208,455	12.38%	817,225	18.61%
7	TV/Radio/Internet Rights	39,095	0.09%	2,500	0.01%	(36,595)	-93.61%	10,000	0.02%	7,500	300.00%
8	Program/Novelty Sales, Concessionns, Parking	1,044,473	2.45%	935,331	2.02%	(109,142)	-10.45%	958,383	2.28%	23,052	2.46%
9	Royalty, Advertisement, Sponsorship	3,780,877	8.88%	3,591,352	7.77%	(189,525)	-5.01%	3,865,961	9.19%	274,609	7.65%
10	Endowment/Investment Income	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
11	Other	1,654,680	3.89%	2,271,651	4.91%	616,971	37.29%	1,448,113	3.44%	(823,538)	-36.25%
12	Total Program Revenue	30,881,128	72.55%	33,989,388	73.54%	3,108,260	10.07%	28,990,693	68.90%	(4,998,695)	-14.71%
13	**Non-Program Revenue:**										
14	NCAA/Bowl/World Series	213,059	0.50%	29,750	0.06%	(183,309)	-86.04%	29,750	0.07%	0	0.00%
15	Student Fees	3,293,399	7.74%	3,634,709	7.86%	341,310	10.36%	3,769,844	8.96%	135,135	3.72%
16	Direct State General Funds	2,424,400	5.70%	2,515,800	5.44%	91,400	3.77%	2,671,900	6.35%	156,100	6.20%
17	Gender Equity - General Funds	976,872	2.30%	1,109,700	2.40%	132,828	13.60%	1,178,600	2.80%	68,900	6.21%
18	Direct Institutional Support	386,100	0.91%	406,400	0.88%	20,300	5.26%	430,200	1.02%	23,800	5.86%
19	Subtotal State/Institutional Support	3,787,372	8.90%	4,031,900	8.72%	244,528	6.46%	4,280,700	10.17%	248,800	6.17%
20	Total Non-Program Revenue	7,293,830	17.14%	7,696,359	16.65%	402,529	5.52%	8,080,294	19.20%	383,935	4.99%
21	Subtotal Operating Revenue	38,174,958	89.69%	41,685,747	90.19%	3,510,789	9.20%	37,070,987	88.10%	(4,614,760)	-11.07%
22	**Non-Cash Revenue**										
23	Third Party Support		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
24	Indirect Institutional Support	2,016,485	4.74%	1,924,930	4.16%	(91,555)	-4.54%	2,136,420	5.08%	211,490	10.99%
25	Non-Cash Revenue		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
26	Out-of-State Tuition Revenue	2,373,316	5.58%	2,610,648	5.65%	237,332	10.00%	2,871,713	6.82%	261,065	10.00%
27	Subtotal Non-Cash Revenue	4,389,801	10.31%	4,535,578	9.81%	145,777	3.32%	5,008,133	11.90%	472,555	10.42%
28	**Total Revenue:**	42,564,759	100.00%	46,221,325	100.00%	3,656,566	8.59%	42,079,120	100.00%	(4,142,205)	-8.96%
29											
30	**Expenditures**										
31	**Operating Expenditures:**										
32	Athletics Student Aid	4,412,782	10.36%	4,908,672	10.62%	495,890	11.24%	5,191,955	12.34%	283,283	5.77%
33	Guarantees	650,651	1.53%	838,000	1.81%	187,349	28.79%	662,000	1.57%	(176,000)	-21.00%
34	Coaching Salary/Benefits	9,174,828	21.53%	9,748,206	21.09%	573,378	6.25%	8,756,783	20.81%	(991,423)	-10.17%
35	Admin Staff Salary/Benefits	5,022,466	11.79%	5,478,924	11.85%	456,458	9.09%	5,794,208	13.77%	315,284	5.75%
36	Severence Payments		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
37	Recruiting	446,068	1.05%	432,120	0.93%	(13,948)	-3.13%	437,980	1.04%	5,860	1.36%
38	Team Travel	2,537,997	5.96%	2,422,888	5.24%	(115,109)	-4.54%	2,570,327	6.11%	147,439	6.09%
39	Equipment, Uniforms and Supplies	1,384,106	3.25%	1,276,416	2.76%	(107,690)	-7.78%	1,377,311	3.27%	100,895	7.90%
40	Game Expenses	1,331,753	3.13%	1,653,634	3.58%	321,881	24.17%	1,098,487	2.61%	(555,147)	-33.57%
41	Fund Raising, Marketing, Promotion	333,068	0.78%	281,291	0.61%	(51,777)	-15.55%	237,912	0.57%	(43,379)	-15.42%
42	Direct Facilities/Maint/Rentals	4,780,139	11.22%	5,150,171	11.14%	370,032	7.74%	1,888,553	4.49%	(3,261,618)	-63.33%
43	Debt Service on Facilities	4,399,874	10.33%	5,005,383	10.83%	605,509	13.76%	5,599,888	13.31%	594,505	11.88%
44	Spirit Groups	121,422	0.28%	110,081	0.24%	(11,341)	-9.34%	155,860	0.37%	45,779	41.59%
45	Medical Expenses & Insurance	184,118	0.43%	622,500	1.35%	438,382	238.10%	1,190,672	2.83%	568,172	91.27%
46	Memberships & Dues	524,793	1.23%	687,314	1.49%	162,521	30.97%	758,056	1.80%	70,742	10.29%
47	NCAA/Special Event/Bowls	235,915	0.55%	9,350	0.02%	(226,565)	-96.04%	15,750	0.04%	6,400	68.45%
48	Other Operating Expenses	2,683,625	6.30%	3,059,668	6.62%	376,043	14.01%	1,331,534	3.16%	(1,728,134)	-56.48%
49	Subtotal Operating Expenditures	38,223,605	89.70%	41,684,618	90.19%	3,461,013	9.05%	37,067,276	88.10%	(4,617,342)	-11.08%
50	**Non-Cash Expenditures**										
51	3rd Party Coaches Compensation		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
52	3rd Party Admin Staff Compensation		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
53	Indirect Facilities & Admin Support	2,016,485	4.73%	1,924,930	4.16%	(91,555)	-4.54%	2,136,420	5.08%	211,490	10.99%
54	Non-Cash Expense		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
55	Out-of-State Tuition Expense	2,373,316	5.57%	2,610,648	5.65%	237,332	10.00%	2,871,713	6.83%	261,065	10.00%
56	Subtotal Non-Cash Expenditures	4,389,801	10.30%	4,535,578	9.81%	145,777	3.32%	5,008,133	11.90%	472,555	10.42%
57	**Total Expenditures:**	42,613,406	100.00%	46,220,196	100.00%	3,606,790	8.46%	42,075,409	100.00%	(4,144,787)	-8.97%

Boise State University
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 5

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
				FY14 Est		Variance	Variance	FY15 Orig		Variance	Variance
		FY13 Act	%	as of 5/13	%	14 Est/13 Act	%	Oper Bdgt	%	15 Bud/14 Est	%
58											
59	**Net Income/(deficit)**	(48,647)		1,129		49,776	-102.32%	3,711		2,582	228.70%
60											
61	**Ending Fund Balance 6/30 (PY Fund Balance plus Line 59)**	938,866		939,995		1,129	0.12%	943,706		3,711	0.39%
62											
63	**Sport Camps & Clinics**										
64	Revenue	678,940		400,000		(278,940)	-41.08%	400,000	0.95%	0	0.00%
65	Coach Compensation from Camp	282,486		150,000		(132,486)	-46.90%	150,000	0.36%	0	0.00%
66	Camp Expenses	499,941		250,000		(249,941)	-49.99%	250,000	0.59%	0	0.00%
67	Total Expenses	782,427		400,000		(382,427)	-48.88%	400,000	0.95%	0	0.00%
68	**Ending Fund Balance 6/30-BSU Camps**	647,604									
69	Net Income from Camps	544,117		0		(544,117)	-100.00%	0		0	0.00%

Boise State University
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		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
		FY13 Act	%	FY14 Est as of 5/13	%	Variance 14 Est/13 Act	Variance %	FY15 Orig Oper Bdgt	%	Variance 15 Bud/14 Est	Variance %
	Revenue by Program:										
1	**General Revenue:**										
2	Student Fees	3,293,399	8.63%	3,634,709	8.72%	341,310	10.36%	3,769,844	10.17%	135,135	3.72%
3	Contributions	11,142,524	29.19%	13,810,591	33.13%	2,668,067	23.94%	8,396,385	22.65%	(5,414,206)	-39.20%
4	Direct State General Funds	2,424,400	6.35%	2,515,800	6.04%	91,400	3.77%	2,671,900	7.21%	156,100	6.20%
5	Gender Equity - General Funds	976,872	2.56%	1,109,700	2.66%	132,828	13.60%	1,178,600	3.18%	68,900	6.21%
6	Institutional Support	386,100	1.01%	406,400	0.97%	20,300	5.26%	430,200	1.16%	23,800	5.86%
7	NCAA/Conference	3,335,018	8.74%	4,391,230	10.53%	1,056,212	31.67%	5,208,455	14.05%	817,225	18.61%
8	TV/Radio/Internet	39,095	0.10%	2,500	0.01%	(36,595)	-93.61%	10,000	0.03%	7,500	300.00%
9	Concessions/program/etc.	1,044,473	2.74%	935,331	2.24%	(109,142)	-10.45%	958,383	2.59%	23,052	2.46%
10	Advertising/sponsorship/Royalty	3,780,877	9.90%	3,591,352	8.62%	(189,525)	-5.01%	3,865,961	10.43%	274,609	7.65%
11	Endowments	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
12	NCAA/Bowl/World Series	213,059	0.56%	29,750	0.07%	(183,309)	-86.04%	29,750	0.08%	0	0.00%
13	Other	1,654,680	4.33%	2,271,651	5.45%	616,971	37.29%	1,448,113	3.91%	(823,538)	-36.25%
14	Total General Revenue	28,290,497	74.11%	32,699,014	78.44%	4,408,517	15.58%	27,967,591	75.44%	(4,731,423)	-14.47%
15	**Revenue By Sport:**										
16	**Men's Programs:**										
17	Football										
18	Ticket Sales	7,537,204	19.74%	7,321,568	17.56%	(215,636)	-2.86%	6,772,022	18.27%	(549,546)	-7.51%
19	Game Guarantees	1,575,000	4.13%	575,000	1.38%	(1,000,000)	-63.49%	1,350,000	3.64%	775,000	134.78%
20	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
21	Basketball		0.00%		0.00%		0.00%		0.00%		0.00%
22	Ticket Sales	653,494	1.71%	946,795	2.27%	293,301	44.88%	883,374	2.38%	(63,421)	-6.70%
23	Game Guarantees		0.00%	90,000	0.22%	90,000	100.00%	50,000	0.13%	(40,000)	-44.44%
24	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
25	Track & Field/Cross Country	4,544	0.01%	3,723	0.01%	(821)	-18.07%	3,510	0.01%	(213)	-5.72%
26	Tennis	0	0.00%		0.00%	0	0.00%		0.00%	0	0.00%
27	Baseball Ticket Sales		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
28	Wrestling	18,559	0.05%	6,206	0.01%	(12,353)	-66.56%	5,850	0.02%	(356)	-5.74%
29	Golf		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
30	Volleyball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
31	Total Men's Sport Revenue	9,788,801	25.64%	8,943,292	21.45%	(845,509)	-8.64%	9,064,756	24.45%	121,464	1.36%
32	**Women's Programs**										
33	Volleyball										
34	Ticket Sales	6,565	0.02%	5,378	0.01%	(1,187)	-18.08%	5,070	0.01%	(308)	-5.73%
35	Game Guarantees		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
36	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
37	Basketball						0.00%				0.00%
38	Ticket Sales	57,286	0.15%	12,000	0.03%	(45,286)	-79.05%	9,000	0.02%	(3,000)	-25.00%
39	Game Guarantees		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
40	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
41	Track & Field/Cross Country	4,544	0.01%	3,723	0.01%	(821)	-18.07%	3,510	0.01%	(213)	-5.72%
42	Tennis		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
43	Gymnastics	10,098	0.03%	8,274	0.02%	(1,824)	-18.06%	7,800	0.02%	(474)	-5.73%
44	Golf		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
45	Soccer	10,098	0.03%	8,274	0.02%	(1,824)	-18.06%	7,800	0.02%	(474)	-5.73%
46	Softball	7,069	0.02%	5,792	0.01%	(1,277)	-18.06%	5,460	0.01%	(332)	-5.73%
47	Skiing		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
48	Swimming		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
49	Total Women's Sport Rev	95,660	0.25%	43,441	0.10%	(52,219)	-54.59%	38,640	0.10%	(4,801)	-11.05%
50	**Total Revenue**	38,174,958	100.00%	41,685,747	100.00%	3,510,789	9.20%	37,070,987	100.00%	(4,614,760)	-11.07%

Boise State University
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 5

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
				FY14 Est		Variance	Variance	FY15 Orig		Variance	Variance
		FY13 Act	%	as of 5/13	%	14 Est/13 Act	%	Oper Bdgt	%	15 Bud/14 Est	%
51	**Expenditures by Sport**										
52	**Administrative and General**										
53	Athletic Director Office	1,891,453	4.95%	2,355,784	5.65%	464,331	24.55%	3,243,006	8.75%	887,222	37.66%
54	Fund Raising Office	705,861	1.85%	774,272	1.86%	68,411	9.69%	636,564	1.72%	(137,708)	-17.79%
55	Academics Support	1,086,948	2.84%	1,046,545	2.51%	(40,403)	-3.72%	1,038,993	2.80%	(7,552)	-0.72%
56	Media Relations	308,093	0.81%	369,637	0.89%	61,544	19.98%	385,841	1.04%	16,204	4.38%
57	Marketing and Promotions	473,848	1.24%	452,042	1.08%	(21,806)	-4.60%	445,168	1.20%	(6,874)	-1.52%
58	Ticket Office	359,720	0.94%	360,350	0.86%	630	0.18%	376,906	1.02%	16,556	4.59%
59	Athletic Training Room	643,210	1.68%	708,397	1.70%	65,187	10.13%	775,874	2.09%	67,477	9.53%
60	Memberships and Dues	524,793	1.37%	687,314	1.65%	162,521	30.97%	758,056	2.05%	70,742	10.29%
61	Facilities Mtn & Debt Service	6,313,573	16.52%	7,705,712	18.49%	1,392,139	22.05%	8,407,188	22.68%	701,476	9.10%
62	Capital Improvements	3,407,304	8.91%	3,480,000	8.35%	72,696	2.13%	138,500	0.37%	(3,341,500)	-96.02%
63	NCAA/Special Event/Bowls	216,747	0.57%	9,350	0.02%	(207,397)	-95.69%	15,750	0.04%	6,400	68.45%
64	Other Miscellaneous	4,600,164	12.03%	5,091,003	12.21%	490,839	10.67%	3,529,696	9.52%	(1,561,307)	-30.67%
65	**Total Admin & General**	20,531,714	53.71%	23,040,406	55.27%	2,508,692	12.22%	19,751,542	53.29%	(3,288,864)	-14.27%
66											
67	**Men's Programs:**										
68	Football	9,200,026	24.07%	10,136,408	24.32%	936,382	10.18%	8,260,504	22.29%	(1,875,904)	-18.51%
69	Basketball	1,757,700	4.60%	1,758,116	4.22%	416	0.02%	1,914,182	5.16%	156,066	8.88%
70	Track & Field/Cross Country	468,870	1.23%	552,213	1.32%	83,343	17.78%	567,019	1.53%	14,806	2.68%
71	Tennis	324,282	0.85%	327,868	0.79%	3,586	1.11%	340,706	0.92%	12,838	3.92%
72	Baseball	0	0.00%		0.00%	0	0.00%		0.00%	0	0.00%
73	Wrestling	486,511	1.27%	461,159	1.11%	(25,352)	-5.21%	477,159	1.29%	16,000	3.47%
74	Golf	230,737	0.60%	189,223	0.45%	(41,514)	-17.99%	196,196	0.53%	6,973	3.69%
75	Volleyball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
76	Rodeo		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
77	**Total Men's Programs**	12,468,126	32.62%	13,424,987	32.21%	956,861	7.67%	11,755,766	31.71%	(1,669,221)	-12.43%
78											
79	**Women's Programs**										
80	Volleyball	576,637	1.51%	588,308	1.41%	11,671	2.02%	633,402	1.71%	45,094	7.67%
81	Basketball	1,152,429	3.01%	1,127,015	2.70%	(25,414)	-2.21%	1,232,135	3.32%	105,120	9.33%
82	Track & Field/Cross Country	551,227	1.44%	649,028	1.56%	97,801	17.74%	666,583	1.80%	17,555	2.70%
83	Tennis	291,020	0.76%	301,852	0.72%	10,832	3.72%	331,018	0.89%	29,166	9.66%
84	Gymnastics	546,568	1.43%	545,239	1.31%	(1,329)	-0.24%	576,453	1.56%	31,214	5.72%
85	Golf	247,327	0.65%	214,246	0.51%	(33,081)	-13.38%	222,839	0.60%	8,593	4.01%
86	Soccer	556,114	1.45%	551,201	1.32%	(4,913)	-0.88%	604,739	1.63%	53,538	9.71%
87	Softball	600,892	1.57%	626,111	1.50%	25,219	4.20%	650,379	1.75%	24,268	3.88%
88	Skiing		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
89	Swimming	701,551	1.84%	616,225	1.48%	(85,326)	-12.16%	642,420	1.73%	26,195	4.25%
90	Rodeo/New Sport		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
91	**Total Women's Programs**	5,223,765	13.67%	5,219,225	12.52%	(4,540)	-0.09%	5,559,968	15.00%	340,743	6.53%
92											
93	**Total Expenditures**	38,223,605	100.00%	41,684,618	100.00%	3,461,013	9.05%	37,067,276	100.00%	(4,617,342)	-11.08%

Idaho State University
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 6

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
		FY13 Act	%	FY14 Est as of 5/13	%	Variance 14 Est/13 Act	Variance %	FY15 Orig Oper Bdgt	%	Variance 15 Bud/14 Est	Variance %
1	**Revenue:**										
2	**Program Revenue:**										
3	Ticket Sales	239,520	2.12%	229,631	1.90%	(9,889)	-4.13%	256,491	2.30%	26,860	11.70%
4	Guarantees	1,372,700	12.15%	1,255,000	10.40%	(117,700)	-8.57%	1,106,000	9.90%	(149,000)	-11.87%
5	Contributions	406,803	3.60%	420,409	3.49%	13,606	3.34%	298,200	2.67%	(122,209)	-29.07%
6	NCAA/Conference/Tournaments	601,037	5.32%	513,775	4.26%	(87,262)	-14.52%	424,000	3.79%	(89,775)	-17.47%
7	TV/Radio/Internet Rights	13,923	0.12%	4,000	0.03%	(9,923)	-71.27%	0	0.00%	(4,000)	-100.00%
8	Program/Novelty Sales, Concessionns, Parking	17,000	0.15%	17,000	0.14%	0	0.00%	17,000	0.15%	0	0.00%
9	Royalty, Advertisement, Sponsorship	410,155	3.63%	577,550	4.79%	167,395	40.81%	597,550	5.35%	20,000	3.46%
10	Endowment/Investment Income	17,851	0.16%	18,207	0.15%	356	1.99%	18,207	0.16%	0	0.00%
11	Other	182,407	1.61%	905,049	7.50%	722,642	396.17%	65,220	0.58%	(839,829)	-92.79%
12	Total Program Revenue	3,261,396	28.86%	3,940,621	32.67%	679,225	20.83%	2,782,668	24.90%	(1,157,953)	-29.39%
13	**Non-Program Revenue:**										
14	NCAA/Bowl/World Series	11,670	0.10%	15,370	0.13%	3,700	31.71%	0	0.00%	(15,370)	-100.00%
15	Student Fees	2,096,674	18.55%	2,012,827	16.69%	(83,847)	-4.00%	1,995,734	17.86%	(17,093)	-0.85%
16	Direct State General Funds	2,424,400	21.45%	2,515,800	20.86%	91,400	3.77%	2,671,900	23.91%	156,100	6.20%
17	Gender Equity - General Funds	707,700	6.26%	734,400	6.09%	26,700	3.77%	780,000	6.98%	45,600	6.21%
18	Direct Institutional Support	562,700	4.98%	568,900	4.72%	6,200	1.10%	602,200	5.39%	33,300	5.85%
19	Subtotal State/Institutional Support	3,694,800	32.69%	3,819,100	31.66%	124,300	3.36%	4,054,100	36.28%	235,000	6.15%
20	Total Non-Program Revenue	5,803,144	51.35%	5,847,297	48.47%	44,153	0.76%	6,049,834	54.14%	202,537	3.46%
21	Subtotal Operating Revenue	9,064,540	80.21%	9,787,918	81.14%	723,378	7.98%	8,832,502	79.05%	(955,416)	
22	**Non-Cash Revenue**										
23	Third Party Support	26,863	0.24%	35,000	0.29%	8,137	30.29%	35,000	0.31%	0	0.00%
24	Indirect Institutional Support		0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
25	Non-Cash Revenue	605,521	5.36%	600,000	4.97%	(5,521)	-0.91%	600,000	5.37%	0	0.00%
26	Out-of-State Tuition Revenue	1,604,010	14.19%	1,640,334	13.60%	36,324	2.26%	1,706,000	15.27%	65,666	4.00%
27	Subtotal Non-Cash Revenue	2,236,394	19.79%	2,275,334	18.86%	38,940	1.74%	2,341,000	20.95%	65,666	2.89%
28	**Total Revenue:**	11,300,934	100.00%	12,063,252	100.00%	762,318	6.75%	11,173,502	100.00%	(889,750)	-7.38%
29											
30	**Expenditures**										
31	**Operating Expenditures:**										
32	Athletics Student Aid	2,374,523	21.20%	2,339,890	19.40%	(34,633)	-1.46%	2,502,711	22.40%	162,821	6.96%
33	Guarantees	50,187	0.45%	95,500	0.79%	45,313	90.29%	126,000	1.13%	30,500	31.94%
34	Coaching Salary/Benefits	1,919,248	17.14%	2,003,685	16.61%	84,437	4.40%	2,171,882	19.44%	168,197	8.39%
35	Admin Staff Salary/Benefits	1,359,902	12.14%	1,418,930	11.76%	59,028	4.34%	1,415,609	12.67%	(3,321)	-0.23%
36	Severence Payments	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
37	Recruiting	190,156	1.70%	167,951	1.39%	(22,205)	-11.68%	223,803	2.00%	55,852	33.25%
38	Team Travel	1,140,313	10.18%	1,032,272	8.56%	(108,041)	-9.47%	840,461	7.52%	(191,811)	-18.58%
39	Equipment, Uniforms and Supplies	308,236	2.75%	357,904	2.97%	49,668	16.11%	279,418	2.50%	(78,486)	-21.93%
40	Game Expenses	304,579	2.72%	268,570	2.23%	(36,009)	-11.82%	260,728	2.33%	(7,842)	-2.92%
41	Fund Raising, Marketing, Promotion	108,336	0.97%	126,011	1.04%	17,675	16.31%	185,837	1.66%	59,826	47.48%
42	Direct Facilities/Maint/Rentals	243,210	2.17%	971,584	8.05%	728,374	299.48%	147,042	1.32%	(824,542)	-84.87%
43	Debt Service on Facilities	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
44	Spirit Groups	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
45	Medical Expenses & Insurance	271,586	2.42%	257,810	2.14%	(13,776)	-5.07%	302,810	2.71%	45,000	17.45%
46	Memberships & Dues	41,271	0.37%	48,000	0.40%	6,729	16.30%	48,000	0.43%	0	0.00%
47	NCAA/Special Event/Bowls	23,789	0.21%	16,400	0.14%	(7,389)	-31.06%	0	0.00%	(16,400)	-100.00%
48	Other Operating Expenses	628,896	5.61%	683,411	5.67%	54,515	8.67%	328,201	2.94%	(355,210)	-51.98%
49	Subtotal Operating Expenditures	8,964,232	80.03%	9,787,918	81.14%	823,686	9.19%	8,832,502	79.05%	(955,416)	-9.76%
50	**Non-Cash Expenditures**										
51	3rd Party Coaches Compensation	19,150	0.17%	30,000	0.25%	10,850	56.66%	30,000	0.27%	0	0.00%
52	3rd Party Admin Staff Compensation	7,713	0.07%	5,000	0.04%	(2,713)	-35.17%	5,000	0.04%	0	0.00%
53	Indirect Facilities & Admin Support	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
54	Non-Cash Expense	605,521	5.41%	600,000	4.97%	(5,521)	-0.91%	600,000	5.37%	0	0.00%
55	Out-of-State Tuition Expense	1,604,010	14.32%	1,640,334	13.60%	36,324	2.26%	1,706,000	15.27%	65,666	4.00%
56	Subtotal Non-Cash Expenditures	2,236,394	19.97%	2,275,334	18.86%	38,940	1.74%	2,341,000	20.95%	65,666	2.89%
57	**Total Expenditures:**	11,200,626	100.00%	12,063,252	100.00%	862,626	7.70%	11,173,502	100.00%	(889,750)	-7.38%

Idaho State University
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 6

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
		FY13 Act	%	FY14 Est as of 5/13	%	Variance 14 Est/13 Act	Variance %	FY15 Orig Oper Bdgt	%	Variance 15 Bud/14 Est	Variance %
58											
59	**Net Income/(deficit)**	100,308		0		(100,308)	-100.00%	0		0	0.00%
60											
61	**Ending Fund Balance 6/30 (PY Fund Balance plus Line 59)**	1,522,609		1,522,609		0	0.00%	1,522,609		0	0.00%
62											
63	**Sport Camps & Clinics**										
64	Revenue	123,696		110,000		(13,696)	-11.07%	110,000	0.98%	0	0.00%
65	Coach Compensation from Camp	30,300		45,000		14,700	48.51%	45,000	0.40%	0	0.00%
66	Camp Expenses	63,112		65,000		1,888	2.99%	65,000	0.58%	0	0.00%
67	Total Expenses	93,412		110,000		16,588	17.76%	110,000	0.98%	0	0.00%
68											
69	Net Income from Camps	30,284		0		(30,284)	-100.00%	0		0	0.00%

Idaho State University
Intercollegiate Athletics Report
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Attachment 6

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
				FY14 Est		Variance	Variance	FY15 Orig		Variance	Variance
		FY13 Act	%	as of 5/13	%	14 Est/13 Act	%	Oper Bdgt	%	15 Bud/14 Est	%
	Revenue by Program:										
1	**General Revenue:**										
2	Student Fees	2,096,674	23.13%	2,012,827	20.56%	(83,847)	-4.00%	1,995,734	22.60%	(17,093)	-0.85%
3	Contributions	406,803	4.49%	420,409	4.30%	13,606	3.34%	298,200	3.38%	(122,209)	-29.07%
4	Direct State General Funds	2,424,400	26.75%	2,515,800	25.70%	91,400	3.77%	2,671,900	30.25%	156,100	6.20%
5	Gender Equity - General Funds	707,700	7.81%	734,400	7.50%	26,700	3.77%	780,000	8.83%	45,600	6.21%
6	Institutional Support	562,700	6.21%	568,900	5.81%	6,200	1.10%	602,200	6.82%	33,300	5.85%
7	NCAA/Conference	601,037	6.63%	513,775	5.25%	(87,262)	-14.52%	424,000	4.80%	(89,775)	-17.47%
8	TV/Radio/Internet	13,923	0.15%	4,000	0.04%	(9,923)	-71.27%	0	0.00%	(4,000)	-100.00%
9	Concessions/program/etc.	17,000	0.19%	17,000	0.17%	0	0.00%	17,000	0.19%	0	0.00%
10	Advertising/sponsorship/Royalty	410,155	4.52%	577,550	5.90%	167,395	40.81%	597,550	6.77%	20,000	3.46%
11	Endowments	17,851	0.20%	18,207	0.19%	356	1.99%	18,207	0.21%	0	0.00%
12	NCAA/Bowl/World Series	11,670	0.13%	15,370	0.16%	3,700	31.71%	0	0.00%	(15,370)	-100.00%
13	Other	182,407	2.01%	905,049	9.25%	722,642	396.17%	65,220	0.74%	(839,829)	-92.79%
14	Total General Revenue	7,452,320	82.21%	8,303,287	84.83%	850,967	11.42%	7,470,011	84.57%	(833,276)	-10.04%
15	**Revenue By Sport:**										
16	**Men's Programs:**										
17	Football										
18	Ticket Sales	119,480	1.32%	124,178	1.27%	4,698	3.93%	140,000	1.59%	15,822	12.74%
19	Game Guarantees	970,000	10.70%	850,000	8.68%	(120,000)	-12.37%	650,000	7.36%	(200,000)	-23.53%
20	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
21	Basketball										
22	Ticket Sales	64,367	0.71%	65,474	0.67%	1,107	1.72%	75,474	0.85%	10,000	15.27%
23	Game Guarantees	322,200	3.55%	325,000	3.32%	2,800	0.87%	400,000	4.53%	75,000	23.08%
24	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
25	Track & Field/Cross Country	2,788	0.03%	2,250	0.02%	(538)	-19.30%	2,000	0.02%	(250)	-11.11%
26	Tennis		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
27	Baseball Ticket Sales		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
28	Wrestling		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
29	Golf		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
30	Volleyball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
31	Total Men's Sport Revenue	1,478,835	16.31%	1,366,902	13.97%	(111,933)	-7.57%	1,267,474	14.35%	(99,428)	-7.27%
32	**Women's Programs**										
33	Volleyball										
34	Ticket Sales	7,433	0.08%	7,857	0.08%	424	5.70%	6,100	0.07%	(1,757)	-22.36%
35	Game Guarantees	6,000	0.07%	9,000	0.09%	3,000	50.00%		0.00%	(9,000)	-100.00%
36	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
37	Basketball						0.00%				0.00%
38	Ticket Sales	31,107	0.34%	23,717	0.24%	(7,390)	-23.76%	25,217	0.29%	1,500	6.32%
39	Game Guarantees	69,000	0.76%	66,500	0.68%	(2,500)	-3.62%	56,000	0.63%	(10,500)	-15.79%
40	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
41	Track & Field/Cross Country	2,788	0.03%	2,250	0.02%	(538)	-19.30%	2,000	0.02%	(250)	-11.11%
42	Tennis		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
43	Gymnastics		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
44	Golf		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
45	Soccer	15,057	0.17%	4,405	0.05%	(10,652)	-70.74%	5,700	0.06%	1,295	29.40%
46	Softball	2,000	0.02%	4,000	0.04%	2,000	100.00%		0.00%	(4,000)	-100.00%
47	Skiing		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
48	Swimming		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
49	Total Women's Sport Rev	133,385	1.47%	117,729	1.20%	(15,656)	-11.74%	95,017	1.08%	(22,712)	-19.29%
50	**Total Revenue**	9,064,540	100.00%	9,787,918	100.00%	723,378	7.98%	8,832,502	100.00%	(955,416)	-9.76%

Idaho State University
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 6

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
				FY14 Est		Variance	Variance	FY15 Orig		Variance	Variance
		FY13 Act	%	as of 5/13	%	14 Est/13 Act	%	Oper Bdgt	%	15 Bud/14 Est	%
51	**Expenditures by Sport**										
52	**Administrative and General**										
53	Athletic Director Office	662,012	7.39%	627,154	6.41%	(34,858)	-5.27%	580,313	6.57%	(46,841)	-7.47%
54	Fund Raising Office	202,266	2.26%	212,063	2.17%	9,797	4.84%	213,043	2.41%	980	0.46%
55	Academics Support	225,644	2.52%	227,449	2.32%	1,805	0.80%	223,117	2.53%	(4,332)	-1.90%
56	Media Relations	170,857	1.91%	183,213	1.87%	12,356	7.23%	186,481	2.11%	3,268	1.78%
57	Marketing and Promotions	169,288	1.89%	216,243	2.21%	46,955	27.74%	219,228	2.48%	2,985	1.38%
58	Ticket Office	0	0.00%	0	0.00%	0	0.00%		0.00%	0	0.00%
59	Athletic Training Room	264,165	2.95%	302,021	3.09%	37,856	14.33%	315,658	3.57%	13,637	4.52%
60	Memberships and Dues	41,271	0.46%	45,000	0.46%	3,729	9.04%	48,000	0.54%	3,000	6.67%
61	Facilities Mtn & Debt Service	85,000	0.95%	85,000	0.87%	0	0.00%	85,000	0.96%	0	0.00%
62	Capital Improvements	0	0.00%	0	0.00%	0	0.00%		0.00%	0	0.00%
63	NCAA/Special Event/Bowls	23,789	0.27%	16,400	0.17%	(7,389)	-31.06%		0.00%	(16,400)	-100.00%
64	Other Miscellaneous	452,314	5.05%	1,325,066	13.54%	872,752	192.95%	602,276	6.82%	(722,790)	-54.55%
65	**Total Admin & General**	2,296,606	25.62%	3,239,609	33.10%	943,003	41.06%	2,473,116	28.00%	(766,493)	-23.66%
66											
67	**Men's Programs:**										
68	Football	2,628,308	29.32%	2,409,328	24.62%	(218,980)	-8.33%	2,317,637	26.24%	(91,691)	-3.81%
69	Basketball	858,299	9.57%	897,047	9.16%	38,748	4.51%	759,258	8.60%	(137,789)	-15.36%
70	Track & Field/Cross Country	306,057	3.41%	339,816	3.47%	33,759	11.03%	329,002	3.72%	(10,814)	-3.18%
71	Tennis	114,420	1.28%	122,014	1.25%	7,594	6.64%	124,821	1.41%	2,807	2.30%
72	Baseball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
73	Wrestling		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
74	Golf		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
75	Volleyball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
76	Rodeo		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
77	**Total Men's Programs**	3,907,084	43.59%	3,768,205	38.50%	(138,879)	-3.55%	3,530,718	39.97%	(237,487)	-6.30%
78											
79	**Women's Programs**										
80	Volleyball	426,474	4.76%	434,168	4.44%	7,694	1.80%	422,273	4.78%	(11,895)	-2.74%
81	Basketball	787,033	8.78%	752,910	7.69%	(34,123)	-4.34%	759,258	8.60%	6,348	0.84%
82	Track & Field/Cross Country	427,234	4.77%	439,417	4.49%	12,183	2.85%	468,074	5.30%	28,657	6.52%
83	Tennis	163,441	1.82%	175,529	1.79%	12,088	7.40%	193,918	2.20%	18,389	10.48%
84	Gymnastics	0	0.00%	0	0.00%	0	0.00%		0.00%	0	0.00%
85	Golf	134,937	1.51%	107,066	1.09%	(27,871)	-20.65%	141,421	1.60%	34,355	32.09%
86	Soccer	422,973	4.72%	455,079	4.65%	32,106	7.59%	466,680	5.28%	11,601	2.55%
87	Softball	398,450	4.44%	415,935	4.25%	17,485	4.39%	377,044	4.27%	(38,891)	-9.35%
88	Skiing		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
89	Swimming		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
90	Rodeo/New Sport		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
91	**Total Women's Programs**	2,760,542	30.80%	2,780,104	28.40%	19,562	0.71%	2,828,668	32.03%	48,564	1.75%
92											
93	**Total Expenditures**	8,964,232	100.00%	9,787,918	100.00%	823,686	9.19%	8,832,502	100.00%	(955,416)	-9.76%

University of Idaho
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 7

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
		FY13 Act	%	FY14 Est as of 5/13	%	Variance 14 Est/13 Act	Variance %	FY15 Orig Oper Bdgt	%	Variance 15 Bud/14 Est	Variance %
1	**Revenue:**										
2	**Program Revenue:**										
3	Ticket Sales	754,828	3.80%	718,864	3.73%	(35,964)	-4.76%	852,000	4.36%	133,136	18.52%
4	Guarantees	2,490,000	12.52%	3,170,000	16.46%	680,000	27.31%	1,831,000	9.36%	(1,339,000)	-42.24%
5	Contributions	1,176,914	5.92%	3,053,172	15.86%	1,876,258	159.42%	2,739,774	14.01%	(313,398)	-10.26%
6	NCAA/Conference/Tournaments	3,983,478	20.04%	875,580	4.55%	(3,107,898)	-78.02%	1,525,580	7.80%	650,000	74.24%
7	TV/Radio/Internet Rights	50,000	0.25%	50,000	0.26%	0	0.00%	50,000	0.26%	0	0.00%
8	Program/Novelty Sales, Concessionns, Parking	25,388	0.13%	34,100	0.18%	8,712	34.32%	34,100	0.17%	0	0.00%
9	Royalty, Advertisement, Sponsorship	602,221	3.03%	710,000	3.69%	107,779	17.90%	710,000	3.63%	0	0.00%
10	Endowment/Investment Income	218,262	1.10%	225,000	1.17%	6,738	3.09%	225,000	1.15%	0	0.00%
11	Other	449,381	2.26%	306,000	1.59%	(143,381)	-31.91%	306,000	1.56%	0	0.00%
12	Total Program Revenue	9,750,472	49.04%	9,142,716	47.48%	(607,756)	-6.23%	8,273,454	42.30%	(869,262)	-9.51%
13	**Non-Program Revenue:**										
14	NCAA/Bowl/World Series	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
15	Student Fees	2,261,190	11.37%	2,295,858	11.92%	34,668	1.53%	2,261,110	11.56%	(34,748)	-1.51%
16	Direct State General Funds	2,424,400	12.19%	2,515,800	13.06%	91,400	3.77%	2,671,900	13.66%	156,100	6.20%
17	Gender Equity - General Funds	926,660	4.66%	961,600	4.99%	34,940	3.77%	1,021,300	5.22%	59,700	6.21%
18	Direct Institutional Support	772,100	3.88%	812,800	4.22%	40,700	5.27%	860,400	4.40%	47,600	5.86%
19	Subtotal State/Institutional Support	4,123,160	20.74%	4,290,200	22.28%	167,040	4.05%	4,553,600	23.28%	263,400	6.14%
20	Total Non-Program Revenue	6,384,350	32.11%	6,586,058	34.20%	201,708	3.16%	6,814,710	34.84%	228,652	3.47%
21	Subtotal Operating Revenue	16,134,822	81.16%	15,728,774	81.68%	(406,048)	-2.52%	15,088,164	77.13%	(640,610)	
22	**Non-Cash Revenue**										
23	Third Party Support	422,300	2.12%	418,800	2.17%	(3,500)	-0.83%	423,800	2.17%	5,000	1.19%
24	Indirect Institutional Support	448,831	2.26%	234,127	1.22%	(214,704)	-47.84%	468,254	2.39%	234,127	100.00%
25	Non-Cash Revenue	536,710	2.70%	536,710	2.79%	0	0.00%	536,710	2.74%	0	0.00%
26	Out-of-State Tuition Revenue	2,338,347	11.76%	2,338,347	12.14%	0	0.00%	3,044,250	15.56%	705,903	30.19%
27	Subtotal Non-Cash Revenue	3,746,188	18.84%	3,527,984	18.32%	(218,204)	-5.82%	4,473,014	22.87%	945,030	26.79%
28	**Total Revenue:**	19,881,010	100.00%	19,256,758	100.00%	(624,252)	-3.14%	19,561,178	100.00%	304,420	1.58%
29											
30	**Expenditures**										
31	**Operating Expenditures:**										
32	Athletics Student Aid	3,267,270	16.57%	3,345,062	17.47%	77,792	2.38%	3,552,364	18.16%	207,302	6.20%
33	Guarantees	318,099	1.61%	902,000	4.71%	583,901	183.56%	215,200	1.10%	(686,800)	-76.14%
34	Coaching Salary/Benefits	3,127,423	15.86%	3,073,469	16.05%	(53,954)	-1.73%	2,906,899	14.86%	(166,570)	-5.42%
35	Admin Staff Salary/Benefits	2,100,144	10.65%	2,025,948	10.58%	(74,196)	-3.53%	2,086,761	10.67%	60,813	3.00%
36	Severence Payments	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
37	Recruiting	616,004	3.12%	363,080	1.90%	(252,924)	-41.06%	363,080	1.86%	0	0.00%
38	Team Travel	2,385,190	12.10%	2,000,520	10.45%	(384,670)	-16.13%	2,349,442	12.01%	348,922	17.44%
39	Equipment, Uniforms and Supplies	635,019	3.22%	538,711	2.81%	(96,308)	-15.17%	540,361	2.76%	1,650	0.31%
40	Game Expenses	626,400	3.18%	588,909	3.08%	(37,491)	-5.99%	575,711	2.94%	(13,198)	-2.24%
41	Fund Raising, Marketing, Promotion	515,422	2.61%	275,226	1.44%	(240,196)	-46.60%	270,526	1.38%	(4,700)	-1.71%
42	Direct Facilities/Maint/Rentals	158,841	0.81%	158,841	0.83%	0	0.00%	19,500	0.10%	(139,341)	-87.72%
43	Debt Service on Facilities		0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
44	Spirit Groups		0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
45	Medical Expenses & Insurance	257,327	1.30%	388,580	2.03%	131,253	51.01%	388,580	1.99%	0	0.00%
46	Memberships & Dues	421,794	2.14%	259,100	1.35%	(162,694)	-38.57%	134,100	0.69%	(125,000)	-48.24%
47	NCAA/Special Event/Bowls		0.00%		0.00%	0	0.00%	0	0.00%	0	0.00%
48	Other Operating Expenses	1,766,173	8.96%	1,874,268	9.79%	108,095	6.12%	1,685,640	8.62%	(188,628)	-10.06%
49	Subtotal Operating Expenditures	16,195,106	82.13%	15,793,714	82.48%	(401,392)	-2.48%	15,088,163	77.13%	(705,551)	-4.47%
50	**Non-Cash Expenditures**										
51	3rd Party Coaches Compensation	404,800	2.05%	403,800	2.11%	(1,000)	-0.25%	408,800	2.09%	5,000	1.24%
52	3rd Party Admin Staff Compensation	17,500	0.09%	15,000	0.08%	(2,500)	-14.29%	15,000	0.08%	0	0.00%
53	Indirect Facilities & Admin Support	448,831	2.28%	234,127	1.22%	(214,704)	-47.84%	468,254	2.39%	234,127	100.00%
54	Non-Cash Expense	315,001	1.60%	363,710	1.90%	48,709	15.46%	536,710	2.74%	173,000	47.57%
55	Out-of-State Tuition Expense	2,338,347	11.86%	2,338,347	12.21%	0	0.00%	3,044,250	15.56%	705,903	30.19%
56	Subtotal Non-Cash Expenditures	3,524,479	17.87%	3,354,984	17.52%	(169,495)	-4.81%	4,473,014	22.87%	1,118,030	33.32%
57	**Total Expenditures:**	19,719,585	100.00%	19,148,698	100.00%	(570,887)	-2.90%	19,561,177	100.00%	412,479	2.15%

University of Idaho
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 7

Line		(1) FY13 Act	(2) %	(3) FY14 Est as of 5/13	(4) %	(5) (3-1) Variance 14 Est/13 Act	(6) (5/1) Variance %	(7) FY15 Orig Oper Bdgt	(8) %	(9) (7-3) Variance 15 Bud/14 Est	(10) (9/3) Variance %
58											
59	**Net Income/(deficit)**	161,425		108,060		(53,365)	-33.06%	0		(108,060)	-100.00%
60											
61	**Ending Fund Balance 6/30 (PY Fund Balance plus Line 59)**	484,549		592,609		108,060	22.30%	592,609		0	0.00%
62											
63	**Sport Camps & Clinics**										
64	Revenue	125,150		236,300		111,150	88.81%	103,000	0.53%	(133,300)	-56.41%
65	Coach Compensation from Camp	12,149		61,828		49,679	408.91%	41,000	0.21%	(20,828)	-33.69%
66	Camp Expenses	113,001		174,472		61,471	54.40%	62,000	0.32%	(112,472)	-64.46%
67	Total Expenses	125,150		236,300		111,150	88.81%	103,000	0.53%	(133,300)	-56.41%
68											
69	Net Income from Camps	0		0		0	0.00%	0		0	0.00%

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Attachment 7

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
		FY13 Act	%	FY14 Est as of 5/13	%	Variance 14 Est/13 Act	Variance %	FY15 Orig Oper Bdgt	%	Variance 15 Bud/14 Est	Variance %
	Revenue by Program:										
1	**General Revenue:**										
2	Student Fees	2,261,190	14.01%	2,295,858	14.60%	34,668	1.53%	2,261,110	14.99%	(34,748)	-1.51%
3	Contributions	1,176,914	7.29%	3,053,172	19.41%	1,876,258	159.42%	2,739,774	18.16%	(313,398)	-10.26%
4	Direct State General Funds	2,424,400	15.03%	2,515,800	15.99%	91,400	3.77%	2,671,900	17.71%	156,100	6.20%
5	Gender Equity - General Funds	926,660	5.74%	961,600	6.11%	34,940	3.77%	1,021,300	6.77%	59,700	6.21%
6	Institutional Support	772,100	4.79%	812,800	5.17%	40,700	5.27%	860,400	5.70%	47,600	5.86%
7	NCAA/Conference	3,983,478	24.69%	875,580	5.57%	(3,107,898)	-78.02%	1,525,580	10.11%	650,000	74.24%
8	TV/Radio/Internet	50,000	0.31%	50,000	0.32%	0	0.00%	50,000	0.33%	0	0.00%
9	Concessions/program/etc.	25,388	0.16%	34,100	0.22%	8,712	34.32%	34,100	0.23%	0	0.00%
10	Advertising/sponsorship/Royalty	602,221	3.73%	710,000	4.51%	107,779	17.90%	710,000	4.71%	0	0.00%
11	Endowments	218,262	1.35%	225,000	1.43%	6,738	3.09%	225,000	1.49%	0	0.00%
12	NCAA/Bowl/World Series	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
13	Other	449,381	2.79%	306,000	1.95%	(143,381)	-31.91%	306,000	2.03%	0	0.00%
14	Total General Revenue	12,889,994	79.89%	11,839,910	75.28%	(1,050,084)	-8.15%	12,405,164	82.22%	565,254	4.77%
15	**Revenue By Sport:**										
16	**Men's Programs:**										
17	Football										
18	Ticket Sales	706,748	4.38%	625,000	3.97%	(81,748)	-11.57%	760,000	5.04%	135,000	21.60%
19	Game Guarantees	2,350,000	14.56%	3,035,000	19.30%	685,000	29.15%	1,700,000	11.27%	(1,335,000)	-43.99%
20	Other (Tourn/Bowl/Conf)	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
21	Basketball										
22	Ticket Sales	45,022	0.28%	80,000	0.51%	34,978	77.69%	80,000	0.53%	0	0.00%
23	Game Guarantees	90,000	0.56%	77,000	0.49%	(13,000)	-14.44%	80,000	0.53%	3,000	3.90%
24	Other (Tourn/Bowl/Conf)	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
25	Track & Field/Cross Country	0	0.00%	932	0.01%	932	100.00%		0.00%	(932)	-100.00%
26	Tennis	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
27	Baseball Ticket Sales		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
28	Wrestling		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
29	Golf	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
30	Volleyball	0	0.00%	0	0.00%	0	0.00%		0.00%	0	0.00%
31	Total Men's Sport Revenue	3,191,770	19.78%	3,817,932	24.27%	626,162	19.62%	2,620,000	17.36%	(1,197,932)	-31.38%
32	**Women's Programs**										
33	Volleyball										
34	Ticket Sales	2,171	0.01%	6,000	0.04%	3,829	176.37%	6,000	0.04%	0	0.00%
35	Game Guarantees	5,000	0.03%	0	0.00%	(5,000)	-100.00%	0	0.00%	0	0.00%
36	Other (Tourn/Bowl/Conf)	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
37	Basketball						0.00%				0.00%
38	Ticket Sales	5,887	0.04%	6,000	0.04%	113	1.92%	6,000	0.04%	0	0.00%
39	Game Guarantees	40,000	0.25%	58,000	0.37%	18,000	45.00%	51,000	0.34%	(7,000)	-12.07%
40	Other (Tourn/Bowl/Conf)	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
41	Track & Field/Cross Country	0	0.00%	932	0.01%	932	100.00%		0.00%	(932)	-100.00%
42	Tennis	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
43	Gymnastics		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
44	Golf	0	0.00%	0	0.00%	0	0.00%		0.00%	0	0.00%
45	Soccer	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
46	Softball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
47	Skiing		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
48	Swimming	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
49	Total Women's Sport Rev	53,058	0.33%	70,932	0.45%	17,874	33.69%	63,000	0.42%	(7,932)	-11.18%
50	**Total Revenue**	16,134,822	100.00%	15,728,774	100.00%	(406,048)	-2.52%	15,088,164	100.00%	(640,610)	-4.07%

University of Idaho
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 7

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
		FY13 Act	%	FY14 Est as of 5/13	%	Variance 14 Est/13 Act	Variance %	FY15 Orig Oper Bdgt	%	Variance 15 Bud/14 Est	Variance %
51	**Expenditures by Sport**										
52	**Administrative and General**										
53	Athletic Director Office	1,145,896	7.08%	769,200	4.87%	(376,696)	-32.87%	595,312	3.95%	(173,888)	-22.61%
54	Fund Raising Office	373,729	2.31%	347,860	2.20%	(25,869)	-6.92%	350,190	2.32%	2,330	0.67%
55	Academics Support	165,344	1.02%	196,781	1.25%	31,437	19.01%	195,830	1.30%	(951)	-0.48%
56	Media Relations	221,877	1.37%	194,576	1.23%	(27,301)	-12.30%	201,726	1.34%	7,150	3.67%
57	Marketing and Promotions	186,419	1.15%	225,482	1.43%	39,063	20.95%	229,897	1.52%	4,415	1.96%
58	Ticket Office	270,713	1.67%	203,618	1.29%	(67,095)	-24.78%	209,501	1.39%	5,883	2.89%
59	Athletic Training Room	692,642	4.28%	307,000	1.94%	(385,642)	-55.68%	307,000	2.03%	0	0.00%
60	Memberships and Dues	489,804	3.02%	259,100	1.64%	(230,704)	-47.10%	134,100	0.89%	(125,000)	-48.24%
61	Facilities Mtn & Debt Service	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
62	Capital Improvements	44,125	0.27%	17,250	0.11%	(26,875)	-60.91%	20,250	0.13%	3,000	17.39%
63	NCAA/Special Event/Bowls	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
64	Other Miscellaneous	782,129	4.83%	1,403,895	8.89%	621,766	79.50%	1,429,617	9.48%	25,722	1.83%
65	**Total Admin & General**	4,372,678	27.00%	3,924,762	24.85%	(447,916)	-10.24%	3,673,423	24.35%	(251,339)	-6.40%
66											
67	**Men's Programs:**										
68	Football	5,420,569	33.47%	5,924,490	37.51%	503,921	9.30%	5,427,883	35.97%	(496,607)	-8.38%
69	Basketball	1,627,059	10.05%	1,324,528	8.39%	(302,531)	-18.59%	1,319,232	8.74%	(5,296)	-0.40%
70	Track & Field/Cross Country	468,119	2.89%	434,931	2.75%	(33,188)	-7.09%	441,459	2.93%	6,528	1.50%
71	Tennis	185,400	1.14%	203,641	1.29%	18,241	9.84%	220,778	1.46%	17,137	8.42%
72	Baseball	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
73	Wrestling	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
74	Golf	234,455	1.45%	209,257	1.32%	(25,198)	-10.75%	210,128	1.39%	871	0.42%
75	Volleyball	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
76	Rodeo		0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
77	**Total Men's Programs**	7,935,602	49.00%	8,096,847	51.27%	161,245	2.03%	7,619,481	50.50%	(477,366)	-5.90%
78											
79	**Women's Programs**										
80	Volleyball	698,173	4.31%	688,463	4.36%	(9,710)	-1.39%	683,510	4.53%	(4,953)	-0.72%
81	Basketball	994,570	6.14%	995,904	6.31%	1,334	0.13%	962,343	6.38%	(33,561)	-3.37%
82	Track & Field/Cross Country	509,856	3.15%	538,341	3.41%	28,485	5.59%	517,017	3.43%	(21,324)	-3.96%
83	Tennis	248,908	1.54%	247,935	1.57%	(973)	-0.39%	273,169	1.81%	25,234	10.18%
84	Gymnastics	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
85	Golf	259,344	1.60%	246,029	1.56%	(13,315)	-5.13%	247,495	1.64%	1,466	0.60%
86	Soccer	598,397	3.69%	587,312	3.72%	(11,085)	-1.85%	575,407	3.81%	(11,905)	-2.03%
87	Softball	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
88	Skiing	0	0.00%	0	0.00%	0	0.00%		0.00%	0	0.00%
89	Swimming	577,578	3.57%	468,121	2.96%	(109,457)	-18.95%	536,318	3.55%	68,197	14.57%
90	Rodeo/New Sport		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
91	**Total Women's Programs**	3,886,826	24.00%	3,772,105	23.88%	(114,721)	-2.95%	3,795,260	25.15%	23,155	0.61%
92											
93	**Total Expenditures**	16,195,106	100.00%	15,793,714	100.00%	(401,392)	-2.48%	15,088,163	100.00%	(705,551)	-4.47%

Lewis Clark State College
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 8

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
		FY13 Act	%	FY14 Est as of 5/13	%	Variance 14 Est/13 Act	Variance %	FY15 Orig Oper Bdgt	%	Variance 15 Bud/14 Est	Variance %
1	**Revenue:**										
2	**Program Revenue:**										
3	Ticket Sales	41,177	1.04%	38,100	0.92%	(3,077)	-7.47%	35,000	0.82%	(3,100)	-8.14%
4	Guarantees		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
5	Contributions	622,670	15.67%	656,200	15.88%	33,530	5.38%	591,200	13.83%	(65,000)	-9.91%
6	NCAA/Conference/Tournaments		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
7	TV/Radio/Internet Rights	7,300	0.18%	4,800	0.12%	(2,500)	-34.25%	4,800	0.11%	0	0.00%
8	Program/Novelty Sales, Concessionns, Parking		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
9	Royalty, Advertisement, Sponsorship		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
10	Endowment/Investment Income		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
11	Other		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
12	Total Program Revenue	671,147	16.90%	699,100	16.92%	27,953	4.16%	631,000	14.76%	(68,100)	-9.74%
13	**Non-Program Revenue:**										
14	NCAA/Bowl/World Series	459,212	11.56%	479,100	11.60%	19,888	4.33%	500,000	11.69%	20,900	4.36%
15	Student Fees	411,617	10.36%	428,750	10.38%	17,133	4.16%	430,000	10.06%	1,250	0.29%
16	Direct State General Funds	836,221	21.05%	906,500	21.94%	70,279	8.40%	993,300	23.23%	86,800	9.58%
17	Gender Equity - General Funds		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
18	Direct Institutional Support	126,500	3.18%	126,500	3.06%	0	0.00%	171,900	4.02%	45,400	35.89%
19	Subtotal State/Institutional Support	962,721	24.24%	1,033,000	25.00%	70,279	7.30%	1,165,200	27.25%	132,200	12.80%
20	Total Non-Program Revenue	1,833,550	46.16%	1,940,850	46.97%	107,300	5.85%	2,095,200	49.00%	154,350	7.95%
21	Subtotal Operating Revenue	2,504,697	63.05%	2,639,950	63.90%	135,253	5.40%	2,726,200	63.76%	86,250	3.27%
22	**Non-Cash Revenue**										
23	Third Party Support	32,100	0.81%	32,850	0.80%	750	2.34%	32,800	0.77%	(50)	-0.15%
24	Indirect Institutional Support	201,415	5.07%	187,600	4.54%	(13,815)	-6.86%	243,800	5.70%	56,200	29.96%
25	Non-Cash Revenue		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
26	Out-of-State Tuition Revenue	1,234,194	31.07%	1,271,300	30.77%	37,106	3.01%	1,272,700	29.77%	1,400	0.11%
27	Subtotal Non-Cash Revenue	1,467,709	36.95%	1,491,750	36.10%	24,041	1.64%	1,549,300	36.24%	57,550	3.86%
28	**Total Revenue:**	3,972,406	100.00%	4,131,700	100.00%	159,294	4.01%	4,275,500	100.00%	143,800	3.48%
29											
30	**Expenditures**										
31	**Operating Expenditures:**										
32	Athletics Student Aid	522,750	13.32%	520,100	12.87%	(2,650)	-0.51%	572,000	13.44%	51,900	9.98%
33	Guarantees	25,183	0.64%	43,500	1.08%	18,317	72.74%	40,500	0.95%	(3,000)	-6.90%
34	Coaching Salary/Benefits	507,559	12.93%	542,579	13.43%	35,020	6.90%	626,900	14.73%	84,321	15.54%
35	Admin Staff Salary/Benefits	249,018	6.34%	288,221	7.13%	39,203	15.74%	284,200	6.68%	(4,021)	-1.40%
36	Severence Payments		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
37	Recruiting	41,690	1.06%	33,100	0.82%	(8,590)	-20.60%	32,500	0.76%	(600)	-1.81%
38	Team Travel	316,550	8.06%	294,700	7.29%	(21,850)	-6.90%	321,500	7.55%	26,800	9.09%
39	Equipment, Uniforms and Supplies	196,940	5.02%	174,200	4.31%	(22,740)	-11.55%	187,800	4.41%	13,600	7.81%
40	Game Expenses	87,410	2.23%	83,100	2.06%	(4,310)	-4.93%	90,250	2.12%	7,150	8.60%
41	Fund Raising, Marketing, Promotion		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
42	Direct Facilities/Maint/Rentals		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
43	Debt Service on Facilities		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
44	Spirit Groups		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
45	Medical Expenses & Insurance	15,600	0.40%	15,000	0.37%	(600)	-3.85%	15,000	0.35%	0	0.00%
46	Memberships & Dues		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
47	NCAA/Special Event/Bowls	422,574	10.76%	474,700	11.75%	52,126	12.34%	480,000	11.28%	5,300	1.12%
48	Other Operating Expenses	72,525	1.85%	78,900	1.95%	6,375	8.79%	56,800	1.33%	(22,100)	-28.01%
49	Subtotal Operating Expenditures	2,457,799	62.61%	2,548,100	63.07%	90,301	3.67%	2,707,450	63.60%	159,350	6.25%
50	**Non-Cash Expenditures**										
51	3rd Party Coaches Compensation		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
52	3rd Party Admin Staff Compensation		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
53	Indirect Facilities & Admin Support	201,415	5.13%	187,600	4.64%	(13,815)	-6.86%	243,800	5.73%	56,200	29.96%
54	Non-Cash Expense	32,100	0.82%	32,850	0.81%	750	2.34%	32,800	0.77%	(50)	-0.15%
55	Out-of-State Tuition Expense	1,234,194	31.44%	1,271,300	31.47%	37,106	3.01%	1,272,700	29.90%	1,400	0.11%
56	Subtotal Non-Cash Expenditures	1,467,709	37.39%	1,491,750	36.93%	24,041	1.64%	1,549,300	36.40%	57,550	3.86%
57	**Total Expenditures:**	3,925,508	100.00%	4,039,850	100.00%	114,342	2.91%	4,256,750	100.00%	216,900	5.37%

Lewis Clark State College
Intercollegiate Athletics Report
FY13 Actuals, Revised Estimates for FY14, and FY15 Operating Budgets

Attachment 8

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
		FY13 Act	%	FY14 Est as of 5/13	%	Variance 14 Est/13 Act	Variance %	FY15 Orig Oper Bdgt	%	Variance 15 Bud/14 Est	Variance %
58											
59	**Net Income/(deficit)**	46,898		91,850		44,952	95.85%	18,750		(73,100)	-79.59%
60											
61	**Ending Fund Balance 6/30 (PY Fund Balance plus Line 59)**	264,927		356,777		91,850	34.67%	375,527		18,750	5.26%
62											
63	**Sport Camps & Clinics**										
64	Revenue	98,580		138,300		39,720	40.29%	139,000	3.27%	700	0.51%
65	Coach Compensation from Camp	35,158		29,800		(5,358)	-15.24%	30,000	0.70%	200	0.67%
66	Camp Expenses	39,800		45,600		5,800	14.57%	46,000	1.08%	400	0.88%
67	Total Expenses	74,958		75,400		442	0.59%	76,000	1.79%	600	0.80%
68											
69	Net Income from Camps	23,622		62,900		39,278	166.28%	63,000		100	0.16%

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		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
		FY13 Act	%	FY14 Est as of 5/13	%	Variance 14 Est/13 Act	Variance %	FY15 Orig Oper Bdgt	%	Variance 15 Bud/14 Est	Variance %
	Revenue by Program:										
1	**General Revenue:**										
2	Student Fees	411,617	16.43%	428,750	16.24%	17,133	4.16%	430,000	15.77%	1,250	0.29%
3	Contributions	86,881	3.47%	189,300	7.17%	102,419	117.88%	225,200	8.26%	35,900	18.96%
4	Direct State General Funds	836,221	33.39%	906,500	34.34%	70,279	8.40%	993,300	36.44%	86,800	9.58%
5	Gender Equity - General Funds	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
6	Institutional Support	126,500	5.05%	126,500	4.79%	0	0.00%	171,900	6.31%	45,400	35.89%
7	NCAA/Conference	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
8	TV/Radio/Internet	7,300	0.29%	4,800	0.18%	(2,500)	-34.25%	4,800	0.18%	0	0.00%
9	Concessions/program/etc.	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
10	Advertising/sponsorship/Royalty	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
11	Endowments	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
12	NCAA/Bowl/World Series	459,212	18.33%	479,100	18.15%	19,888	4.33%	500,000	18.34%	20,900	4.36%
13	Other	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
14	Total General Revenue	1,927,731	76.96%	2,134,950	80.87%	207,219	10.75%	2,325,200	85.29%	190,250	8.91%
15	**Revenue By Sport:**										
16	**Men's Programs:**										
17	Football										
18	Ticket Sales		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
19	Game Guarantees		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
20	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
21	Basketball										
22	Ticket Sales	9,059	0.36%	8,400	0.32%	(659)	-7.27%	7,700	0.28%	(700)	-8.33%
23	Game Guarantees		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
24	Contributions (Fundraising)	91,579	3.66%	127,800	4.84%	36,221	39.55%	40,000	1.47%	(87,800)	-68.70%
24	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
25	Track & Field/Cross Country (Contributions & Fundraising)	28,351	1.13%	28,900	1.09%	549	1.94%	35,000	1.28%	6,100	21.11%
26	Tennis (Contributions & Fundraising)	4,916	0.20%	11,600	0.44%	6,684	135.96%	8,000	0.29%	(3,600)	-31.03%
27	Baseball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
28	Ticket Sales	20,588	0.82%	19,100	0.72%	(1,488)	-7.23%	17,500	0.64%	(1,600)	-8.38%
29	Contributions (Fundraising)	111,221	4.44%	86,100	3.26%	(25,121)	-22.59%	85,000	3.12%	(1,100)	-1.28%
29	Wrestling		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
30	Golf (Contributions & Fundraising)	35,268	1.41%	20,100	0.76%	(15,168)	-43.01%	25,000	0.92%	4,900	24.38%
31	Volleyball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
32	Total Men's Sport Revenue	300,982	12.02%	302,000	11.44%	1,018	0.34%	218,200	8.00%	(83,800)	-27.75%
33	**Women's Programs**										
34	Volleyball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
35	Ticket Sales	2,471	0.10%	2,300	0.09%	(171)	-6.92%	2,100	0.08%	(200)	-8.70%
36	Game Guarantees		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
37	Contributions (Fundraising)	43,850	1.75%	26,400	1.00%	(17,450)	-39.79%	45,000	1.65%	18,600	70.45%
38	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
39	Basketball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
40	Ticket Sales	9,059	0.36%	8,400	0.32%	(659)	-7.27%	7,700	0.28%	(700)	-8.33%
41	Game Guarantees		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
42	Contributions (Fundraising)	106,462	4.25%	82,500	3.13%	(23,962)	-22.51%	55,000	2.02%	(27,500)	-33.33%
43	Other (Tourn/Bowl/Conf)		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
44	Track & Field/Cross Country (Contributions & Fundraising)	65,199	2.60%	44,800	1.70%	(20,399)	-31.29%	40,000	1.47%	(4,800)	-10.71%
45	Tennis (Contributions & Fundraising)	5,642	0.23%	14,300	0.54%	8,658	153.46%	8,000	0.29%	(6,300)	-44.06%
46	Gymnastics		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
47	Golf (Contributions & Fundraising)	43,301	1.73%	24,300	0.92%	(19,001)	-43.88%	25,000	0.92%	700	2.88%
48	Soccer		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
49	Softball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
50	Skiing		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
51	Swimming		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
52	Total Women's Sport Rev	275,984	11.02%	203,000	7.69%	(72,984)	-26.45%	182,800	6.71%	(20,200)	-9.95%
53	**Total Revenue**	2,504,697	100.00%	2,639,950	100.00%	135,253	5.40%	2,726,200	100.00%	86,250	3.27%

Lewis Clark State College
Intercollegiate Athletics Report
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Attachment 8

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
						(3-1)	(5/1)			(7-3)	(9/3)
		FY13 Act	%	FY14 Est as of 5/13	%	Variance 14 Est/13 Act	Variance %	FY15 Orig Oper Bdgt	%	Variance 15 Bud/14 Est	Variance %
54	**Expenditures by Sport**										
55	**Administrative and General**										
56	Athletic Director Office	371,397	15.11%	429,700	16.86%	58,303	15.70%	395,280	14.60%	(34,420)	-8.01%
57	Fund Raising Office	1,280	0.05%	1,100	0.04%	(180)	-14.06%	1,500	0.06%	400	36.36%
58	Academics Support		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
59	Media Relations		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
60	Marketing and Promotions		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
61	Ticket Office		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
62	Athletic Training Room	40,521	1.65%	35,000	1.37%	(5,521)	-13.63%	34,700	1.28%	(300)	-0.86%
63	Memberships and Dues		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
64	Facilities Mtn & Debt Service		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
65	Capital Improvements		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
66	NCAA/Special Event/Bowls	422,574	17.19%	474,700	18.63%	52,126	12.34%	480,000	17.73%	5,300	1.12%
67	Other Miscellaneous		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
68	**Total Admin & General**	835,772	34.00%	940,500	36.91%	104,728	12.53%	911,480	33.67%	(29,020)	-3.09%
69											
70	**Men's Programs:**										
71	Football		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
72	Basketball	205,771	8.37%	212,700	8.35%	6,929	3.37%	232,003	8.57%	19,303	9.08%
73	Track & Field/Cross Country	59,363	2.42%	70,200	2.75%	10,837	18.26%	151,862	5.61%	81,662	116.33%
74	Tennis	31,519	1.28%	32,400	1.27%	881	2.80%	48,334	1.79%	15,934	49.18%
75	Baseball	491,415	19.99%	487,200	19.12%	(4,215)	-0.86%	487,723	18.01%	523	0.11%
76	Wrestling		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
77	Golf	64,972	2.64%	58,900	2.31%	(6,072)	-9.35%	64,387	2.38%	5,487	9.32%
78	Volleyball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
79	Rodeo		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
80	**Total Men's Programs**	853,040	34.71%	861,400	33.81%	8,360	0.98%	984,309	36.36%	122,909	14.27%
81											
82	**Women's Programs**										
83	Volleyball	249,885	10.17%	227,200	8.92%	(22,685)	-9.08%	228,053	8.42%	853	0.38%
84	Basketball	276,324	11.24%	281,300	11.04%	4,976	1.80%	286,281	10.57%	4,981	1.77%
85	Track & Field/Cross Country	124,008	5.05%	128,700	5.05%	4,692	3.78%	163,012	6.02%	34,312	26.66%
86	Tennis	37,696	1.53%	37,800	1.48%	104	0.28%	52,534	1.94%	14,734	38.98%
87	Gymnastics		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
88	Golf	81,074	3.30%	71,200	2.79%	(9,874)	-12.18%	81,781	3.02%	10,581	14.86%
89	Soccer		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
90	Softball		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
91	Skiing		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
92	Swimming		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
93	Rodeo/New Sport		0.00%		0.00%	0	0.00%		0.00%	0	0.00%
94	**Total Women's Programs**	768,987	31.29%	746,200	29.28%	(22,787)	-2.96%	811,661	29.98%	65,461	8.77%
95											
96	**Total Expenditures**	2,457,799	100.00%	2,548,100	100.00%	90,301	3.67%	2,707,450	100.00%	159,350	6.25%

AGENCIES AND INSTITUTIONS OF THE STATE BOARD

SUBJECT
FY 2016 Line Item Budget Requests

REFERENCE

April 2014	Board approved guidance to the college and universities regarding submission of line item budget requests

APPLICABLE STATUTE, RULE, OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.B.1.
Title 67, Chapter 35, Idaho Code

BACKGROUND/ DISCUSSION
As discussed at its April 2014 Board meeting, the Board approved line item categories and will review line items at the June 2014 meeting. Subsequently, the Board will approve the final budget request at the August 2014 meeting. Following Board approval in August, the budget requests will be submitted to the Legislative Services Office (LSO) and Division of Financial Management (DFM) by September 2, 2014.

The line items represent the unique needs of the institutions and agencies and statewide needs. The line items are prioritized by the Board for the institutions, following review.

The following line item guidelines were provided for the college and universities in no order of priority:

System wide
1. **Complete College Idaho**
2. **Deferred Maintenance**
3. **Financial Aid (merit and need based)**
4. **One-time funding for philanthropic matching program**

Institution-level
1. **Salary Competitiveness**
2. **Institution-specific Initiatives (up to two).**

Subsequently, staff determined that Occupancy Costs would not count as one of the two institution specific initiatives. The information included in the final budget request must include supporting documentation sufficient enough to enable the Board, LSO and DFM to make an informed decision.

The line items are summarized separately, one summary for the college and universities and one for the community colleges and agencies. The detail information for each line item request is included on the page referenced on the summary report.

IMPACT

Once the Board has provided guidance on priority, category, dollar limit, etc., Board staff will work with the Business Affairs and Human Resources (BAHR) Committee, DFM and the agencies/institutions to prepare line items to be approved at the August meeting.

ATTACHMENTS

STAFF COMMENTS AND RECOMMENDATIONS

The Board's guidance in reviewing and accepting the line items will enable the institutions and agencies to prepare their FY 2016 budgets requests with the proper amount of analysis and oversight.

Staff and the institutions will work with the BAHR committee in further reviewing line items in detail, developing the four Systemwide initiatives, and bring forward recommendations to the August Board meeting.

All four 4-year and three 2-year institutions are requesting funding to address the Complete College Idaho (CCI). There are a number of other significant initiatives the agencies and institutions are proposing, and request associated funding. Representatives from the agencies and institutions will be available to answer specific questions.

BOARD ACTION

I move to accept the FY 2016 line items as listed on the Line Items Summary at Tab 3 pages 3-4.

Moved by ________ Seconded by ________ Carried Yes _____ No _____

STATE BOARD OF EDUCATION
FY 2016 Line Items - College and Universities

	By Institution/Agency	Page	Priority	Institution Specific Initiatives	Complete College Idaho	Deferred Maintenance	Philanthropic Matching Fund	Total
1	System-wide Needs							
	Complete College Idaho	7	1					
	Deferred Maintenance	39	2			10,000,000		10,000,000
	Philanthropic Matching Program	43	3				1,000,000	1,000,000
	HERC: Research Infrastructure	N/A	4	100,000				100,000
2	Boise State University				4,496,500			10,914,800
	Salary Competitiveness	47	1	3,709,900				
	Campus Security	49	2	1,447,500				
	Computer Science Workforce Initiative	51	3	1,260,900				
3	Idaho State University				5,243,000			18,616,700
	Salary Competitiveness	53	1	5,107,400				0
	Occupancy Costs	6	2	73,700				0
	Career Path Internship Match	57	3	1,700,000				0
	Advanced Nanofabrication	61	4	6,492,600				0
4	University of Idaho				1,034,000			10,874,700
	Occupancy Costs	6	1	25,600				0
	Salary Competitiveness	67	2	4,199,300				0
	5% Base General Fund Increase	69	3	3,956,000				0
	Employment Readiness Program	71	4	1,322,000				0
	Idaho Law & Justice Learning Center	75	5	337,800				0
5	Lewis-Clark State College				829,400			4,232,400
	Work College Trial	83	1	209,000				0
	Salary Competitiveness	87	2	3,194,000				0
				$ 33,135,700	$ 11,602,900	$ 10,000,000	$ 1,000,000	$ 55,738,600

6	Total FY15 College & Universities Approp	$ 251,223,200
7	Percentage of FY15 Appropriation	22.2%

STATE BOARD OF EDUCATION

FY 2016 Line Items - Community Colleges and Agencies

Prio	By Institution/Agency	FY 2015 Appropriation	Page	Priority	FY 2016 Request	Comments
1	Professional-Technical Education	53,079,000			2,594,100	
	State Leadership & Technical Asst.	2,181,100				
	General Programs	11,772,600	95	2	1,009,400	Secondary Added Cost Funding
	Post-secondary Programs	38,148,000	91&99	1 & 3	1,259,700	EITC Data Mgmt System/Adv. Manu. Prog.
	Dedicated Programs		103	4	325,000	Agricultural & Natural Resources Education
	Related Services	977,300				
2	Community Colleges	32,978,500			4,917,000	
	College of Southern Idaho	12,265,300			1,210,000	
	Complete College Idaho		107	1	1,000,000	
	Achievement Based Software		113	2	100,000	
	Institutional Researcher		117	3	110,000	
	North Idaho College	10,341,100			1,930,200	
	Complete College Idaho		121	1	1,000,000	
	Data System Analyst/Developer		127	2	112,500	
	Security Measures		129	3	620,000	
	Electronic & IT Coordinator		131	4	197,700	
	College of Western Idaho	10,372,100			1,776,800	
	Complete College Idaho		135	1	996,800	
	Math Learning Lab		141	2	535,000	
	Weapons on Campus		145	3	245,000	
3	Agricultural Research/Extension	26,453,700			1,510,000	
	Personnel and Operating Expenditures		149	1	1,510,000	
4	Health Education Programs	11,355,700			2,053,300	
	W-I Veterinary Education	1,951,300				
	WWAMI Medical Education	3,962,000			646,700	
	Continue Five Seats Year 3 of 4		155	1	180,300	
	Continue Five Seats Year 2 of 4		157	2	180,300	
	Year 1: Five new seats		159	3	286,100	
	IDEP	1,505,600				
	Univ. of Utah Med. Ed.	1,333,600				
	Family Medicine Residencies	2,241,800			681,300	
	Idaho State University FMR		163	1	90,000	ISU Residency Support
	Family Medicine Residency of Idaho		167	1	411,300	Increase State Support
	Kootenai Health FMR		171	1	180,000	Kootenai Residency Support
	Boise Internal Medicine Residency	240,000				
	Psychiatry Residency	121,400	175	1	78,600	Increase State Support

STATE BOARD OF EDUCATION

FY 2016 Line Items - Community Colleges and Agencies

Prio	By Institution/Agency	FY 2015 Appropriation	Page	Priority	FY 2016 Request	Comments
5	Special Programs	9,346,400			5,009,400	
	Forest Utilization Research	887,100			268,500	
	Forest Resource Economist		179	1	111,600	
	Rangeland Resource Management Analyst		183	2	107,900	
	Forest Resource Analyst		187	3	49,000	
	Geological Survey	821,100	191	1	120,100	Landslide inventory and hazard research
	Scholarships and Grants	6,723,400			4,322,700	
	GEAR UP		195	1		Federal funds only: $852,300
	Opportunity Scholarship		199	2	4,322,700	
	Museum of Natural History	503,900				
	Small Bus. Development Centers	260,500	203	1	298,100	Business Development
	TechHelp	150,400				
6	Office of the State Board of Education	2,289,200			130,800	
	Charter Commission Program Manager		209	1	130,800	
	State Authorizers Reciprocity Spend Auth.		213	3		Proprietary school funds only: $21,000
7	Idaho Public Television	2,200,700	217	1	355,700	Idaho Experience
8	Vocational Rehabilitation	7,493,900			147,000	
	Vocational Rehabilitation	3,398,100			57,200	
	Counselor Salaries		221	1	57,200	
	Additional grant funds		225	2		Federal funds only: $1,200,000
	Community Supported Employment	3,896,500				
	Council for the Deaf/Hard of Hearing	199,300	229	3	89,800	Communication/Outreach
9	Total	$ 145,197,100			$ 16,717,300	

STATE BOARD OF EDUCATION
FY 2016 Budget Request
Colleges & Universities
Calculation of Occupancy Costs

Institution/Project	Projected Date of Occupancy	% of Use for Non-Aux. Education	Gross Sq Footage	Non-Aux. Sq Footage	(1) FTE	(2) Custodial Costs Sal & Ben	Supplies	Total	(3) Utility Estimate	(4) Maintenance Costs Repl Value	Cost@1.5%	(5) Other	Total Occ Cost	% qtrs used in FY16	Revised FY16
IDAHO STATE UNIVERSITY															
Meridian Facility - Lab/Office Space	July-15	100%	14,394	14,394	0.55	19,300	1,400	20,700	24,500	1,100,000	16,500	12,000	73,700	100%	73,700
					0.55	19,300	1,400	20,700	24,500		16,500	12,000	73,700		73,700
University of Idaho															
Aquaculture Research Institute Lab	December-15	100%	7,500	7,500	0.29	10,200	800	11,000	12,400	1,100,000	16,500	6,700	46,600	55%	25,600
					0.29	10,200	800	11,000	12,400		16,500	6,700	46,600		25,600

* Leased space on Capitol Mall

(1) FTE for the first 13,000 gross square footage and in 13,000 GSF increments thereafter, .5 Custodial FTE will be provided.

(2) Salary for custodians will be 80% of Policy for pay grade "E" as prepared by the Division of Human Resources.

Benefit rates as stated in the annual Budget Development Manual; workers comp rates reflect institution's rate for custodial category

Salary CU: $19,635.00 CC: $18,700.00

Benefits

	Rate		BSU	ISU	UI	LCSC	CSI	NIC	CWI
FICA									
SSDI salary to $110,100	6.2000%	x salary							
SSHI	1.4500%	x salary							
Unemployment Insurance	0.3000%	x salary							
Life Insurance	0.6750%	x salary							
Retirement: PERSI	11.3200%	x salary							
Workmans Comp		x salary	4.50%	3.98%	4.81%	4.51%	4.81%	4.35%	4.35%
Sick Leave	0.6500%	x salary							
Human Resources			0.306%	0.306%		0.554%	0.306%	0.306%	0.306%
	20.5950%	per position	25.4010%	24.8833%	25.4050%	25.6585%	25.7110%	25.2510%	25.2510%
Health Insurance	$10,550.00								
Supplies	0.10								

(3) Annual utility costs will be projected at $1.75 per sq ft 1.75

(4) Building maintenance funds will be based on 1.5% of the construction cost (excluding architectural/engineering fees, site work, movable equipment, etc.) for new buildings or 1.5% of the replacement value for existing buildings.

(5) Other:

IT Maintenance	1.5000	GSF
Security	0.2200	GSF
General Safety	0.0900	GSF
Research & Scientific Safety Costs	0.5000	GSF
Total	2.3100	
Too High - Used 1/3	**0.7700**	**GSF**
Landscape Greenscape	0.0003	CRV
Insurance Costs	0.0005	CRV
Total	**0.00080**	**CRV**

AGENCY: State Board of Education	Agency No.:	510	FY 2016 Request
FUNCTION: System-wide Needs	Function No.:	01	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY:	Activity No.:		Revision No. ___

A: Decision Unit No: **12.01** Title: **Complete College Idaho** Priority Ranking 1 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	0.00				0.0
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1.					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:** 1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:	$11,602,900				$11,602,900
GRAND TOTAL	$11,602,900				$11,602,900

The Board-approved Complete College Idaho plan is comprised of five key strategies. Within each of the key strategy are specific initiatives which are in various stages of development and deployment.

1. Strengthen pipeline
    a. Ensure college and career readiness
    b. Develop intentional advising that links education with careers
    c. Support accelerated secondary to postsecondary and career pathways
2. Transform remediation
    a. Implement college and career readiness education and assessments
    b. Develop a statewide model for transformation of remedial placement/support
    c. Provide three model options: co-requisite, emporium, accelerated
3. Structure for success
    a. Strong, clear, and guaranteed statewide articulation and transfer options

   b. Default program, curriculum options
   c. Package certificates and degree programs for accelerated completion
   d. Adult reintegration/near completers
   e. Cost effective delivery option for students in Eastern Idaho
   f. Early warning system
4. Reward progress and completion
   a. Establish metrics and accountability tied to institutional mission
   b. Recognize and reward performance
   c. Redesign the State's current offerings of postsecondary financial aid
5. Leverage partnerships
   a. Strengthen collaborations between education and business
   b. College Access Network
   c. STEM education

The line items addressing the CCI strategies and initiatives are as follows:

	Strategy/Initiative	Page
Boise State University		
• Enhance full-time faculty	1.a, b, c, 2.a, 3, 5.a, c	9
Idaho State University		
• Bengal Bridge	1.a, c, 2.a, b, c	13
• Expand online course capability	1.c	17
• Graduate Teaching Assistantships	1.a, b, 4.b, 5.a, c	21
• Bengal Solutions	1.a, b, 5.a	27
University of Idaho		
• Advising	1.b	31
Lewis-Clark State College		
• Student Success	1, 3, 5.c	35

AGENCY: Boise State University	Agency No.: 510	FY 2016 Request
FUNCTION: System-wide Needs	Function No.: 01	Page __1_ of __ Pages Original Submission _X_ or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.01** Title: **Enhance full-time faculty** Priority Ranking

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	82.0				82.0
PERSONNEL COSTS: 1. Salaries 2. Benefits 3.	 $2,839,000 1,447,500				 $2,839,000 1,447,500
TOTAL PERSONNEL COSTS:	$4,286,500				$4,286,500
OPERATING EXPENDITURES **by summary object:** Operating Expenditures	 $210,000				 $210,000
TOTAL OPERATING EXPENDITURES:	$210,000				$210,000
CAPITAL OUTLAY **by summary object:** 1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$4,496,500				$4,496,500

Supports institution/agency and Board strategic plans:

Goal ______________ [e.g. Goal 1, Objective 3]

*Performance Measure:*_______________

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   This request identifies needs associated with ensuring the success of the State Board of Education 60% goal. The key strategies include increasing capacity in degree programs with high student demand, remove existing barriers to degree progression and graduation, increase course offerings at night and on the weekends, add faculty lines to significantly increase course sections per year, and to reduce reliance on part-time adjunct faculty.

2. What resources are necessary to implement this request:

   This request is for funds to hire 27 new tenure track faculty line, convert 36 current part-time adjunct positions to full-time lecturer positions, hire 5 academic advisors and to hire 14 academic support staff. Knowing that Boise State University needs to produce approximately 3,400 Baccalaureates in 2020 to meet the State Board of Education's 60% goal, a strong emphasis must continue to significantly improve graduation rates and retention rates. In addition, enrollments in general must increase. This requires new faculty to grow the capacity and reduce scheduling conflicts that are impeding students' progress.
   Boise State University has been converting adjunct lines to lecturer positions over the past few years, and needs to continue to do so. This requires additional funding for part of the salary costs, although the biggest cost is the health benefits that permanent employees receive. The heavy reliance on adjunct faculty to teach lower division courses is no longer the workable low-cost solution it once was. Student enrollment continues to transition to higher enrollments in the upper division classes and less in the lower division classes. Tenure tract faculty are required to teach upper division courses. The resources requested for this line item are for salary and benefit related costs.
   Five new professional advisors are requested to increase students' access to advisors and to help with course scheduling. There is a high correlation to student success and graduation rates when proactive advising is used, and improving graduation rates is a key strategy.
   Fourteen academic staff additions would increase cost efficiency in academic departments. Currently department chairs perform several tasks better suited for staff. This funding would allow academic chairs the necessary time to devote to student recruitment, advising, faculty development and program and curricular assessments, design and upgrades.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

   This request is for state General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   The success of this initiative will serve Idaho residents and is intended to create a better educated population that will enhance the economy and standard of living for Idahoans.

5. If this is a high priority item, list reason non-appropriated Line Items from the FY2015 budget request are not prioritized first.

   This request was included in the FY 2015 request. The total request was for 102 positions for a total of $6.9M. The Legislature appropriated $1.379M. Some funding from increased student tuition and fee revenues have been devoted to the initiative, although there remains a large unfunded need.

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AGENCY: Idaho State University	Agency No.:	513	FY 2014 Request
FUNCTION: General Education	Function No.:	1000	Page 1 of 6 Pages
ACTIVITY: COMPLETE COLLEGE IDAHO—BRIDGE PROGRAMS	Activity No.:		Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.01** Title: **Bengal Bridge** Priority Ranking 1 of 4

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	3.0				3.0
PERSONNEL COSTS:					
1. Salaries	$171,000				$171,000
2. Benefits	317,600				317,600
3. Group Position Funding (adjunct faculty, instructor release time, and part-time employees)	1,090,400				1,090,400
TOTAL PERSONNEL COSTS:	$1,579,000				$1,579,000
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$32,000				$32,000
2. Materials/Supplies	105,200				105,200
TOTAL OPERATING EXPENDITURES:	$137,200				$137,200
CAPITAL OUTLAY **by summary object:**					
1. PCs/workstations (desks, chairs, network connections, etc.)	$1,534,800				$1,534,800
TOTAL CAPITAL OUTLAY:	$1,534,800				1,534,800
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$3,251,000				$3,251,000

Supports institution/Agency and Board Strategic Plans:
The proposed programs support key strategies identified in the State Board of Education and Idaho State University strategic plans. In particular the bridge programs will significantly advance those strategies associated with Complete College Idaho and the Board's 60% goal by transforming remediation and creating a bridge to college for underprepared students.

ISU Goal 2: ACCESS AND OPPORTUNITY – provides opportunities for students with a broad range of educational preparation and backgrounds to enter the university and climb the curricular ladder so that they may reach their intellectual potential and achieve their goals and objectives.

ISU Goal 4: COMMUNITY ENGAGEMENT AND IMPACT – Idaho State University, including its outreach campuses and centers, is an integral component of the local communities, the State and the intermountain region. It benefits the economic health, business development, environment, and culture in the communities it serves.

SBOE Goal 1: Set policy and advocate for increasing access for individuals of all ages, abilities, and economic means to Idaho's P-20 education system.

SBOE Goal 2: Increase the educational attainment of all Idahoans through participation and retention in Idaho's educational system.

SBOE Goal 4: Improve the ability of the educational system to meet the educational needs and allow students to efficiently and effectively transition into the workplace.

Complete College Idaho:

- Transform remediation by developing strategies and goals to improve remediation and general education delivery.

Performance Measure:
The following are ISU's performance measures linked to Transforming Remediation and General Education:
Increase bridge program participation by 5%; increase bridge program courses by 3%; increase the number of internship opportunities by 5%; increase workforce placement of Business graduates by 3%; increase the number of general education online courses by 5% per year; establish a campus-wide testing center to support online programming; increase the percentage of first-time full-time freshmen advancing to second year; establish a peer monitoring program for students who have not declared majors; increase tutoring and other services for Native American students.
Description:

Transforming Remediation at Idaho State University

1. **Remediation Transformation**
    - Idaho State University will hire a Remedial Specialist who will provide training to Mathematics, English, and Academic Skills instructors in order to create new Co-Requisite and Emporium Model courses. In particular, this will expand ISU's implementation of data-driven best practices as identified by Complete College America through the use of the Co-Requisite Model within English and mathematics "plus" courses and the Emporium Model for targeted at-risk students. An Emporium (computer) Center will be created and staffed by undergraduate and graduate students and adjunct instructors.
        - Costs: Salary, $57,000 Benefits, $22,270, Group Position Funding, $400,000; Benefits, $92,000; PCs/workstations (desks, chairs, network connections, etc.), $767,400
            - TOTAL: $1,338,670

2. Bridge Programs

- Idaho State University will institute targeted Bridge Programs that will address specific developmental needs for special populations, including STEM, Native American and other populations.
- Each year Idaho State University enrolls approximately 360 first-time full-time freshmen who are underprepared or in need of remediation. These students are often first-generation college students and underrepresented minorities. A summer bridge program will provide these at-risk students a jumpstart on the academic year by allowing them to complete key courses while learning more about the university. The ultimate goal is to increase retention through better preparation.
- This past summer (2013), the University piloted a bridge program that involved a cohort of 30 students completing three academic courses: a remedial course (e.g. basic writing or basic math); a general education course (e.g. Psychology); and a university orientation course (providing resource information in areas like financial aid, advising, and college learning strategies). The average cumulative GPA for the program was 3.39 and 24 (80%) enrolled in the Fall 2013 semester.
- This same general format, with the inclusion of Co-Requisite Model courses, will be used for an expanded summer bridge program accommodating approximately 200 students. Students would be grouped in common interest cohorts of 25 with each cohort taking up to three academic courses during summer term. Students would choose from a variety of general education courses thereby having the opportunity to explore an area of study that might interest and engage them. The university orientation course provides critical support for students by offering college learning strategies and other key tools that can be applied concurrently to their general education course. The remaining Co-Requisite course in either mathematics or English would prepare these students for greater success in future courses in their academic careers.
- The expanded summer bridge program would require a director to manage the operation of the program, including recruitment, advising, data collection and analysis.
- Additional targeted bridge programs will be implemented for students in STEM disciplines and underserved and at-risk populations. The College of Science and Engineering will implement its cohort program for pre-med and engineering students.
- The College of Technology is currently offering the START (Successful Transitions and Retention Track) bridge program to recruit, prepare, and retain GED graduates in post-secondary education. This program has been funded through a pilot grant from the Albertsons Foundation Continuous Enrollment initiative. The START bridge program has been notably successful in retaining this important target population, with a 67.4% overall persistence rate for adult learners transitioning into post-secondary education. The semester to semester persistence rate of the START bridge program is 83.1% from 1st to 2nd semester, 86.7% from

2nd to 3rd semester, and 62% from 3rd to 4th semester. The national rate for GED persistence in post-secondary education is between 13% to 19%.

- The request includes funding for a director, adjunct faculty supplemental instruction, and tutors, as well as supporting operational costs including travel to Shoshone-Bannock High School and surrounding rural areas.
  - Costs: Salaries, $57,000; Benefits, $22,270; Group Position Funding (adjunct faculty and tutors), $390,400; Benefits, $89,790; Travel, $12,000; Materials and Supplies, $57,200
    - TOTAL: $628,660

Instituting LEAP and Transforming General Education at Idaho State University

1. **Testing Center for Online Delivery and Online Security (IT needs)**
   - Idaho State University will establish a testing center on campus to support online and traditional instruction. This would help address issues of course integrity and academic dishonesty in online offerings and allow testing for face-to-face classes, make-up exams, and similar uses.
     - Costs: Group Position Funding (staff and students) $100,000; Benefits, $23,000; PCs/workstations (desks, chairs, network connections, etc.), $767,400.
       - TOTAL: $890,400

2. **General Education Specialist**
   - Idaho State University will hire a General Education Specialist to support full implementation of AAC&U's LEAP initiative. This initiative embraces a 21st-Century definition of education, which includes essential learning outcomes, high-impact educational practices, authentic assessments, and inclusive excellence. Implementation will include training, travel, and stipends for faculty.
     - Costs: Salary $57,000; Benefits, $22,270; Group Position Funding, $200,000; Benefits, $46,000; Travel, $20,000; Materials and Supplies, $48,000
       - TOTAL: $393,270

GRAND TOTAL: <u>$3,251,000</u>

AGENCY: Office of the State Board of Education
FUNCTION: Idaho State University,
General Education
ACTIVITY: COMPLETE COLLEGE
IDAHO—ONLINE LEARNING

Agency No.: 513
Function No.: 1000
Activity No.:

FY 2016 Request
Page _1__ _3_ Pages
Original Submission _X_ or
Revision No. ___

A: Decision Unit No: **12.02** Title: **Complete College Idaho** Priority Ranking 2 of 4

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	8.00				8.0
PERSONNEL COSTS:					
1. Salaries	$445,000				$445,000
2. Benefits	95,500				95,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$540,500				$540,500
OPERATING EXPENDITURES **by summary object:**					
1. Training workshops	$50,000				$50,000
2.					
3. Cloud-based solution for online Intrusive Advising & Predictive Analytics	290,000				290,000
TOTAL OPERATING EXPENDITURES:	$340,000				$340,000
CAPITAL OUTLAY **by summary object:**					
1. Technology upgrades for online Instructional faculty	$300,000				$300,000
TOTAL CAPITAL OUTLAY:	$300,000				$300,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$1,180,500				$1,180,500

Supports institution/agency and Board strategic plans:

Goal 1: A Well Educated Citizenry, Objective A: Access-Set policy and advocate for increasing access for individuals for all ages, abilities, and economic means to Idaho's P-20 education system.

eISU and online classes are increasingly important for reaching students in geographically disparate regions. Increased online access is critical for reaching the SBOE's 60% goal.

Goal 2: Critical Thinking and Innovation, Objective B: Quality Instruction-increase student performance through the development, recruitment, and retention of a diverse and highly qualified workforce of teachers, faculty, and staff.

Technology upgrades are essential for the online instructional faculty to increase and retain the numbers of students in online classes.

Goal 3: Effective and Efficient Delivery Systems, Objective A: Cost effective and Fiscally Prudent-increased productivity and cost-effectiveness.

eISU and online classes can be a more cost effective option for students and for the university with the appropriate technology and with the appropriate instructional design.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   - One Instructional Designer per college (six)
   - Clinical Instruction Designer/Coordinator
   - Cloud-based solution for online Intrusive Advising & Predictive Analytics
   - Functional Technical Support for online advising module
   - Training workshops & stipends for faculty
   - Technology upgrades for online Instructional Faculty

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      - Six Instructional Designers, base salary $55,000 plus fringe
      - Clinical Instructional Designer/Coordinator, base salary $65,000 plus fringe
      - Functional Technical Support for online advising module, base salary $55,000 plus fringe

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
   c. List any additional operating funds and capital items needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   One-time expenses: Cloud based solution for online Intrusive Advising & Predictive Analytic module- $250,000

   Ongoing expenses: Salary for eight new positions-$445,000 plus fringe, yearly maintenance cost for online advising module-$40,000, technology upgrades for online instructional faculty- $300,000

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Office of the State Board of Education	Agency No.: 513	FY 2016 Request
FUNCTION: Idaho State University, General Education	Function No.: 1000	Page _1_ of _5 Pages
ACTIVITY: COMPLETE COLLEGE IDAHO—TEACHING	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.03** Title: **Complete College Idaho** Priority Ranking 3 of 4

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
Graduate Assistantships Master's Level Doctoral Level	 19 5				 24
PERSONNEL COSTS:					
1. Salaries	$254,800				$254,800
2. Benefits	245,700				245,700
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$500,500				$500,500
OPERATING EXPENDITURES **by summary object:** 1. I					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:** 1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$500,500				$500,500

Supports institution/agency and Board strategic plans:
ISU's mission, as set by the SBOE, states that the campus is to provide "technical, undergraduate, graduate, and professional education." In order to meet this mandate, ISU has to maintain and grow graduate student enrollment.

Graduate students and the research and discovery they conduct, are key components of the campus' classification as a Carnegie Research University High institution.
Most Colleges and academic departments have graduate students under tutelage, or participate in graduate education. The Graduate School is essential for these activities to continue and for most such programs to retain their accreditation, and is the chief advocate in securing an ever-increasing number of Graduate Teaching Assistantships, which is considered to be the major contributing factor towards attaining both ISU's and the SBOE's Goals and Objectives, and our own internal Benchmarks (see below).

Graduate education overseen by the Graduate School is a key component of the campus' mission. The Graduate School promotes and supports excellence in graduate education. In realizing this mission, the Graduate School acts to recruit, support, retain and matriculate graduate students as scholars, researchers and practitioners educationally empowered as critical thinking citizens and agents of innovation, opportunity and change. At the same time, graduate students teach undergraduates in classrooms and labs, and provide the mentoring and encouragement needed for undergraduates to be retained and graduate.

Pertinent to this Line Item request is the urgent need to increase the number of available Graduate Teaching Assistantship positions, both at the Master's and at the Doctoral level to accomplish the ambitious, but realistic goals and timeline for achievement detailed in the narrative below.

ISU Core Themes:
The first core theme of Learning and Discovery is the *sine qua non* of graduate education. Further, ISU core themes 3 and 4 (Leadership in the Health Sciences, and Community Engagement and Impact) are both dependent on access to graduate education, which in turn, is dependent on a robust pool of support for graduate student enrollment in the form of Graduate Teaching Assistantships – leadership in any field can only be achieved by discovery of new knowledge – an inherent part of graduate (especially at the doctoral level) education. Impact on the community can be best seen by entrepreneurship and development of highly technological new discoveries, typically the domain of education at the highest level and exemplary of the driving force behind emerging and highly successful state and national economies in the 21st century.

Strategic Plan:
The Graduate School, through its support and administration of graduate education, features explicitly in several key goals and objectives contained in ISU's Strategic Plan (and therefore congruent with the relevant SBOE Goals and Objectives) (listed below and <u>underlined</u> or **bolded**, respectively):

Objective 1.3 Undergraduate and <u>graduate</u> students participate in undergraduate teaching. (**Consistent with SBOE Objectives 2B, 2C, 3A**)

Performance Measures
1.3.1 Number of <u>graduate assistantships and fellowships</u> with teaching responsibilities.
1.3.2 Number of students employed as English, math, and content area tutors.
Benchmark: <u>Increase number of opportunities for students to participate in undergraduate teaching by 5 percent over the next five years</u>. *Note: Accomplishing this Benchmark is only possible with a commensurate increase in available Graduate Teaching Assistantship positions for ISU's graduate programs.*

Objective 1.4 Undergraduate and <u>graduate students</u> engage in research and creative/scholarly activity. (**Consistent with SBOE Objective 2B**)

Performance Measures
1.4.1 Number of students who have participated in research with a faculty member.
1.4.2 Number of students who have participated in ISU's research symposia.

Benchmark: Increase the number of students participating in research and creative/scholarly activity by 3 percent per year. *Note: Similarly, accomplishing this Benchmark is only possible with a commensurate increase in available Graduate Teaching Assistantship positions for ISU's graduate programs.*

Goal 3: Leadership in the Health Sciences – Idaho State University values its established leadership in the health sciences with primary emphasis in the health professions and offers a broad spectrum of undergraduate, graduate, and postgraduate training. ISU delivers health-related services and patient care throughout the State in its clinics and postgraduate residency training sites and is committed to meeting the health professions workforce needs in Idaho. ISU supports professional development, continuing education, and TeleHealth services, and is active in Health Sciences research.

Objective 3.1 A broad array of health professions certificate and degree programs are offered, many statewide. (**Consistent with SBOE Objective 1D**)

Performance Measures
3.1.1 Number of certificate and degree programs offered, and number of students enrolled, in ISU's health professions programs.
3.1.2 Percent of graduates of ISU health professions programs who obtain employment in Idaho.
3.1.3 Pass rates on clinical licensure and certification exams in the Health Professions.
Benchmark: Strong enrollment, retention, and graduation rates will be maintained in ISU's health professions programs.

Objective 3.3 ISU faculty and students engage in basic, translational, and clinical research in the health sciences. (**Consistent with SBOE Objectives 2A, 2B**)

Performance Measures
3.3.1 Number of faculty actively engaged in research in the health and biomedical sciences.
3.3.2 External funding received for health-related and biomedical research.
3.3.3 Number of students participating in clinical research as part of their degree program.
Benchmark: Funding to support faculty and student research activity in the health sciences will increase by 3 percent per year. *Note: As with the previous Benchmarks (above), accomplishing this Benchmark is only possible with a commensurate increase in available Graduate Teaching Assistantship positions for ISU's graduate programs.*

In addition, Strategic Planning within the Graduate School has identified the following item as an immediate priority:

- Focus on the creation of more funding (e.g., fellowships, assistantships, scholarships) for graduate students.

"…the fact that first-time enrollment trends have not matched the growth in applications may be a sign that many qualified students who wish to attend graduate school are faced with obstacles to enrolling."

The Graduate School has also internally created the following Mandate:
Increase the number of Graduate Teaching Assistantship (GTA) positions:
The number of FUNDED graduate students (i.e. graduate students on stipends supported through the GTA program), is less than 10%. This is below the national norm of peer institutions. With a goal to grow graduate enrollment at ISU to more than 2,000 by 2016, clearly more GTA positions are required university-wide.

Questions:

1. *What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?*
   Nineteen (19) Master's level GTA positions are requested, and five (5) Doctoral level GTA positions are requested, in order to expand undergraduate teaching and opportunities for graduate students.

   The individual cost breakdown (stipend + tuition waiver + health insurance) for these positions is as follows:

SALARY:	MASTER'S LEVEL	DOCTORAL LEVEL
Per Hr	$16.81	$17.15
Bi-Weekly	$638.78	$651.70
TOTAL (20 BI-WEEKLY)	$12,775.60	$13,034.00
NON-RESIDENT TUITION	$7,472.00	$7,734.00
WAIVER		$2,502.00
HEALTH INSURANCE	$2,028.00	$23,270.00
	$22,275.60	

   Payroll = 20 bi-weekly pay periods @ 38 hours per bi-weekly.

2. *What resources are necessary to implement this request?*
   a. *List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.*
      All of these positions will be offered to eligible, admitted students (based on the rigorous criteria of the Graduate School and the individual graduate programs, whose admissions criteria might be more, but not less rigorous than those of the Graduate School)
   b. *Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.*
      No redirection of human resources – the addition if these positions will be folded into the current and well established GRA operations directed by the Graduate

School, the individual programs, and the HR department of the University. Existing operations will not be impacted.

c. *List any additional operating funds and capital items needed.*
None required. In fact, the availability of these additional GTA positions will make both ISU and individual graduate faculty mentors more competitive in attracting significant extramural funding in the form of grants and contracts (also see above).

3. *Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).*
Not applicable.

4. *Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?*
Graduate and undergraduate students are served by strengthening ISU's completion pipeline and by providing undergraduate support by graduate student mentors.
If this request is not funded, Idaho, ISU, its faculty and students will be negatively impacted.

5. *If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.*
A similar earlier Line Item request was only partly funded.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Office of the State Board of Education	Agency No.:	513	FY 2016 Request
FUNCTION: Idaho State University, General Education	Function No.:	1000	Page ___ of __ Pages
ACTIVITY: **COMPLETE COLLEGE IDAHO—BENGAL SOLUTIONS**	Activity No.:		Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.04** Title: **Complete College Idaho** Priority Ranking 4 of 4

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	1.33				1.33
PERSONNEL COSTS:					
1. Salaries	$64,900				$64,900
2. Benefits	27,700				27,700
3. Group Position Funding	99,800				99,800
TOTAL PERSONNEL COSTS:	$192,400				$192,400
OPERATING EXPENDITURES **by summary object:**					
1. Marketing	$5,000				$5,000
2. Training/Books/Workshops	3,200				3,200
3. Printer, Paper, and Toner	2,000				2,000
4. Printing and Binding of Reports	2,400				2,400
5. Travel	3,600				3,600
6. G.A. Tuition and Insurance	102,400				102,400
TOTAL OPERATING EXPENDITURES:	$118,600				$118,600
CAPITAL OUTLAY **by summary object:**					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$311,000				$311,000

Supports institution/agency and Board strategic plans:

Core Theme One: Learning and Discovery

As a professional school, experiential learning is a cornerstone of the educational process in the College of Business. Having the opportunity to apply the theories and skills taught in the classroom to the problems faced by today's businesses creates a far more enriching experience and a deeper understanding of those theories and skills than can ever be taught in a classroom alone.

Core Theme Four: Economic and Social Impact

The Bengal Solutions Center offers business consulting services to businesses throughout the region, State, and intermountain region. These consulting services are provided by our students, under the supervision of a faculty mentor. Services include such things as market demand analysis, budget analysis, pro forma business plans, etc. The services these students provide directly impact the economic development of the region, State, and intermountain west.

Performance Measure(s):
Success in the Bengal Solutions program is determined in two ways: first, the impact that the program has made upon the skills, abilities, and confidence of the students who are selected to work in the program; and second, the economic impact and development in the surrounding community that results from the efforts of each project.
This student impact is measured using a variety of metrics including a self-assessment of skills before entering and upon leaving the program, the program's job placement rate, the student's satisfaction with the program's ability to give them industry skills and to network the students with the industry professionals related to their chosen field of study.
The economic impact of this program is measured by capturing the effect of each project upon jobs created, jobs saved, additional revenue gained, costs minimized, and additional capital invested. Many projects might not lend themselves to these types of metrics and would be better measured by the customers' perceived value of the overall project benefits.

Description:
The Bengal Solutions Center is a student-staffed center offering business consulting services to businesses in the region, State, and intermountain west. This center provides the unique opportunity for selected graduate-level business students to apply the theories, methods, skills and abilities that they have gained from their graduate classes in a real world scenario. Under the guidance of faculty and staff advisors, Bengal Solutions teams take on in-depth business consulting projects for the benefit of local and regional companies, agencies and non-profit organizations. The program is concentrated upon making it possible for students to focus on gaining relevant industry experience. This is why the students are compensated with a scholarship to cover tuition fees and a stipend to help cover living expenses. As a result, students can prioritize their efforts to gain industry experience and exposure while companies receive the valuable information that they need to make intelligent business decisions.

Questions:
1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   We seek funding to support the Bengal Solutions Center, to include a Director, Administrative Assistant (.33 FTE), ten (10) graduate assistantships, and operating budget.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      One (1) Director of Bengal Solutions, non-classified staff, full-time, benefit eligible, hire date 8/18/2014, and on-going.
      One (1) Administrative Assistant (.33 FTE), classified staff, full-time, benefit eligible, hire date 8/18/2014, and on-going.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      None.

   c. List any additional operating funds and capital items needed.

      Approximately $118,552.00 in operating funds needed to cover tuition and insurance for graduate assistantships, marketing, materials, and travel.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Graduate students of the College of Businesses are being served by this request. The expected benefits include the opportunity to apply the theory and skills learned in the classroom to a “real-world” organization. Secondarily, businesses and organizations throughout the region, State, and intermountain west receive business consulting services at little to no cost.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

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AGENCY: College & Universities	Agency No.:	510	FY 2016 Request
FUNCTION: University of Idaho	Function No.:	04	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY:	Activity No.:		Revision No. ___

A: Decision Unit No: **12.xx**	Title: **Intensive Academic Advising Program**			Priority Ranking x of x	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	15.0				15.0
PERSONNEL COSTS:					
1. Salaries	$675,000				$675,000
2. Benefits	284,000				284,000
3. Group Position Funding – Stipends					
TOTAL PERSONNEL COSTS:	$959,000				$959,000
OPERATING EXPENDITURES **by summary object:**					
1. Travel					
2. Operating	$75,000				$75,000
TOTAL OPERATING EXPENDITURES:	$75,000				$75,000
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$1,034,000				$1,034,000

Supports institution/agency and Board strategic plans:

Goal ______________ [e.g. Goal 1, Objective 3]

Performance Measure: ____________________

Description:

An intensive, effective and, sometimes intrusive, academic advising program has been proven to be a positive contributor to student retention and completion of academic degrees in a timely manner. It can also be an effective tool for reassuring both students and their parents – where the students feel "at risk" in taking on higher education away from home – that the institution is looking out for the student's best academic interests in terms of managing new study skills, in time management and in the appropriate course selection for degree progress.

While the University of Idaho was able to maintain full and effective support for our direct instructional functions during the past 5 years of difficult finances, thereby assuring that students could find ready access to the courses they needed for graduation, other key student support areas could not be maintained at or raised to the necessary levels to meet current educational best practices. With the positive effects of our change to a 120 credit hour graduation requirement for most of our programs – positive in the fact that many more students are completing their bachelor's degree in the traditional four years – there is a need to focus more attention on a fully supportive advising environment that will enable students to make the course selections that are necessary in order to complete their degrees in this shorter time frame.

While the University provides a reasonable and traditional level of student advising at present, the increasing population of students who are enrolling in higher education, without the level of academic preparation of previous populations, has created new demands for more intensive advising services in order to ensure these student's success. As initiatives like Complete College Idaho successfully reach out to new groups of students who will be First Generation college attendees, and as institutions continue to see a growing number of students who need counseling for psychological issues, a broader support network is needed to help these individuals transition to the rigors of a college education. This proposal would move the University of Idaho toward the levels of student support that are proving to be effective at peer institutions for meeting these student advising challenges.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   This request is for 15 full time student advisor positions, with salary, benefits and modest operating budgets for each position. This would enable us to enhance the advising function in each of our colleges as well as strengthen the central advising functions that could address special populations across all academic units.

2. What resources are necessary to implement this request?

   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

   c. List any additional operating funds and capital items needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Lewis-Clark State College | Agency No.: 511 | FY 2016 Request
FUNCTION: General Education | Function No.: | Page 1 of 4 Pages
ACTIVITY: Complete College Idaho | Activity No.: | Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.XX**	Title: **Student Success**			Priority Ranking 1 of 1	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	11.0				11.0
PERSONNEL COSTS:					
1. Salaries	$509,000				$509,000
2. Benefits	221,400				221,400
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$730,400				$730,400
OPERATING EXPENDITURES **by summary object:**					
1. Instructional Materials	$27,000				$27,000
2. Supplies	23,000				23,000
3. Program Expenses	16,000				16,000
TOTAL OPERATING EXPENDITURES:	$66,000				$66,000
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation (11)	$33,000				$33,000
TOTAL CAPITAL OUTLAY:	$33,000				$33,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$829,400				$829,400

Supports institution/agency and Board strategic plans:

Goal 1: A WELL EDUCATED CITIZENRY The educational system will provide opportunities for individual achievement.

Objective B: Higher Level of Educational Attainment – Increase the educational attainment of all Idahoans through participation and retention in Idaho's educational system.

Performance Measure:
Percentage of new full-time students returning (or graduated) for second year in an Idaho public institution.

Percent of Idahoans (ages 25-34) who have a college degree or certificate requiring on academic year or more of student.
Postsecondary unduplicated awards (certificate of one academic year or more) as a percentage of total student headcount.

Objective D: Transition – Improve the ability of the educational system to meet educational needs and allow students to efficiently and effectively transition into the workforce.

Performance Measure:
Percentage of students participating in internships

GOAL 2: CRITICAL THINKING AND INNOVATION The educational system will provide an environment for the development of new ideas, and practical and theoretical knowledge to foster the development of individuals who are entrepreneurial, broadminded, think critically, and are creative.

Objective C: Quality Instruction – Increase student performance through the recruitment and retention of a diverse and highly qualified workforce of teachers, faculty, and staff.

Performance Measure:
Percentage of first-time students from public institution teacher training programs that pass the Praxis II.

Description:
The eleven (11) positions and associated support funds sought in this line item request directly support the Academic and Student Affairs tasks, the strategic initiatives of Lewis-Clark State College, and attainment of the State Board of Education's Complete College Idaho initiative and goals. The funds will be used to recruit and retain highly qualified faculty and staff to support student success.

The mission and goal statement for LCSC calls for the following:

- In accordance with its role and mission statement approved by the State Board of Education, LCSC's primary emphasis areas are business, criminal justice, nursing, social work, teacher preparation, and professional-technical education.
- The State Board directs LCSC to maintain basic strengths in the liberal arts and sciences, which provide the core (general education) portion of the curriculum.
- Other assigned emphasis areas are the provision of select programs offered on and off campus, at non-traditional times, using non-traditional means of delivery, to serve a diverse student body.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   Six faculty positions and five student support positions to directly impact student learning and retention at LCSC are requested. The funds will be used to recruit and retain highly qualified faculty and staff to support student success.

   The six faculty positions are in general education and primary emphasis areas. Those in Natural Sciences and Humanities (English and communications) would provide much needed support to general education areas that have been impacted tremendously by growth in student numbers, as in the pre-professional/ professional programs. They, along with the Business position, would also support growth in our revitalized Interdisciplinary Studies degree which has a strong online component. The Kinesiology/ Exercise Science is in support of our one approved FY16 baccalaureate program from the Five-Year plan.

   Five support positions are also requested. Increased enrollments have strained our faculty advisors. Program advisors have been successfully used at LCSC to accomplish the schedule building component of advising, while simultaneously freeing the faculty for more in depth conversations with upper classmen on careers. We request funding for two additional program advisors to support the Academic Programs areas with retention and to facilitate transfer of community college students to LCSC for 4-year degree completion. As a mechanism for assisting students in the school-to-work transition and consistent with our Strategic Plan, we request an Internship Coordinator who can network with employers and agencies in our region for meaningful hands on learning experiences for students.

   The final two support positions are in Student Affairs. The first is a Veteran's Advisor to more fully serve our veteran population. The final requested position is for a Director of Student Engagement. This position would be charged with implementing enhanced retention strategies at LCSC, in keeping with statewide Complete College Idaho goals.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      Instructors or Assistant Professors (6): $48,000 to $50,000 + fringe & health insurance; full-time 9 month; anticipated hire August 2016; teach 24 credit hours per year of critical courses, advising, scholarship & service, other duties as assigned by Division Chair.

      Program Advisors (2): $37,000 + fringe & health insurance; professional exempt employees; support students and faculty in an advising capacity.

      Internship Coordinator (1): $55,000 + fringe & health insurance; professional exempt 11-12-month employee; facilitate student internship experiences in the region.

      Director of Student Engagement (1): $50,000 + fringe & health insurance; to provide supervision of Student Activities, Outdoor Recreation, Student Development Curriculum, Student Success Program, and New Student

Orientation. These activities are currently being managed by other units. Consolidation into one unit will provide operational efficiency and consistency.
Veterans' Advisor (1):$38,000 + fringe & health insurance; professional exempt employee; coordinate benefits of returning veteran to facilitate degree completion.

b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
None
c. List any additional operating funds and capital items needed.
Operating funds: $66,000 - instructional materials, supplies, direct program expenses
Capital: $33,000 - computers and office setup; instructional computers

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
On-going general funds

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?
All Academic Affairs units within the college will be served by the addition of the instructional and support staff positions. The general education credit load at LCSC has been assigned to the Natural Sciences, Humanities and Social Sciences Divisions. Collectively this group, including many adjunct instructors, delivers a significant number of student credit hours, serving all students at the college in some capacity. As enrollment continues on an upward trajectory, the need for full time faculty has become critical. The college's ability to find qualified adjuncts is getting less reliable each passing semester, creating the risk of bottlenecks by not having critical sections available for pre-professions and other majors.
The Director of Student Engagement will provide supervision of and leadership to Student Activities, Student Development Curriculum, Student Success Program, and New Student Orientation. The primary function would be to coordinate these departments to promote student engagement and to increase retention. If this request is not funded, we will not be able to expand the program which will limit access to student engagement activities.
If the request is not funded, we continue to have bottlenecks in pre-professions courses, are limited in the number and types of interdisciplinary degree offerings available, and do without resources known to support student persistence, retention and success.
5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.
Portions of this request were included in FY2011 through FY2015 line item requests. In FY15, 20% of LCSC's CCI request was funded; the FY16 request represents the balance of earlier requests, along with 5-year plan needs.

AGENCY: Systemwide Needs | Agency No.: 510 | FY 2016 Request
FUNCTION: General Education - Instruction | Function No.: | Page __1_ of __ Pages
Original Submission _X_ or
ACTIVITY: | Activity No.: | Revision No. ___

A: Decision Unit No: **12.02**	Title: **Deferred Maintenance**			Priority Ranking 2 of 3	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries and benefits 2 3.					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:**					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:** 1. Deferred Maintenance	$10,000,000				$10,000,000
TOTAL CAPITAL OUTLAY:	$10,000,000				$10,000,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$10,000,000				$10,000,000

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

In January 2013 the Legislative Services Office (LSO) published an information paper on Deferred Maintenance. In addition to the conclusion that the institutions do not have the funding to support their annual needs, the study determined the institutions' Permanent Building Fund Alteration and Repairs request had grown by $18.7 million during the past two years to a total of $53.65 million in FY 2014.

In the intent language of the FY 2014 Division of Public Works (DPW) appropriation bill (HB 313), the Legislature declared that the four institutions have significant deferred maintenance needs that cannot be met with the existing revenue available in the Permanent Building Fund and that each institution's annual maintenance and repair needs greatly exceed available funding from current state or institution resources.

The College and Universities received additional one-time funding in FY 2014 and FY 2015 through the DPW appropriation for deferred maintenance allocated to the four institutions as follows:

	FY 2014	FY 2015
BSU	$ 3,750,000	
ISU	3,750,000	
UI	3,750,000	
LCSC	1,250,000	$2,000,000
Total	$12,500,000	$2,000,000

The LSO study also determined that collectively the institutions reported a range of $674 million to $764 million in deferred maintenance needs. While the institutions each define and quantify deferred maintenance a little differently, it is indisputable that the need exponentially exceeds currently available funding. A five year history of funding for Alteration and Repair (A&R) projects is shown below:

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
BSU	$2,920,000	$2,636,120	$2,434,000	$2,313,000	$4,241,000
ISU	2,848,825	2,674,525	2,418,100	2,013,236	3,941,436
UI	2,876,000	2,812,600	2,449,800	2,539,425	6,967,500
LCSC	750,000	630,000	578,000	445,000	925,000
Total	$9,394,825	$8,753,245	$7,879,900	$7,310,661	$16,074,936

This request is for $10,000,000 in ongoing capital outlay to continue to address the significant deferred maintenance backlog at the four public 4-year institutions. These funds would not be used to construct or purchase new buildings and it is the Board's desire that these funds not supplant appropriations from the Permanent Building Fund for A&R projects.

Each year agencies and institutions submit a list of high priority A&R projects to DPW. The dollar value of the projects submitted by each institution exceed the funding historically received, so DPW staff work with the institutions to fund as many projects as possible in any given year. Since there is already an established process in place whereby A&R projects are submitted and vetted by DPW and the Permanent Building Fund Advisory Council, the Board would like to leverage the process whereby requested funding would simply be used to fund more projects on the (A&R) list.

2. What resources are necessary to implement this request:

$10,000,000 in ongoing capital outlay is needed to help address the institutions' deferred maintenance backlog.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.

This request is for ongoing State general funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The LSO study also reported the institutions have used most of the student facility fees for construction or to pay bond debt for their facilities. Very little is used for maintenance and repairs, and the capacity to increase fees is limited. Providing ongoing deferred maintenance funds will reduce the need to increase student fees and thereby maintain access to higher education in Idaho.

5. If this is a high priority item, list reason non-appropriated Line Items from the FY2014 budget request are not prioritized first.

This line item was included in the FY 2015 budget request.

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AGENCY: Systemwide	Agency No.:	FY 2016 Request
FUNCTION:	Function No.:	Page ___ of __ Pages
ACTIVITY:	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.01** Title: **Philanthropic Matching Fund** Priority Ranking 1 of 1

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Matching Funds	$1,000,000				$1,000,000
TOTAL OPERATING EXPENDITURES:	$1,000,000				$1,000,000
CAPITAL OUTLAY **by summary object:** 1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$1,000,000				$1,000,000

Supports institution/agency and Board strategic plans:

GOAL 1: A WELL EDUCATED CITIZENRY
The educational system will provide opportunities for individual advancement.

Objective A: Access - Set policy and advocate for increasing access for individuals of all ages, abilities, and economic means to Idaho's P-20 educational system.

Performance Measures:

- Annual number of state funded scholarships awarded and total dollar amount.

Benchmark: 20,000, $16M

- Amount of need-based aid per student.

Benchmark: undergraduate FTE WICHE Average

Description:

This is a request to create and fund a matching fund for philanthropic gifts in support of scholarships at Idaho's public postsecondary institutions.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   The presidents of the college and universities brought the concept of a philanthropic matching fund to the Board for its consideration. At its April 2014 meeting the Board gave approval to proceed with requesting funding for a matching fund. The request is for $1,000,000 in one-time General Funds. The minimum amount eligible for a match from the fund would be $50,000. The purpose of gifts and matches would be to provide funding for new or existing institutional scholarship.

   The matching funds would be allocated to the institutions by Board staff. Whereas this would be a new program, there is no base funding.

2. What resources are necessary to implement this request?

   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      N/A

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      N/A

   c. List any additional operating funds and capital items needed.

      $1,000,000 one-time operating expenses

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   $1,000,000 one-time General Funds

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   The State Board of Education has set an ambitious goal that 60% of Idahoans ages 25-34 will have a college degree or certificate by the year 2020. It is estimated that postsecondary education attainment for this adult population is currently at 40%. One of the biggest barriers to postsecondary education is cost. Based on the most current data available, Idaho provides $28 per FTE for need-based financial aid while the average aid for WICHE states is $689 per FTE.

State	Estimated Need-Based Grant Dollars per Full-Time Equivalent Enrollment 2011-12
Washington	$1,144
California	$1,015
WICHE* Average	**$689**
US Average	**$562**
Nevada	$445
Colorado	$371
Oregon	$269
New Mexico	$257
North Dakota	$249
Alaska	$150
Montana	$123
Hawaii	$81
Arizona	$70
Idaho	$28
Utah	$18
South Dakota	$0
Wyoming	$0

*Western Interstate Commission for Higher Education

The value of a four-year degree is at an all-time high. The wage differential between those with a four-year degree and those with a high school degree has grown to 81% -- higher than at any time in the past 90 years. Thus, if this request is not funded, it could limit access to postsecondary education, which in turn impacts the earning power of thousands of Idahoans and the state's tax base.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   N/A

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Boise State University	Agency No.:	512	FY 2016 Request
FUNCTION:	Function No.:	01	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY:	Activity No.:		Revision No. ___

A: Decision Unit No: **12.01** Title: **Salary Competitiveness** Priority Ranking 1 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries (3% of base FY15 salaries)	$3,040,900				$3,040,900
2. Benefits (variable fringe rate 22%)	669,000				669,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$3,709,900				$3,709,900
OPERATING EXPENDITURES **by summary object:**					
1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$3,709,900				$3,709,900

Supports institution/agency and Board strategic plans:

In accordance with the strategic plan, mission and values of Boise State University, this line item is focused at securing funding that will address compensation shortfalls due to years of limited state funding for compensation increases resulting in significant challenges of salary compression, turnover, and failed recruitment efforts due to low salaries.

The University is committed to increasing postsecondary degrees and certificates to ensure necessary progress is made towards the State Board of Education's Complete College Idaho Initiative. Offering employees competitive compensation is fundamental to retaining and recruiting faculty and staff that are key to achieving success in meeting this goal.

Description:
Institutional Research, Faculty Financial Affairs Committee, Human Resource Services and the Budget Office have all been engaged in recent analysis of employee compensation with the objective of gaining perspective on significant issues and providing recommendations to improve the competitiveness of compensation at Boise State University. The comparative analysis used College & University Professional Association (CUPA) data for faculty (using CUPA categories of Master's Large or Doctoral Research, depending on the programming level in the department), and compa-ratios for staff analysis.

The comparison of faculty salaries to Master's Large averages showed 100% of the departments had at least one category of faculty (i.e., Lecturer/Instructor, Assistant, Associate, or Full) with salaries below the respective CUPA averages. In many disciplines, average salaries were comparatively low for *all* faculty. A comparison of salaries in doctoral-degree granting departments to their peers shows substantially larger salary gaps that raise concerns for retention and future hiring. The overall analysis shows an annual need of $4.8 million for faculty salaries to reach 90% of the CUPA averages for Doctoral Research Universities.

The average compa-ratio of all professional staff is 97% of the established midpoints of the Professional Staff Salary Administration Plan pay ranges. However, lack of significant raises over the past eight years has created equity and significant compression issues particularly for longer service employees.
The recent review of classified staff shows that a significant percentage of employees in their position more than two years with compa-ratios of less than 80 percent and 95 percent of all classified staff are *below* mid-point/policy. Employee turnover data shows classified staff with a turnover rate of 15%.

Determining an overall average of a 3% increase for salary competitiveness for this line item is based on the analysis done up to this point. An initial calculation indicates an average increase in faculty salaries of 4%, professional staff 1%, classified staff 3% and graduate student stipends of 2% would make a significant impact towards ensuring the University has a competitive salary structure. Further analysis continues and will be more detailed as this line item request is finalized for the late August submission to the State of Idaho.

AGENCY: Boise State University	Agency No.:	512	FY 2016 Request
FUNCTION:	Function No.:	01	Page ___ of __ Pages
			Original Submission _X_ or
ACTIVITY:	Activity No.:		Revision No. ___

A: Decision Unit No: **12.02** Title: **Campus Security** Priority Ranking 2 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	8.0				
PERSONNEL COSTS:					
1. Salaries	$478,000				$478,000
2. Benefits	189,600				189,600
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$667,600				$667,600
OPERATING EXPENDITURES **by summary object:**					
1. Operating – on-going	$279,900				$279,900
TOTAL OPERATING EXPENDITURES:	$279,900				$279,900
CAPITAL OUTLAY **by summary object:**					
Metal detectors, hand held wands and protection vests– **one-time**	$500,000				$500,000
TOTAL CAPITAL OUTLAY:	$500,000				$500,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$1,447,500				$1,447,500

Supports institution/agency and Board strategic plans:

The primary mission of Boise State University's security department is to provide a safe and secure campus environment. Senate Bill 1254 was passed into law and concealed weapons on campus will be allowed on campus starting July 1, 2014.

Further, Senate Bill 1254 expressly prohibits firearms in campus dormitories or a venue hosting 1,000 people or more. This prohibition requires an enhanced access control program that necessitates metal detection capability at entrances. This capability requires additional trained security personnel, as well as armed campus security personnel and law enforcement officers, on scene to handle the resulting weapons situations. The impact is a substantial increase in security costs.

Description:
Campus Security will transition the department to meet the requirements of the law while continuing to ensure a safe and secure campus environment. The new program requirements continue to be evaluated and more specific details regarding pricing and options for metal detectors and other required one-time security needs will be available within the next few weeks.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      8 FTE with salaries and fringe benefits totaling $667,560

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

   c. List any additional operating funds and capital items needed.

      Recurring operating costs of $279,850 (Includes increased cost of Boise Police Department contract)
      One-time cost for metal detectors, hand held wands and ballistic vests for personnel. Preliminary cost estimate.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

AGENCY: Boise State University	Agency No.:	512	FY 2016 Request
FUNCTION:	Function No.:	01	Page ___ of __ Pages
			Original Submission _X_ or
ACTIVITY:	Activity No.:		Revision No. ___

A: Decision Unit No: **12.03**	Title: **Computer Science Workforce Initiative**				Priority Ranking 3 of 3
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	8.0				8.0
GRADUATE ASSISTANTS	5.0				5.0
PERSONNEL COSTS:					
1. Salaries	$800,000				$800,000
2. Benefits	260,400				260,400
3. Graduate Assistant Stipends	120,000				120,000
3. Graduate Assistant Benefits	4,800				4,800
TOTAL PERSONNEL COSTS:	$1,185,200				$1,185,200
OPERATING EXPENDITURES **by summary object:**					
2. Operating – on-going	$24,000				$24,000
Graduate Assistant Waivers	51,700				51,700
TOTAL OPERATING EXPENDITURES:	$75,700				$75,700
CAPITAL OUTLAY **by summary object:**					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$1,260,900				$1,260,900

Supports institution/agency and Board strategic plans:

Description:

Boise State University was awarded $700,000 (over three years) in Idaho Global Entrepreneurial Mission (IGEM) funding through the Higher Education Research Council (HERC) in FY13 to expand and restructure its Department of Computer Sciences (CS) to help meet compelling state workforce development and research needs in the local and regional software engineering community. This funding was used to hire four new faculty and five graduate assistants to enhance the student pipeline, encourage tighter industry integration, and increase research activity within the department. This initial investment has resulted in substantial increases in student enrollment, extramural research funding, and industry interactions within the department. However, there continues to be a tremendous need for highly-skilled software engineering graduates in the Treasure Valley high-tech community. Consequently, this request seeks resources to hire additional Computer Science faculty and graduate assistants to further support and enhance the current trajectory of growth, and the goals defined in the Boise State University and State Board of Education strategic plans.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      8 FTE with salaries and fringe benefits totaling $1,060,400
      5 FTE of graduate assistants totaling $124,800

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

   c. List any additional operating funds and capital items needed.

      Recurring operating costs (including five GA waivers) of $75,660

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

AGENCY: Office of the State Board of Education	Agency No.:	513	FY 2016 Request
FUNCTION: Idaho State University, General Education	Function No.:	1000	Page ___ of __ Pages
ACTIVITY: Compensation Competitiveness	Activity No.:		Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.01** Title: **Compensation Competitiveness** Priority Ranking 1 of 4

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	$4,252,700				$4,252,700
2. Benefits	854,700				854,700
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$5,107,400				$5,107,400
OPERATING EXPENDITURES **by summary object:**					
1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:**					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$5,107,400				$5,107,400

Supports institution/agency and Board strategic plans:

In accordance with objective 1.2 of the Strategic Plan, Idaho State University's goal is to achieve academic excellence in programs by recruiting and retaining high quality faculty and staff. As the talent pool continues to shrink, it becomes more difficult to attract and retain employees that can effectively instruct students, engage in innovative scholarship, and perform high quality institutional and public service.

Description:
To determine the competitiveness of compensation at ISU, the Office of Human Resources has reviewed the market position of classified staff, non-classified staff, and

instructional faculty at ISU. In assessing the competitiveness of compensation, the following market criteria and comparison groups have been taken into consideration.

Classified Employees
The FY 2015 State Employee Compensation & Benefits Report indicates that the average Compa-ratio for classified employees of ISU is 83%. This report indicates that, on average, classified staff at ISU are 17% behind the mid-point of their respective pay grades, (approximately $3,502,156 behind market).

Non-Classified Staff
To assess the competitiveness of compensation for non-classified staff, ISU has historically made use of the CUPA-HR salary survey. For salary administration purposes, ISU has defined its market comparison group within the CUPA-HR survey as all public institutions of higher education that provide graduate and undergraduate programs within the Carnegie classification of Doctoral Research High. Within this defined comparison group, the average non-classified staff member at ISU is at 82.6% of the median salary in the CUPA-HR survey. The Office of Human Resources has then used this number to estimate that non-classified employees are 17.4% behind their peers within the CUPA-HR survey, (approximately $6,619,085).

Faculty
In a similar fashion to non-classified staff, ISU has historically made use of the CUPA-HR salary survey to assess the competitiveness of compensation packages for faculty. In review of the 2014 CUPA-HR faculty salary survey, ISU faculty are on average 78.5% of their peers within the Doctoral Research High Carnegie classification, for all public institutions with both graduate and undergraduate programs. The Office of Human Resources has used that number in providing an estimate that on average, faculty are 21.5% behind their peers, (approximately $14,839,519).

Questions:

6. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   After reviewing the market positions of all employee categories at ISU, we propose a 6% increase in salary funding so that the institution can continue to improve the competitiveness of compensation packages for faculty and staff.

7. What resources are necessary to implement this request?

   $4,943,100

   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

   Faculty & Staff

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

ISU, as a result of program prioritization, will direct cost savings identified to address salary competiveness.

c. List any additional operating funds and capital items needed.

8. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   This request is for General Funds

9. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   To improve the competitiveness of compensation for faculty & staff so that we can recruit and retain the talent that will maintain ISU as a high quality institution.

10. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Office of the State Board of Education	Agency No.: 513	FY 2016 Request
FUNCTION: Idaho State University, General Education	Function No.: 1000	Page ___ of __ Pages
ACTIVITY: Career Path Internship Match	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.03**	Title: **Career Path Internship Match**			Priority Ranking 3 of 4	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	$1,666,700				$1,666,700
2. Benefits	33,300				33,300
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$1,700,000				$1,700,000
OPERATING EXPENDITURES **by summary object:**					
1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$1,700,000				$1,700,000

Supports institution/agency and Board strategic plans:
Board strategic plan: Goal 1, objectives A-D; Goal 2, Objectives A, B.

Institutional Goal 4 – prepare students to function in a global society.

Objective 4.1: Enrich learning and research opportunities for both students and faculty through greater development of international programming.

Objective 4.2: Recruit and retain students, faculty, and staff from underrepresented groups to better serve institutional and community needs for integration of multicultural and gender-related perspectives in our range of programming.

Description:
This request is for $1,700,000 in matching funds for the Career Path Internship (CPI) program at Idaho State University.

The CPI Program was created in FY 2010. The program started as an on-campus program and has expanded each year. At the inception of the program in FY 2010, more than 200 students participated. Year to-date for FY 2014, more than 700 students are involved. Recently, expansion has included off-campus positions as the community and ISU partner together to provide additional experiences for the students.

The program is intended to provide opportunities for students to work in their field of study while still attending school. Both undergraduate and graduate students have the opportunity to have hands-on experience in their chosen field of study. The program provides mentoring from respected and experienced practitioners. This provides the student with real-world work experience that gives students an advantage as they seek employment.

The CPI program lines up with all four core themes of the ISU mission. Learning and discovery: students are able to apply their studies to an actual job, reinforcing the learning in the classroom. Access and opportunity: some students depend on campus employment to stay in school. The CPI program not only provides an opportunity for an on-campus job, but the job is in their field of study. This work experience will lead to greater opportunities for employment post-graduation. Leadership in the Health Sciences: many of our CPI positions are in the Health Sciences field, providing opportunities on campus and off for students to get experience in the health sciences field. Economic and Social impact: recently, the CPI program has expanded into the community. This enhances the impact ISU has on the local economy and provides further opportunities to enhance the town and gown relationship with local business owners.

The FY 13 survey of CPI students indicated that 95% of students believed the CPI program was positive or very positive on their educational experience. Fully 91% of students indicated that their internship met their expectations. Additionally, 88% of students believed that the CPI program would enhance their chances of finding a fulltime job in their field.

The program is also been incredibly useful as a recruitment and retention tool. Admissions staff recently started using CPI positions as a recruiting tool, offering 50 CPI positions to exceptionally well-qualified students.

Questions:
1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   Matching funds of $1.7 million are being requested to enhance and expand the number of positions available to ISU students.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      Undergraduate students are paid at $8.00 per hour, graduate students are paid $10 per hour and doctoral level students are paid $12 per hour.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      $1.7 million dollars would represent more than 200,000 working hours for students at the undergraduate level.

   c. List any additional operating funds and capital items needed.
      None at this time.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Students at ISU will be served by this request. The expected impact of the funding is that students will enter the workforce with both an education and work experience. This increases their marketability to potential employers.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Office of the State Board of Education	Agency No.: 513	FY 2016 Request
FUNCTION: Idaho State University, General Education	Function No.: 1000	Page ___ of __ Pages
ACTIVITY: Advanced Nanofabrication and Nanomanufacturing Initiative	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.04** Title: **Nanofabrication Initiative** Priority Ranking 4 of 4

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	4.00				1.0
PERSONNEL COSTS:					
1. Salaries	$360,000				$360,000
2. Benefits	117,600				117,600
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$477,600				$477,600
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$15,000				$15,000
TOTAL OPERATING EXPENDITURES:	$15,000				$15,000
CAPITAL OUTLAY **by summary object:**					
1. Advanced Visualization Equipment					
2. Electron Beam Writer					
3. Optical Photolithography Equipment					
4. Chemical Vapor Deposition: Low Pressure, Plasma Enhanced, Atomic Layer, Epitaxial					
5. Metallization and Sputtering					
6. Dry Etching					
7. Annealing, Oxidation, and Doping					
8. Rapid Thermal Annealing					
9. Characterization and Testing					
TOTAL CAPITAL OUTLAY:	$6,000,000				$6,000,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	6,492,600				$6,492,600

Supports institution/agency and Board strategic plans:

Goal __ 1, Objective B
1, Objective C
2, Objective A
2, Objective B

Creation of the Idaho Advanced Manufacturing Center (IAMC) at ISU will meet multiple goals and objectives of the State Board of Education. The fundamental outcome(s) from this Advanced Nanofabrication and Nanomanufacturing Initiative are:

1) Create a state of the art, nationally competitive, nanofabrication and nanomanufacturing center in Idaho. This would be unique in our region. As the only institution in Idaho to offer associate through Ph.D. degrees, we will use this asset to work with regional employers to develop flexible training modules that will lead to advancing work force training and development.
2) The mission of this Center would be to educate students, from certificates, associates, baccalaureate through Ph.D., in advanced manufacturing techniques. Because of the alignment with the private sector, the students will get "hands on" experience that will directly prepare them for high tech jobs.
3) The Center will develop novel curriculum to promote multiple "on" and "off" ramps for students. The Center will focus on innovative workshops that will be held for between 2 days (over a weekend) and one week. These workshops will be structured so that students can progress to increasing certificates or degrees without having to enroll full time at ISU. In fact, they will focus on providing a new level of educational flexibility to support the industries in SE Idaho.
4) The Center will pursue federally funded research to generate novel technologies that will lead to business development in Idaho. It is expected that the Center, after the initial phase, will average over $10M per year in research expenditures. This will create many jobs and spur economic development in our region.
5) The Center will be focused on public/private partnerships. The research infrastructure will support many existing companies in SE Idaho (e.g. Premier Technologies, ON Semiconductor, Advanced Ceramic Fibers, the INL, and many others). As infrastructure is built, other businesses will be able to use local resources to address manufacturing challenges. Furthermore, the Center will be a magnet for business attraction and is consistent with the goals for regional economic development in SE Idaho.

Performance will be measured in multiple ways. The primary methods will be as follows.

1) Student Access will increase by 10% per year (from our current base of ~25 students and 5-6 degrees / year) because of a) access to advanced infrastructure and b) educational opportunities directly aligned with job opportunity in SE Idaho. At steady state, we anticipate about 30-40 degrees (at all levels, including certificates) per year in advanced manufacturing.
2) We further expect that certificates and degrees will grow at the associate, baccalaureate, masters, and doctoral levels. This is due to the growing challenges in advanced manufacturing (requiring higher levels of educational achievement) and the opportunities afforded in the private sector for employee advancement into higher levels of technical skills.
3) The Center will also be focused on student mobility with multiple "on" and "off" ramps to promote flexibility for both the student and employers in the region. The Center will work strategically to develop academic programs that advance the employee by building technical and scientific expertise while continuing their employment status. The Center personnel will work together with the private sector to develop this curriculum, thus insuring its ability to directly meet the regions economic and work force development needs.
4) The students in the Center will be educated and trained in high tech areas where critical thinking and problem solving are tightly integrated into the curriculum and practice.
5) The Center will be heavily engaged in federal and private sector funded research. We expect to have an annual base of $1M per year in grant/contract expenditures after five years of operation as a minimum steady state. The Center will be a focal point for contracts and grants from private companies and the infrastructure in the Center will be available for fees. The Center will be envisioned as a revenue positive business that supplies job candidates, attracts new businesses, and serves existing businesses in a close public/private partnership.

Description:

This initiative will establish a sustainable research and business infrastructure for advanced nanofabrication in Idaho called the Idaho Advanced Manufacturing Center.

The mission of the IAMC will be to provide innovative educational opportunities that allow students to continually advance to higher levels of certificates and degrees to support the development of high tech jobs in SE Idaho. Furthermore, the IAMC will provide effective, efficient, safe, and socially responsible access to advanced nanofabrication equipment and expertise thereby promoting, enabling, and encouraging cutting-edge education, research and business development from materials and individual process steps to entire systems.

The IAMC will be available, on a fee basis, for use by research groups from government, industry and universities. Equipment and processes will be available for research on silicon integrated circuits, MEMS, III-V compound devices, organic devices and nanoimprint technology. The IAMC will also encourage researchers from non-traditional disciplines to make use of processes, such as metal and dielectric coatings, vacuum processes, fabrication of micro and nano components and metrology tools. It will be a valuable asset for Idaho and serve to attract new business and serve existing companies in Idaho. Importantly, the IAMC will serve to provide state of the art training to students in advanced manufacturing techniques and, by working directly with industry, these students will be able to transition into high tech jobs upon graduation in Idaho.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   ISU is requesting the initial start-up costs to establish a new Idaho Advanced Manufacturing Center. Existing FTE's, and associated salary funds, will support the research personnel and four to seven will be assigned to this Center. This request is essentially for the infrastructure needs for this Center. Part of this investment will be focused on providing services for existing Idaho companies with the remainder being used for the research personnel to add necessary capabilities to the Center.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      i. Research Faculty / Staff
      ii. Pay will vary be seniority but range from $75K to $150K
      iii. All personnel will be eligible for benefits
      iv. Personnel will be hired in FY16
      v. Personnel will be on annual appointments
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      i. No impact on existing HR is expected.
   c. List any additional operating funds and capital items needed.
      i. These itemized above.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
   a. The infrastructure request is a one-time request.
   b. All of these personnel will be expected to bring in outside funds in excess of $1M per year.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?
   a. This funding will establish a novel infrastructure in Idaho that will serve existing companies (*e.g.* ON Semiconductor, Premier Technologies,

Advanced Ceramic Fibers, etc.) and be a magnet for new companies because of the access to nanofabrication and metrology services.

b. Not funding this request will greatly diminish ISU's ability to provide necessary services for Idaho companies (these will need to be out sourced) and hence diminish the number of jobs in high tech in Idaho.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: College & Universities	Agency No.:	510	FY 2016 Request
FUNCTION: University of Idaho	Function No.:	04	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY:	Activity No.:		Revision No. ___

A: Decision Unit No: **12.02**	Title: **Salary Competitiveness**				Priority Ranking 2 of 5
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	3,443,700				$3,443,700
2. Benefits	714,400				714,400
3. Group Position Funding – Stipends	41,200				41,200
TOTAL PERSONNEL COSTS:	$4,199,300				$4,199,300
OPERATING EXPENDITURES **by summary object:**					
1. Travel					
2. Operating					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$4,199,300				$4,199,300

Supports institution/agency and Board strategic plans:

Goal ______________

Performance Measure: ____

Description:

The University of Idaho is in something of a “free fall” with respect to faculty and staff salaries. Faculty salaries were 92.3% of peer average in FY08; they dropped to 87.6% in FY2013 and for FY14 are now at 84.3%. Peer institutions are raising their salaries an average of 3-4% per year. With the 2% CEC for FY15 we will still lose ground against peer salaries by 1-2 percentage points and could, within the next two to three years, find our salaries in the high 70 percentiles compared to peer institutions around the west.

Similar issues face our staff salaries. A regional market survey conducted almost two years ago put our staff salaries at 85% of the regional market and we are certainly lower than that now. We are closer to 70% of market for key IT staff and we are losing our best staff to WSU and local businesses on a regular basis.

Although we are speaking here in terms of the University of Idaho, this is a statewide higher education issue. Our colleagues at Boise State, Idaho State and Lewis Clark State College are facing similar salary issues. The marketplace for faculty is a national marketplace – an individual receiving his or her Ph.D. from virtually any institution, is looking at a national job market for their faculty employment. If they can find similar employment, at a 20% to 30% improvement in salary compared to Idaho institutions, they will not be coming to Idaho. For established faculty who are building or have built successful careers in Idaho, there are comparable institutions across the nation that are actively seeking out the “best and brightest” to enhance their own educational and research initiatives.

All of this means that, for Idaho residents, their opportunity to receive their once-in-a-lifetime college education from the most effective and productive faculty is being diminished as we fail to attract or retain those individuals in Idaho institutions.

There is a similar impact for the state of Idaho with respect to our staff positions. This too is a national marketplace at the middle-manager to senior position levels. Institutions hiring for significant middle and higher management positions are almost always doing regional or national searches – and, once again, Idaho salaries are a barrier to finding the best, brightest and most effective of these individuals. Business has long recognized that paying the salary necessary to attract and retain the very best professionals, managers and staff often more than pays for itself in terms of creativity in problem solving and more efficient and effective ways to perform managerial functions. The impact of being way below market for these positions simply means that we will not be able to hire the skills and experience that we, as a state, need in order to be effective in the new education business functions of the 21st century. For example, an inability to retain key technical staff can affect our ability to effectively compete for non-resident students, who provide key financial support for our institutions, as our peers in surrounding western states out-recruit us for those very same students.

Salary competitiveness is a long-term issue – not readily corrected in one-year and easy to lose ground if there is not an annual effort to address the salary costs of the changing marketplace.

AGENCY: College & Universities	Agency No.: 510	FY 2016 Request
FUNCTION: University of Idaho	Function No.: 04	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.03** Title: **5% Base General Fund Increase** Priority Ranking 3 of 5

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	30.00				
PERSONNEL COSTS:					
1. Salaries	$2,220,000				$2,220,000
2. Benefits	747,000				747,000
3. Group Position Funding – Stipends					
TOTAL PERSONNEL COSTS:	$2,967,000				$2,967,000
OPERATING EXPENDITURES **by summary object:**					
1. Travel					
2. Operating	$989,000				$989,000
TOTAL OPERATING EXPENDITURES:	$989,000				$989,000
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$3,956,000				$3,956,000

Supports institution/agency and Board strategic plans:

Goal ______________

Performance Measure: ____

Description:
During the economic downturn from 2009 through 2011, the four year institutions under the oversight of the State Board of Education lost a collective $59.3 million in state support. The University of Idaho currently (FY15) has a permanent appropriation of $79.1 million, a $16.9 million difference from the FY09 base of $96.0 million. Although tuition rates have increased during that time, much of those increases have gone

toward the institutional portion of fringe benefit increases and CEC initiatives – as the state was no longer able to "fund shift" these costs to be fully covered by state funding.

While we successfully ensured the uninterrupted delivery of our direct instruction functions – enabling students to complete their degree in a timely fashion - the funding reductions have had a strong negative effect on our ability to provide for basic operations of our campus and centers , as we have reduced staff and operating funds.
It could take a decade, at current incremental funding increases for higher education, for institutions to return to funding anywhere near the level that was present in FY09. During that time, the students from Idaho are being shortchanged in their opportunities for the kind of education that will enable them to effectively compete in a national and global marketplace for employment. Yes, they can complete their degree in a timely manner, but there are many opportunities for enhancing that education that will not be available to them – opportunities that peer institutions in other states are providing to their residents.

In order to accelerate that funding "catch up", we are requesting a 5% increase in permanent state funding for FY16. This would provide an immediate boost toward addressing issues in salaries, staffing, technology support, and facilities operations.

The request is structured in the current proportions of our General Education budget – with 75% of the request to go to salaries and benefits for necessary staff and 25% for operating budgets across the university.

Employing these additional funds in the manner we have described would, in itself, address many of the issues and concerns that are at the core of the Complete College Idaho initiative in terms of helping more Idahoans access and complete a college education.

AGENCY: College & Universities	Agency No.: 510	FY 2016 Request
FUNCTION: University of Idaho	Function No.: 04	Page ___ of __ Pages
ACTIVITY: Complete College Idaho	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.04**	Title: **Employment Readiness Program**		Priority Ranking 4 of 5		
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	15.50				15.50
PERSONNEL COSTS:					
1. Salaries	$757,500				$757,500
2. Benefits	306,500				306,500
3. Group Position Funding – Stipends	100,000				100,000
TOTAL PERSONNEL COSTS:	$1,164,000				$1,164,000
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$55,000				$55,000
2. Operating	75,000				75,000
TOTAL OPERATING EXPENDITURES:	$130,000				$130,000
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation	$28,000				$28,000
TOTAL CAPITAL OUTLAY:	$28,000				$28,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$1,322,000				$1,322,000

Supports institution/agency and Board strategic plans:

Goal ______________

Performance Measure: ____

Description:
Create a comprehensive, intensive, effective Career Planning, Placement, Internship and Undergraduate Research program at the University of Idaho

While the University of Idaho has sustained the academic programs of the institution throughout the last 5 years of difficult finances, thereby ensuring that students can readily find the courses necessary for graduation, other key support areas could not be sustained at the necessary levels. With the positive effects of our change to a 120 credit hour graduation requirement for most of our programs – positive in the fact that many more students are completing their bachelor's degree in the traditional four years – there is a pressing need to accelerate student's focus on the post-college opportunities, whether that includes employment; professional education or further academic work. This request is to create and fund an aggressive program of career planning and placement that would provide state-of-the-art career services to University of Idaho students and provide more extensive assistance to an already large number and percentage of graduating seniors to find the career opportunities they are seeking. Because the main campus of the University of Idaho is not located in a major metropolitan area, it becomes even more important to provide a very vigorous program to assist our students in finding employment and sustaining their career growth.

In addition to traditional career planning and placement functions, this effort must include a very vigorous internship program and a corresponding research opportunity program to provide students with hand's on experience in addition to an already effective instructional program. Both internships and research opportunities have been proven to enhance student employment opportunities and set strong foundations for continued career growth. Since some important research opportunities come without external funding support, the undergraduate research opportunity component of this proposal also includes operating funds that would enable the program to provide 30 student research stipends, at approximately $3,000 per academic year, to support the research work of students in, primarily, non-STEM disciplines. Paid internships and research opportunities also provide financial resources to assist students with their college expenses – thus expanding access to higher education.

The University would commit to providing an enhanced, attractive and effective physical environment for these services. These state funds would also be used to seek matching funding for program and space needs from our Vandal donors and from employers who have come to rely on access to our graduates to maintain their successful businesses.
This initiative meets the SBOE goals for Complete College Idaho by providing a positive incentive for initial college enrollment and a strong incentive for college completion by making career opportunities and career preparation a key part of the student experience from the freshman year on.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

c. List any additional operating funds and capital items needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: College & Universities	Agency No.:	510	FY 2016 Request
FUNCTION: University of Idaho	Function No.:	04	Page _1_ of _4 Pages
ACTIVITY:	Activity No.:		Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.05** Title: Rental Costs – Idaho Law and Justice Learning Center (ILJLC) Priority Ranking 1 of 5

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Rent	$337,800				$337,800
TOTAL OPERATING EXPENDITURES:	$337,800				$337,800
CAPITAL OUTLAY **by summary object:** 1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$337,800				$337,800

Supports institution/agency and Board strategic plans:

SBOE GOAL 1: A WELL EDUCATED CITIZENRY - Objective A: Access

Occupancy of the old Ada County Courthouse by the Idaho Law and Justice Learning Center (a joint undertaking of the Idaho Supreme Court and the University of Idaho through its College of Law) will provide increased access to learning and education about the laws and regulations that affect the citizens of Idaho.

Performance Measure: Access for place-bound students

The Idaho Law and Justice Learning Center (ILJLC) will provide a unique opportunity for more citizens of Idaho to gain access to both civics education as well as the opportunity to earn a JD degree.

Description: The Idaho Law and Justice Learning Center (ILJLC) is a joint undertaking of the Idaho Supreme Court and the University of Idaho College of Law designed to link the public and judicial education operations of the Idaho Supreme Court, the Idaho State Law Library and the College of Law into one unified law and justice learning center in Boise. The ILJLC will be occupied and used by the parties for the following purposes:

- outreach and engagement with the general public;
- the operation and management of the State Law Library;
- the delivery of judicial education by the Idaho Supreme Court; and
- the delivery by the College of Law of course offerings in Boise (currently consisting of a second and third year curriculum) through the Law School's Boise program.

The unique location of the ILJLC will permit the delivery of these efforts from a location in the heart of Idaho government – a place where laws are formulated, enacted, enforced and interpreted by the various branches of government. The ILJLC will be an important link to the citizens of Idaho by providing opportunities for law students and the citizens generally to learn about the legal history and the theoretical and practical aspects of citizenship, including the rights and duties of citizens with respect to each other and to the government.

The rental costs for the ILJLC have been set by the Idaho Department of Administration at $337,800/year as detailed in the attached draft Memorandum of Understanding and Capitol Annex Information sheet.

SBOE GOAL 2: CRITICAL THINKING AND INNOVATION - Objective A: Critical Thinking, Innovation and Creativity

The cooperative nature and undertakings of the ILJLC will provide an environment for the development of new ideas, and practical and theoretical knowledge regarding the law to foster the development of individuals who are entrepreneurial, broadminded, think critically, and are creative in ways that will benefit society.

Performance Measures: Partnerships with private industry and area institutions.

Description: The ILJLC will allow the College of Law to better coordinate its various economic development activities with area businesses and educational institutions. Currently, the College has a concurrent degree program with Boise State University (the JD/Masters of Accountancy – Taxation), and is in the process of approving a concurrent degree program with BSU for a JD/MBA program. In addition to these in depth concurrent degree programs that will be supported by the ILJLC, the College continues to engage with area agencies and businesses through its three clinical offerings that include the Small Business Legal Clinic (offering assistance to small and start-up businesses, the Economic Development Clinic (offering assistance to local governments in encouraging economic development in their localities), and the grant-funded Low Income Taxpayer Clinic (assisting individuals with taxpayer issues with the IRS).

SBOE GOAL 2: CRITICAL THINKING AND INNOVATION - Objective B: Quality Instruction

The ILJLC will increase student performance through the development, recruitment, and retention of a diverse and highly qualified workforce of faculty and staff.

Performance Measures: Increase in contact hours between the ILJLC and their respective target and outreach audiences.

Description: The ILJLC will be a center for the delivery of high-quality educational programs for the judiciary, the practicing bar, law students, college students from other institutions, civic organizations, high school students, and the public generally. In addition, the ILJLC will utilize the statewide video delivery system of the Idaho Supreme Court and the University of Idaho to better deliver programs in continuing legal education, with outreach to citizens generally and the practicing bar, resulting in high quality, cost-effective educational programming throughout the State of Idaho as part of their joint outreach and engagement activities.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   The amount requested is for rental costs in the remodeled Courthouse building located on the Capitol Mall. Pursuant to Board policy V.B.10., only owner-occupied space is eligible for occupancy costs. Since UI would be leasing this space from the Department of Administration, the University is requesting rent costs in lieu of occupancy costs.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
   c. List any additional operating funds and capital items needed.

   All necessary resources have been funded to allow occupancy of the ILJLC. Note that tenant improvements to the building in the amount of approximately $1.6 million will be funded by the University through private funds that have been secured.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
   This request is for on-going State General funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?
   The primary beneficiaries of this request will be the students of the College of Law who will be provided a focused opportunity to study law in a location near the seat of government in Idaho. As noted above, additional beneficiaries will include the judiciary, the practicing bar, college students from other institutions, civic organizations, high school students, and the public generally by reason of the various credit, professional, and outreach instruction to be delivered from the ILJLC.

   If the request is not funded, then operating funds from existing and planned educational and outreach programs would need to be utilized to fund the occupancy costs for the building. This would negatively impact the planned programming at the ILJLC and could delay or eliminate some of the efforts.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

C.L. "BUTCH" OTTER
Governor
TERESA LUNA
Director

State of Idaho
Department of Administration

650 West State Street Room 100
P.O. Box 83720
Boise, ID 83720-0003
Telephone (208) 332-1824 or FAX (208) 334-2307
http://www.adm.idaho.gov

7/1/201X

MEMORANDUM OF UNDERSTANDING

The Department of Administration is given responsibility to manage multi-agency office space and space in the Capitol Mall complex by Idaho Code Sections 67-5708 and 67-5709.

This Memorandum of Understanding between the Department of Administration and the various state agencies which are tenants in state buildings is to specify the amount of space occupied by each tenant, the charge for that space footage, and the requirements and responsibilities related to that space.

STATE AGENCY TENANT: University of Idaho - Law Learning and Justice Center

Square Footage Total: **28,150** Charges Total: **$ 337,800.00**

***** SPACE CHARGE DETAILS ARE BELOW *****

The charge per Square Foot of occupied space is an annual charge for the maintenance and operations of that space; the base rate will not change during the fiscal year. The TOTAL CHARGE may change from time to time based on the amount of square footage occupied by the State Agency. If occupied square footage changes during the fiscal year, an adjusted MEMORANDUM OF UNDERSTANDING will be issued. Rent will be prorated based on actual amount of space occupied. Rent is prepaid.

DRAFT

The Department of Administration reserves the right to inspect the property; however, the inspection will not disrupt the State Agency's employees, and inspections will be scheduled at reasonable times. The State Agency is reponsible for providing written notification to the Departmetn of Administration, Division of Public Works, of any required maintenance or repairs the State Agency's employees may have discovered.

Questions regarding office space may be addressed to Facilities Services at (208) 332-1930. Billing questions may be addressed to Financial Services at (208) 332-1815.

BY: ______________________ DATE: ______________

Teresa Luna
Director, Department of Administration

Agency Name	Facility	Type	Floor	Area	RATE	CHARGES
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	1st	109	$ 12.00	$ 1,308.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	1st	91	$ 12.00	$ 1,092.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	1st	96	$ 12.00	$ 1,152.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	1st	212	$ 12.00	$ 2,544.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	1st	1,608	$ 12.00	$ 19,296.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	1st	1,609	$ 12.00	$ 19,308.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	1st	2,372	$ 12.00	$ 28,464.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	1st	1,603	$ 12.00	$ 19,236.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	2nd	83	$ 12.00	$ 996.00

Agency Name	Facility	Type	Floor	Area	RATE	CHARGES
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	2nd	91	$ 12.00	$ 1,092.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	2nd	3,920	$ 12.00	$ 47,040.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	2nd	4,616	$ 12.00	$ 55,392.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	3rd	3,679	$ 12.00	$ 44,148.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	3rd	893	$ 12.00	$ 10,716.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	3rd	4,831	$ 12.00	$ 57,972.00
University of Idaho	Capitol Annex	Law learning & Justice Ctr.	4th	2,337	$ 12.00	$ 28,044.00
				28150		**$ 337,800.00**

DRAFT

Capitol Annex information for Idaho Law and Justice Learning Center MOU between Department of Administration and the ILJLC

Rent Charges:

Capitol Annex rent rates have been determined using a comparison of the Borah building and Capitol building charges along with the anticipated hours of operation planned in the building. Rent is for full service, which includes utilities, maintenance, janitorial, and security. Tenants are responsible for phone and data. Also, and should there be a need for after business hours security, the tenant is responsible for that as well.

The costs associated with maintaining the building will be monitored, then after one full year of use the rent will be adjusted up/down for FY18. Rent will not exceed $12 per square foot for FY16 and FY17. Capitol Mall rent rates are typically adjusted IF needed every three years.

Rent will not be charged until the building opens for business in FY16, which is anticipated to be September 2015. Typically MOU's are sent to agencies beginning each fiscal year and billed in half year installments. In this instance a pro-rated bill will be sent to University of Idaho for the Law Learning and Justice Center for the first half of FY16.

http://leasing.idaho.gov/docs/fac_manual.pdf (Section H - OCCUPYING A STATE-OWNED BUILDING)

Hours of Operation: (per L Dillion and B Johnson)

Weekdays: 6 AM until 11 PM
Weekends: 8 AM until 4 PM

Note: State Office Buildings are open for public access during normal working hours, which are from 7:00 a.m. to 5:30 p.m., on all state scheduled work days. Per University of Idaho, the building is to be accessible to University law students and staff 24/7, or as determined by the Dean for the Law School.

ID and Access Cards:

Capitol Mall uses the Hirsch Velocity system, HID proximity card for access. Capitol Mall security will need a sample card to affirm that University of Idaho Identification and Access cards are compatible with the Hirsch system. If so and once the University issues cards, those cards can be activated into the Capitol Mall system.

Parking:

University of Idaho staff who work at the Capitol Annex are eligible to participate in the Capitol Mall parking program. Because University of Idaho does not issue paychecks through the SCO, arrangements will be made for charging and collecting fees from University of Idaho staff for parking. Students are not eligible to participate in Capitol Mall parking.

http://cms.idaho.gov/parking/

Signature lines:

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AGENCY: Lewis-Clark State College	Agency No.: 511	FY 2016 Request
FUNCTION: General Education	Function No.:	Page 1 of 3 Pages
ACTIVITY: Work College Trial	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.01**	Title: **Work College Trial**				Priority Ranking 1 of 2
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	1.0				1.0
PERSONNEL COSTS (ongoing):					
1. Salaries	$45,000				$45,000
2. Benefits	20,000				20,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$65,000				$65,000
OPERATING EXPENDITURES **by summary object:**					$140,000
1. Program Expenses (ongoing)	$140,000				1,000
2. Supplies (ongoing)	1,000				
TOTAL OPERATING EXPENDITURES:	$141,000				$141,000
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation (one-time)	$3,00 0				$3,000
TOTAL CAPITAL OUTLAY:	$3,000				3,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$209,000				$209,000

Supports institution/agency and Board strategic plans: This request directly supports State Board Goal 1 (“A Well Educated Citizenry”), Objective A (“Access”) by increasing access for individuals of all ages, abilities, and economic means to Idaho’s P-20 educational system; and Objective B (“Higher Level of Educational Attainment”) through participation and retention in Idaho’s educational system.

Description: This request would support a prototype test and validation of the “Work College” concept as a means for Idaho students/families of limited economic means to gain access to higher education without having to take on significant loan debt, while providing an additional avenue for the College to engage with and advise students in order to boost retention and student success.

For over two years, LCSC has been studying the "Work College" model, which has been highly successful on a college-wide basis in the Work Colleges Consortium (WCC) of seven colleges in the East and Midwest, to see if a similar approach could be modified and applied in Idaho public colleges/universities. Under this approach, students would work at "regular" jobs at the institution for 10 hours per week (10 months per year) in exchange for tuition costs and a small hourly stipend to offset other incidental college fees. Participating students, selected on the basis of financial need, are able to graduate without incurring large student debt. More importantly, in the Work College approach, the students' work supervisors are directly and formally engaged in assessing student performance and progress, and provide another major pillar to help with retention, motivation, and advising. Work College students are more fully engaged with college personnel and operations and gain real work experience. LCSC staff members have worked with colleagues at the Work Colleges Consortium to identify already-proven procedures and formats which could be adapted for use in LCSC's proposed trial run. Based on results at the seven WCC member institutions, we are confident that a Work College option for selected students would result in the following results for LCSC students:

- A low cost-option for students who might otherwise not access the higher education system due to anxiety over the cost of college and concerns over incurring significant debt.
- Enhanced engagement of participating students who would be integrated fully in the college work force, as well as within heir student roles.
- Enhanced oversight and mentoring of students who would receive frequent, structured interaction from their supervisors as well as advisors.
- Students would have an opportunity to work at meaningful jobs within the college with a carefully controlled schedule compatible with their classes—they would already be contributing members of the Idaho workforce prior to graduation.

LCSC's request would fund a four-year trial run involving a controlled cohort of 20 students. The requested funds would permit a meaningful test bed for the Work College concept, which, if successful, could then be integrated into the institution's overall personnel and advising structure. Factors which make LCSC a logical test location for this concept include:

- Open access institution with an assigned (though unfunded) community college role and a diverse mission including associate, baccalaureate, academic, and professional-technical education.
- The lowest tuition of any of Idaho's public four-year institutions.
- The leanest staffing levels of white- and blue-collar jobs (the institution would benefit from the addition of this limited number of additional part-time workers).

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base? Answer: $209,000 to fund a single cohort testbed of 20 Work College students and one program coordinator.

2. What resources are necessary to implement this request? Answer: One program coordinator ($45,000 + fringe & health insurance) and funding to offset tuition/fees ($140,000). LCSC institutional funds will be used to cover supervisor costs for the participating students and workplace resources. One-time $3,000 capital funding for the coordinator's computer and workstation.
3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.). Answer: Breakout of ongoing costs (all from General Fund and all but $3,000 ongoing) is indicated in the financial matrix above.
   On-going general funds
4. Who is being served by this request and what are the expected impacts of the funding requested? Answer: this request enables students to have access to higher education who might not otherwise be able to afford college, or, if they had to take out loans to attend college, would graduate with significant debt. The Work College students will benefit from additional engagement, oversight, and mentoring, while contributing to the college as part of the school workforce. The college will benefit from greater efficiency (improved student retention and success), better service to economically-challenged students and their families, and augmentation of its lean work force.
5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first. Answer: Not applicable. This is the first year that this line item has been requested.

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AGENCY: Lewis-Clark State College Agency No.: 511 FY 2016 Request

FUNCTION: General Education Function No.: Page 1 of 3 Pages

Original Submission _X_ or

ACTIVITY: Activity No.: Revision No. ___

A: Decision Unit No: **12.02**	Title: **Salary Competitiveness**			Priority Ranking 2 of 2	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	0				0
PERSONNEL COSTS (ongoing): 1. Salaries 2. Benefits 3. Group Position Funding	 $2,640,000 554,000				 $2,640,000 554,000
TOTAL PERSONNEL COSTS:	$3,194,000				$3,194,000
OPERATING EXPENDITURES **by summary object:** 1. Program Expenses (ongoing) 2. Supplies (ongoing)	 0 0				0 0
TOTAL OPERATING EXPENDITURES:	0				0
CAPITAL OUTLAY **by summary object:** 1. N/A	 0				 0
TOTAL CAPITAL OUTLAY:	0				0
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$3,194,000				$3,194,000

Supports institution/agency and Board strategic plans: This request supports the State Board of Education Strategic Plan, Goal 2, Objective B ("*Quality Instruction*"): "*Increase student performance through the development, recruitment and retention of a diverse and highly qualified workforce of teachers, faculty, and staff*." This request also supports the related LCSC Strategic Plan, Goal 1 ("*Sustain and Enhance Excellence in Teaching and Learning*"), Objective 1E ("*Recruit and retain a highly qualified and diverse faculty and staff*") with a benchmark to meet or exceed the median salaries reported for peer institutions.

Description: This request addresses the large gap between the salaries of LCSC faculty and staff and their counterparts at peer institutions. It is anticipated that Idaho lawmakers soon will return to a sustainable funding approach for state employees, which will enable them to keep pace with market-competitive rates. However, consistent funding in future years for CEC at, say, 3% to 5% per year, as once recommended by the Governor's Office and DHR, would not enable LCSC employees to catch up with the significant salary gaps which currently exist with median salaries at peer institutions. The requested ongoing increase in General Fund dollars would close or significantly narrow the following gaps:

- LCSC faculty salaries (all ranks) which are 11.2% beneath the median for peers.
- LCSC classified staff salaries which (per latest DHR annual report) are 80.9% of policy and well below the average for all state employees.
- LCSC exempt staff salaries which are at least 15% below the CUPA medians for similar positions at similar size institutions.

The requested ongoing funding ($2,640,000 in base salaries, plus $554,000 in fringe) would be distributed based on merit and equity (market competitiveness), bringing LCSC's average salaries up to peer medians—one could say that this would bring LCSC salaries up to a respectable grade of "C" if a standard grading scale were used as an analogy for salary competitiveness.

This request would also allow the College to address its serious compensation gap without placing an undue burden on student fees. It has only been within the last decade that it became legal under Idaho statute to charge students for the actual cost of instruction. Since the onset of austere funding in FY2009, policymakers have shifted an increased burden for instructional costs (including employee salaries and benefit costs) on the backs of students and their families.

This request would also enable the College to maintain high quality faculty and staff (which are essential to quality program delivery) while continuing to expand output to meet the State Board's CCI/60% goals. Absent sustained, adequate funding for salaries, institutions would be forced to freeze current output levels and/or cannibalize operations to maintain a quality workforce.

Finally, the request would signal LCSC employees that the state is once again committed to fair pay levels, and this would help the College return to its former low turnover rates. For the past year (as economic conditions have begun to improve in neighboring states and the private sector, and as the change in real CEC dollars appropriated by the state have been negative over a number of years), LCSC turnover rates have begun to increase. Between 2012 and 2013 turnover rates have changed for the worse:

- Faculty turnover increased from 6.4% in 2012 to 11.0% in 2013 (a 72% increase)
- Classified staff turnover increased from 10.4% to 19% (a 91% increase)
- Exempt staff turnover increased from 5.9%to 8.7% (a 47% increase)

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base? Answer: $3.194M in ongoing General Fund dollars, the entirety of which would be in the base.

2. What resources are necessary to implement this request? No resources other than the requested increase in base funding.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.). Answer: see matrix above. The institution will continue to seek grant and private funding to support personnel and programs.

   On-going general funds

4. Who is being served by this request and what are the expected impacts of the funding requested? Answer: This request provides immediate relief to faculty and staff at LCSC who, on average, fall well below the median salaries of their peers and counterparts. However, the primary benefit of committing to fair compensation for employees will be the sustainment and enhancement of program quality and student success.

   If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first. Answer: Restoring adequate compensation has been LCSC's number one strategic priority for more than five years; however, until this cycle, the State Board has not entertained the approach of individual institutions submitting additional CEC requests beyond the formulaic 1% typically entered in the annual fiscal year MCO request.

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AGENCY: Division of Professional-Technical Education	Agency No.:	503	FY 2016 Request
FUNCTION:	Function No.:	03	Page 1 of 3 Pages
ACTIVITY:	Activity No.:		Original Submission _X_ or Revision No. ___

A: Decision Unit No: 12.01	Title: EITC Data Management System			Priority Ranking 1 of 4	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	1.0				1.0
PERSONNEL COSTS:					
1. Salaries	$49,200				$49,200
2. Benefits	21,900				21,900
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$71,100				$71,100
OPERATING EXPENDITURES **by summary object:**					
Computer Supplies	$185,000				$185,000
TOTAL OPERATING EXPENDITURES:	$185,000				$185,000
CAPITAL OUTLAY **by summary object:**	0				
TOTAL CAPITAL OUTLAY:	0				
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$256,100				$256,100

Supports institution/agency and Board strategic plans:

Goal 1. Effective and efficient delivery system resulting in a highly skilled workforce for Idaho

Objective A. **Synchronized system** | A coordinated, coherent system that demonstrates responsiveness and effectiveness in addressing Idaho's workforce needs

Description:

EITC manages student registration, financial aid, grades, course completion, transcripts and other essential functions using the Colleague data management system. The software is the system from which information is extracted for the Statewide Longitudinal Data System.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   EITC manages student registration, financial aid, grades, course completion, transcripts and other essential functions using specialized software. All colleges do these processes using computer systems because the data management systems are complex. In 2008 EITC determined that the software used for these programs, which was made by SchoolDESX Technologies, LLC (formerly Sooner Microsystems), was no longer suitable for emerging federal requirements and replaced this system with software manufactured and supported by Ellucian, Inc. (formerly Datatel, Inc.) and called Colleague. Colleague software is also used at Lewis-Clark State College (LCSC), North Idaho College (NIC), and College of Western Idaho (CWI). Other colleges in Idaho each use similar software (ISU and UI-Banner, BSU-Peoplesoft, CSI-Jenzabar).

   Colleague is the second largest operating expense for the college, after campus electricity costs. When personnel costs are included, Colleague is the largest overall expense for the college. Systems costs are rising at approximately 6% per year. Ongoing maintenance of the software, and coordination of this system with the state's longitudinal data system and internal learning management systems requires a full time IT Systems Programmer (classified pay grade L).

   EITC manages online student interaction, homework assignments, digital distribution of educational aids and many other learning systems through a software program known as Blackboard. Almost all colleges in the state use Blackboard; it is purchased through a statewide contract. The statewide contract is for the enterprise version; the systems available through this program are so complex that a systems specialist is required to provide the technical support for educators to fully exploit its capabilities.

   As with all organizations which store and use electronic information, EITC is vulnerable to attack and hacking of information systems by outsiders primarily intending to gain personal information of students. This is a major problem. To protect this information and comply with various federal laws (FERPA, Gramm-Leach-Bliley, inter alia) EITC as with other colleges has a layered defense system including rotating secure passwords, firewalls, access controls and other protection methods.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      - IT Systems Programmer
      - Classified Pay Grade L

- Full Time with benefits
- Current position at EITC being funded locally. Incumbent is currently paid $23.43/hour which is the 30th percentile of the pay scale. Policy for this pay grade is $27.55
- Permanent position

b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
   No resources will be redirected.

c. List any additional operating funds and capital items needed.
   Annual software costs estimated at $185,000

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
   It is requested that new general funds be made available to cover both the software costs and personnel costs on an ongoing basis.
   There are other costs associated with Colleague which will be covered by local funds, particularly from full time student technology fees. This system requires three dedicated computer servers, which have a service life of about 8 years. Due to periodic changes in the software to support new federal and state reporting requirements and new financial aid control methods, annual training for the operator is required. This typically requires approximately $4000 annually for participation in formal training and in local user group training.
4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?
   The entire EITC campus is served by Colleague software with the exception of custodial and maintenance personnel. There will be no impact on short term college operations if the requested funding is or is not provided. Funding for this software, and the technician to support it, is currently being drawn from college financial reserves. The entire faculty is served by Blackboard software as are all full time and part time (credit) students. Not funding this request would leave EITC more vulnerable to cyber-attack and increase risk of data disclosure in violation of various federal laws.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.
   Not previously requested

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Professional Technical Education	Agency No.: 503	FY 2016 Request
FUNCTION: General Programs	Function No.: 02	Page 1 of 3 Pages
ACTIVITY:	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: 12.02 Title: Secondary Added Cost Funding Priority Ranking 2 of 4

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Uniform 2. Training Materials					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:** 1.					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	$1,009,400				$1,009,400
LUMP SUM:					
GRAND TOTAL	$1,009,400				$1,009,400

How connected to institution/agency and Board strategic plans:

Goal 1: Effective and efficient delivery system resulting in a highly skilled workforce for Idaho.

Objective D: S*tudent Success:*
Systems services, resources and operations support high performing students in high performing programs transitioning to employment.

Description:
Added cost is the difference between the extra costs of PTE programs over general education programs' costs. Safety, current technology and instructional equipment are examples of added costs of PTE programs. Prior to the 2014 Legislative session,

added-cost unit values for PTE programs had not changed since 1998. At the same time technology, instructional equipment, and other added costs have increased.

In the 2014 Legislative session, the Legislature approved $756,400 ongoing from the General Fund to increase PTE's secondary schools added-cost unit values. This included $512,900 to increase the unit value for the Ag. Science and Technology Programs and the Ag. Science/Mechanics Programs from $10,260 to $15,000, for an increase of 46.2%.

The line item also included $243,500 to increase PTE's secondary schools added-cost unit values by 5% for all PTE secondary programs, with the exception of Ag. Science and Technology Programs and the Ag. Science/Mechanics Programs.

The Division of Professional-Technical Education is requesting $1,009,400 ongoing from the State General Fund to increase PTE's secondary schools added-cost unit values by 20% for all PTE secondary programs, with the exception of Ag. Science and Technology Programs and the Ag. Science/Mechanics Programs.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   The request is for a change in the General Fund to increase PTE's secondary added-cost unit values by 20% for all secondary programs, with the exception of Ag. Science and Technology Programs and the Ag. Science/Mechanics Programs.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service. N/A
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted. N/A
   c. List any additional operating funds and capital items needed. N/A

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions: new customer base, fee structure changes, ongoing anticipated grants, etc.
   See cover sheet.
4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Students enrolled in secondary PTE programs are served by this request.
   The impact of this request is to help offset the increased costs associated with running the secondary PTE programs.
   Students, secondary schools and PTE programs would be impacted if the request were not funded.

5. If this is a high priority item list reason non-appropriated line items from FY 2015 budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision

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AGENCY: Division of Professional-Technical Education	Agency No.:	503	FY 2016 Request
FUNCTION: Postsecondary Programs	Function No.:	03	Page _1_ of _3 Pages
ACTIVITY:	Activity No.:		Original Submission _X_ or Revision No. ___

A: Decision Unit No: 12.03	Title: Advanced Manufacturing Initiative			Priority Ranking 3 of 4	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	3.0				3.0
PERSONNEL COSTS:					
1. Salaries	$140,000				$140,000
2. Benefits	52,400				52,400
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$192,400				$192,400
OPERATING EXPENDITURES **by summary object:**					
1. Supplies and services	$215,200				$215,200
TOTAL OPERATING EXPENDITURES:	$215,200				$215,200
CAPITAL OUTLAY **by summary object:**					
1. Instructional equipment (one time)	$596,000				$596,000
TOTAL CAPITAL OUTLAY:	$596,000				$596,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$1,003,600				$1,003,600

Supports institution/agency and Board strategic plans:

Idaho State Board of Education Goal 1: A Well Educated Citizenry

Objective B
Higher Level of Educational Attainment – Increase the educational attainment of all Idahoans through participation and retention in Idaho's educational system.

Performance Measure:
Percent of Idahoans (ages 25-34) who have a college degree or certificate.
Benchmark: 60% by 2020

The postsecondary system of professional-technical education provides avenues to directly support the Idaho State Board of Education goal of achieving a 60% rate of documented work readiness (postsecondary and/or industry credentials) amongst 25-34 year old adults by 2020.

Description:

Ongoing as well and one-time money is needed to continue the momentum from last year's funding in the creation and expansion of advanced manufacturing programs. To remain competitive in the marketplace, the manufacturing sector of Idaho is faced with the implementation, operation, and maintenance of highly sophisticated equipment to automate their manufacturing, production, and processing systems. As an agent of economic development, PTE programs provide the workforce with the sophisticated skills required to support the new highly automated systems across the broad spectrum of advanced manufacturers in Idaho: food and dairy processors, aerospace, rapid prototyping, and many subsectors distributed around the state of Idaho. The current PTE postsecondary program inventory includes some elements of these needs, but there are specific emerging regional needs that prompt this request: a critical mass of food processors needing engineering and food processing technicians and industrial mechanics; the aerospace sector in northern Idaho; machine tool technology in southwestern and eastern Idaho, and aircraft maintenance in southeastern Idaho. In addressing these needs with each of the technical colleges, this proposal serves to upgrade, enhance, refine, and expand programs across the state as follows:

Line Item Request Summary FY2016

			ongoing			one-time	budget
Institutional totals		FTP	salary	benefits	OE	equipment	total
CSI	Food Processing Technology	0			14,000	165,000	179,000
CWI	Advanced Manufacturing	0			40,000		40,000
	Advanced Manufacturing - Training	0				150,000	150,000
EITC	Advanced Manufacturing Technologies	0			70,000	126,000	196,000
ISU	Advanced Manufacturing	0			23,500	100,000	123,500
	Aircraft Maintenance Technology	0				20,000	20,000
LCSC	Engineering Technology	1	50,000	21,800	33,200	35,000	140,000
NIC	Advanced Manufacturing Aerospace Instructor	2	90,000	30,600	34,500		155,100
	Grand total	**3**	**140,000**	**52,400**	**215,200**	**596,000**	**1,003,600**
	Total ongoing			192,400			
	Total one-time					596,000	

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   The request includes personnel, operating expenses, and capital outlay (instructional equipment) to support the proposed advanced manufacturing programs intended to facilitate support for the State Board Goal 1, Objective B performance measure: 60% of Idahoans (ages 25-34) who have a college degree or certificate.

   Neither staffing nor base funding is anticipated to be available for these activities for FY2016.

2. What resources are necessary to implement this request?

   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

   Full time professional-technical program faculty will be hired when institutions are authorized to do so and according to institutional grades, qualifications, benefits availability, and hiring protocols.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

   As several of the activities expand current operations, the programs' respective impacts will vary at each institution. In general, existing human resources will not be redirected, but institutional operations will be somewhat affected by increased traffic due to the capacity enhancement nature of the request.

   c. List any additional operating funds and capital items needed.

   None

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   See cover sheet

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Those served include the industry who will potentially hire additional trained technicians, the students who enroll in these requested as well as existing programs (consistent with current institutional student demographics), and the citizens of Idaho through advancement towards the 60% goal.

   If this request is not funded, the ability of the system will be relatively hampered in the ability to expand the capacity and support that will be necessary to adequately support the emerging high-tech nature of the Idaho manufacturing sector and achieve the 60% goal.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   In the Idaho Technical College System, it is an imperative that programs adapt to current need. There are elements of the prior year request in this current request. The major difference is the focus on a particular industry sector in need and giving instructional program development at this level of funding a high priority.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Division of Professional-Technical Education	Agency No.:	503	FY 2015 Request
FUNCTION: Dedicated Programs	Function No.:	04	Page ___ of __ Pages
ACTIVITY:	Activity No.:		Original Submission _X_ or Revision No. ___

A: Decision Unit No: 12.04	Title: Agricultural and Natural Resources Education Programs			Priority Ranking 4 of 4	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Supplies and services					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:** 1. Instructional equipment					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	$325,000	$275,000			$600,000
LUMP SUM:					
GRAND TOTAL	$325,000	$275,000			$600,000

Supports institution/agency and Board strategic plans:

Goal 1: Effective and efficient delivery system resulting in a highly skilled workforce for Idaho.

Objective D: S*tudent Success:*
Systems services, resources and operations support high performing students in high performing programs transitioning to employment.

Description:

Idaho Code Section 13-1629 established the Agricultural and Natural Resource Education Programs which consists of:

1. **Idaho Quality Program Standards Incentive Grants** to provide incentive grants up to a maximum of $10,000 for instructors of agricultural and natural resource education programs offered in any grade 9 through 12 where such programs meet or exceed the applicable Idaho quality program standards as determined by the State Board for Professional-Technical Education; and

2. **Agricultural Education Program Start-Up Grants** to provide funds up to four (4) grants per school year (no more than $25,000 per grant), for school districts and public charter schools to begin or to re-establish an agricultural and natural resource education program in any grade 9 through 12.

For the **Idaho Quality Program Standards Incentive Grants Fund**, the Division of Professional-Technical Education is requesting State General Funds in the amount of $300,000 and Dedicated Funds in the amount of $200,000.

The FY2014 total FTE of Agriculture and Natural Resource instructors was 126 and it was established that 40% of the instructors would initially meet the criteria of Idaho Quality Program Standards with a maximum grant of $10,000 per instructor. The total request of both State General Funds and Dedicated Funds ($500,000) would meet this need.

For the **Agricultural Education Program Start-Up Grants Fund**, the Division of Professional-Technical Education is requesting State General Funds in the amount of $25,000 and Dedicated Funds in the amount of $75,000.

This grant fund will provide up to four (4) Agricultural Education Program Start-Up Grants (not to exceed $25,000 per grant) to school districts or public charter schools to begin or re-establish an agricultural and natural resource program in any grade 9 through 12. The total request of both State General Funds and Dedicated Funds ($100,000) would meet this need.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   The Division is requesting funds to implement Idaho Code Section 33-1629 ("The board of professional-technical education shall in its annual budget request to the legislature request funding for the grant program provided for in this section."). Funds requested from the Idaho Quality Program Standards Incentive Grants Fund will be used to award up to 50 grants to secondary school districts for programs that meet or exceed the applicable Idaho quality program standards established by the State Board for Professional-Technical Education. Funds requested from the Agricultural Education Program Start-Up Grants funds schools to begin or re-establish an agricultural and natural resource education program in any grade 9 through 12.

2. What resources are necessary to implement this request?
    a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

        None

    b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

        None

    c. List any additional operating funds and capital items needed.

        None

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

    See cover sheet

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

    Secondary students enrolled in, or who want to enroll in, agricultural and natural science education programs in Idaho's school districts and public charter schools.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

    None

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Community Colleges	Agency No.: 501	FY 2016 Request
FUNCTION: CSI	Function No.:	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.01**	Title: **Supporting Complete College Idaho**			Priority Ranking 1 of 3	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	13.00				13.0
PERSONNEL COSTS:					
1. Salaries	$562,000				562,000
2. Benefits	253,000				253,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$815,000				815,000
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$40,000				$40,000
2. Software	60,000				60,000
3. Operating Supplies	25,000				25,000
4. Faculty Professional Develop.	30,000				30,000
TOTAL OPERATING EXPENDITURES:	$125,000				$125,000
CAPITAL OUTLAY **by summary object:**					
1. New Computer Lab	$60,000				$60,000
TOTAL CAPITAL OUTLAY:	$60,000				$60,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$1,000,000				$1,000,000

Supports institution/agency and Board strategic plans:

Goal 1, Objective B

Higher Level of Educational Attainment – Increase the educational attainment of all Idahoans through participation in Idaho's educational system.

Performance Measure:

1. Increase graduation rates for the College of Southern Idaho from 18% to 28% by fiscal year 2018 (May of 2018) – IPEDs definition of graduation rate. Fall of 2014 benchmark
2. Increase retention in degree and certificate programs at the College of Southern Idaho from 50% to 60% by fiscal year 2018 (May 2018) IPEDS definition of Fall to Fall retention. Fall of 2104 benchmark

3. Increase the number of students earning degrees or certificates by 30% by fiscal year 2018 (May 2018). Fall of 2014 benchmark
4. Increase credits successfully completed by 15% by the Fall of 2017 based upon Fall of 2014 credits.

The above performance measures are in support of SBE benchmarks
1. Attain a 75% new full time student return rate for the second year in Idaho community colleges.
2. Attain 20% of head count for post-secondary unduplicated awards for certificates requiring one academic year or more of study.

Description:

The Idaho State Board of Education has set a goal of 60% of all Idahoans between the ages of 25 and 34 receiving post-secondary education or training in order to meet today's needs in the workforce. The JA and Kathryn Albertsons Foundation (JKAF) has also strongly supported post- secondary education through their funding initiatives and "Go On" programs.

Though bachelor's and graduate degrees are important, the community colleges feel very strongly that these goals can only be met through a combination of associate degrees, professional technical education, certificates and customized workforce training.

The proposed model is based upon successful pilot programs funded by short term grants at our institutions and proven programs successfully implemented throughout the nation. This model, based in part on Complete College Idaho, is one of career counseling, guided pathways for success (GPS), mandatory orientation, intensive and intrusive advising, redesigned remedial courses, continuous follow up and expanded tutoring. It is high touch and highly successful. From a student's perspective, it requires a significant amount of effort for a shorter period of time and a much greater probability of success.

Each institution is at a different point in implementing programs to increase student success and therefore will have different needs. The funding distribution for this request is based upon each institution's academic FTE as reported to the Idaho State Board of Education.

The following outlines the needs of each institution:

College of Southern Idaho
1. Career and Transition Coordinators: 4 FTE ($32,000 salary plus benefits = $50,000) = $200,000, plus $20,000 operating expenses = $220,000

    80% of Idaho students graduate from high school but only 47% receive postsecondary training. We are missing the link in the transition to between high school and college. The new career and transition coordinators would work closely with recruiting and admissions staff in helping students at the beginning of their postsecondary training and education. In addition to providing extensive outreach/recruiting services, staff would be involved in career coaching to assist students in making the right choices at the start of their education. In fulfilling this expanded customer service role, staff would not only ensure students were admitted but also make sure they completed orientation, were advised, registered, applied for scholarships, and had a financial plan. Staff would assist the student with any administrative problems. These staff members would deal primarily with full time students in both professional technical and academic programs. This is at once an educational process about careers in the recruiting phase and an integrated advising and enrollment process. The end result of this process is an individualized education plan that will lead to timely and successful program completion.

2. Advising Staff: 4 FTE ($32,000 salary plus benefits = $50,000) = $200,000, plus $60,000 in operating expenses=$260,000

   We have completed the first year of a very successful pilot program with funding from the JKAF. This pilot program targeted at-risk students (i.e. minority, first generation college, underprepared and economically disadvantaged). Based upon the pilot program results and with assistance from our existing advising staff, we would implement intrusive advising with a case management model. Each advisor would have mandatory meetings 4 times a semester for new students for the first year and at least two meetings per semester for the following semesters. These advisors would also provide mandatory orientation that involved academic, financial and career information for new students with assistance from faculty and staff. In addition to staff, operating expenses include enhanced scheduling software and student tracking systems.

3. Remediation Reform: 4 Instructional FTE ($41,000 salary plus benefits = $60,000) = $240,000, plus $60,000 equipment = $300,000

   The new instructional staff would be supplemented by existing faculty in the establishment of an open laboratory type setting with computerized developmental coursework. The year round labs would be staffed by trained instructional staff to monitor and assist each student in completing coursework at his or her own pace. Credit would be awarded based upon outcomes.

4. Expanded Tutoring and Student Mentoring: $80,000 Part-time and Adjunct

   Expand resources for post-gateway high risk classes such as biology, chemistry, high level math, nursing, etc. based upon success ratio of the courses. This would involve hiring skilled students and staff to assist in these areas, and these instructional coaches will be available during a wide range of open hours for these services will serve to improve completion rates.

5. Instructional Designer: 1 FTE ($70,000 plus benefits = $95,000), plus $45,000 in operating expenses = $140,000

   This position would not only oversee quality in all of our online course offerings, but also would assist faculty in bringing up courses to the required level and monitor all courses for quality. The goal of this position is to increase success rates in all online courses through redesign and utilization of the most successful teaching techniques. While gateway courses would be targeted, the position would also assist in the development of quality online programs, not just courses.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   The request is for funding to develop a comprehensive approach to postsecondary educational services for all students. The approach involves the investment of resources on the front end of a student's educational experience in order to increase program completion at the most economical price possible. Job coaching, recruitment, orientation, placement, advising, registration and follow up services are all significantly enhanced through this proposal.

   The primary purpose of this request is to not only increase completion rates for all programs, but also to increase the number of students participating in post-secondary training. This is a direct response to both the Idaho State Board of Education 60% goal and the JKAF "Go On" campaign.

   The base funding for salaries and benefits for the existing five advisors and an advising director is $327,900. The base funding for salaries and benefits for two recruiters is $97,200. Both of these amounts are in the College of Southern Idaho General Fund account.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      4.0 FTE Recruiter/Advisor, $32,000, Full Time, Full Benefits @ $18,000, Hire Date of July 1, 2015, 12 month contract
      4.0 FTE Advisor, $32,000, Full Time, Full Benefits @ $18,000, Hire Date of July 1, 2015, 12 month contract
      4.0 FTE Faculty Instructor, $41,000, Full Benefits @ $19,000, Hire Date of August 1, 2015, 9 month contract
      0.0 FTE Faculty/Adjunct Faculty Tutors, $25 per hour, No Benefits, Hire Date of August 1, 2015
      1.0 FTE Instructional Designer, $70,000, Full Time, Full Benefits, Hire Date of July 1, 2015, 12 month contract

b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

   The existing CSI Admission and Recruiting functions will be restructured to ensure student follow-up is continuous and relevant. Coordination with Advising will also be enhanced along with increased, coordinated orientation and registration services for students.

c. List any additional operating funds and capital items needed.

   We are requesting $20,000 in travel funds for Recruiting/Advising to increase the number of students we can reach. This will involve more intensive job coaching, advising and follow up than our current model.

   We are requesting $10,000 in travel funds for our advising staff for professional development and collaboration with other institutions concerning best practices.
   We are requesting $20,000 in supplies for our advising staff to facilitate intensive advising through an increased number of student orientations held at various times throughout the year. There will be orientations every week in the summer.
   We are requesting $30,000 for software enhancements for advising to allow us to track students through stages of recruitment, orientation, advising, registration and completion. The software will provide a platform to assist in intensive advising. The data gathered will assist in determining the best practices for successful outcomes.

   We are requesting $10,000 in travel, $5,000 in supplies and $30,000 for faculty professional development for our instructional designer position. The travel is to ensure that our instructional designer and selected lead staff stay current on best practices. The $5,000 is for various faculty events and meetings concerning instructional improvement. The $30,000 for professional development is to expose our faculty to innovative instruction. This will involve speakers, travel, webinars and direct instruction.

   We are requesting $60,000 for a computer lab for remediation reform. The new lab will allow us to use assistive software for developmental students in an open setting with faculty to provide assistance. The objective is to get students up to college level within a single semester rather than multiple semesters.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   The entire request is for General Funds. The $60,000 computer lab is a one-time start-up equipment purchase. Replacement computers will be funded from institutional funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   This request is to improve the services we provide to students to ensure they are successful in their post-secondary experience. As noted in our Performance Measures, we expect to see more students, to serve them better and to increase completion rates.

   If this request is not funded, we will continue to run pilot programs serving small groups of students. This will refine the development of programs but it will not have a major effect on increasing enrollments and completion rates.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.
   This is the first year for this request.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

AGENCY: Community Colleges	Agency No.:	FY 2016 Request
FUNCTION: CSI	Function No.:	Page ___ of __ Pages
ACTIVITY:	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.02** Title: **Achievement Based Software** Priority Ranking 2 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	0.00				0.0
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Hosted Software	$100,000				$100,000
TOTAL OPERATING EXPENDITURES:	$100,000				$100,000
CAPITAL OUTLAY **by summary object:** 1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$100,000				$100,000

Supports institution/agency and Board strategic plans:

CSI Strategic Initiative 1: Student Learning and Success
Goal 1: Demonstrate continued commitment to and shared responsibility for student learning and success.

Performance Measure:

1. The success rate of students testing into developmental education and completing their course of study will increase from 30% to 60% by fiscal year 2018 (May 2018)

Description:

One of the major barriers in getting students started on a career track is getting them through the general education requirements of math and English. 40% to 60% of incoming first-time fulltime students place into remedial math, remedial English, or both, and students often take several semesters to complete traditional developmental education courses as a part of this process. Many get discouraged and quit.

Responding to pilot program results and evidence-based practices aligned with Complete College Idaho, CSI recognizes remediation reform is essential. Students must be accurately diagnosed in terms of their specific deficiencies, and then engaged in specialized learning opportunities and activities and their progress through these activities closely monitored. College personnel would facilitate the instruction, but the management interface, learning activities, and progress monitoring requires specific technology and potentially cloud-based data systems.

CSI proposes to secure access to a software solution that will accomplish these various interventions and activities. The anticipated outcomes are:

- Thorough identification of student-specific instruction
- Targeted, precise, individualized computer-based learning, facilitated by CSI personnel
- Automated progress reporting for enhanced student engagement
- Shortened time to enter gateway courses
- Economical alternative to multi-credit developmental courses
- Higher efficiency and success rates of student participants

There are many variables in the pricing of a hosted software system with these features. This request is for the purchase of a base system from which we can build upon based upon our measured success and best practices.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   The request is for $100,000 to pay for a hosted system and associated training for a specialized learning software system.
   Existing instructional staff will be trained in the use of the software.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      Existing instructional staff will be trained in the use of the system.
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      Developmental education faculty, both existing and if the need exists, new faculty, will be trained both in the use of the software and in the teaching methods required for this type of instruction.

c. List any additional operating funds and capital items needed.
   No additional operating funds are required.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
   Based upon the anticipated use of the program, we expect the annual maintenance and licensing fees to be approximately $150,000 per year for the hosted solution.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?
   Students are the primary recipients and beneficiaries of this request. The anticipated impact will be significant in that both the timeline to gateway course participation will be accelerated and the rate of course completion will increase.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.
   The prior year Line Items that were not funded were not requested this year. In light of CSI's commitment to remediation reform consonant with the CCI Plan, this line item poses a more critical need.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Community Colleges	Agency No.:	FY 2016 Request
FUNCTION: CSI	Function No.:	Page ___ of __ Pages
		Original Submission _X_ or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.03** Title: **Institutional Researcher** Priority Ranking 3 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	1.00				1.0
PERSONNEL COSTS:					
1. Salaries	$76,000				$76,000
2. Benefits	27,000				27,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$103,000				$103,000
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$5,000				$5,000
TOTAL OPERATING EXPENDITURES:	$5,000				$5,000
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation	$2,000				$2,000
TOTAL CAPITAL OUTLAY:	$2,000				$2,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$110,000				$110,000

Supports institution/agency and Board strategic plans:

Goal 3, Objective B: Data Informed Decision Making – increase the quality, thoroughness and accessibility of data for informed decision-making and continuous improvement of Idaho's educational system.

Performance Measure:

1. Through the use of data analysis and continued participation with the Idaho State Board of Education, relevant, reliable, comparable data will be used in making management decisions. CSI will be able to participate in providing reports and data required by various entities.

Description:
The College of Southern Idaho currently has two part time staff assigned to institutional research and reporting. In addition to traditional on-going ad hoc, IPEDS and administrative management reports, we have added reporting for the statewide longitudinal data system, the community college Voluntary Framework for Accountability, Complete College America, new Northwest Accreditation core standards and the Student Success Initiative. The staff is also responsible for Institutional Profile Report, a 150 page book of current as compared to historical data, charts and graphs specifically for CSI, which is completed every two years.
In addition to reporting, there is a growing emphasis by the Idaho State Board of Education for institutional research staff to participate in state and national conferences. We are also experiencing a movement towards analytics for predictive data and efficiencies. Analytics can provide valuable data but it is time intensive.
Two part time people cannot keep up with this workload.
This request is for funding to hire one full time institutional researcher to assist our two part time staff. This position will provide consistent support to our existing staff along with improving the process of getting needed reports for evaluation and decision making.

Questions:
1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   A full time institutional researcher position is being requested to assist in addressing the overwhelming amount of reporting and data analysis required both internally and externally.
   Currently, we have two part time staff doing institutional research. The Dean of Instructional Technology spends part of his time on research and the remaining time supervising all network, hardware, web, telephone and telecommunication systems. This involves oversight of approximately 24 staff members. A research specialist who also does all ad hoc reporting for our Student Services and Business Office departments is also involved in institutional research.
   The total of $104,400 is currently being spent in this area.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      1.0 FTE, Institutional Researcher, $76,000, Full Time, Full Benefits, Hire Date of July 1, 2015, 12 month contract
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      The new institutional researcher will report to the Dean of Technology. The existing two part time staff performing institutional research will share duties with the new position with the work being divided between them.
   c. List any additional operating funds and capital items needed.

We are requesting $2,000 for a high functioning computer and the applicable software.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
   The entire request is from the General Fund. The $2,000 for the computer and software is a one-time start up equipment purchase. Replacement equipment will be from institutional funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?
   The College is the prime entity being served through the utilization of data to make good decisions to efficiently provide services to students.
   If this request is not funded, we will have to prioritize what we can do with the existing staff. This may mean not participating in various programs, data reporting and state sponsored events.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.
   This is the first year of this request. The FY 2016 line items prioritized higher were not a part of a prior year request.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Community Colleges	Agency No.: 505	FY 2016 Request
FUNCTION: NIC	Function No.: 06	Page ___ of __ Pages
ACTIVITY:	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.01** Title: **Supporting Complete College Idaho** Priority Ranking 1 of 4

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	15.0				15.0
PERSONNEL COSTS:					
1. Salaries	$600,000				$600,000
2. Benefits	184,000				184,000
3. Group Position Funding	50,000				50,000
TOTAL PERSONNEL COSTS:	$834,000				$834,000
OPERATING EXPENDITURES **by summary object:**					
5. Travel	$21,000				$30,000
6. Operating Supplies	50,000				30,000
7. Faculty Professional Develop.	80,000				80,000
TOTAL OPERATING EXPENDITURES:	$151,000				$151,000
CAPITAL OUTLAY **by summary object:**					
1. Desktop Computers	$15,000				$15,000
TOTAL CAPITAL OUTLAY:	$15,000				$15,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$1,000,000				$1,000,000

Supports institution/agency and Board strategic plans:

Goal 1, Objective B

Higher Level of Educational Attainment – Increase the educational attainment of all Idahoans through participation in Idaho's educational system.

Performance Measure:

1. Increase retention in degree and certificate programs at North Idaho College from 54% (the 3 year average of Fall09 to Fall11) to 63%
2. Increase percentage of new students at North Idaho College who are awarded a degree or certificate from the current 20.8%.
3. Increase percentage of career program completers employed in related field from 54.9% to 65%.

The above performance measures are in support of SBOE benchmarks

1. Attain a 75% new full time student return rate for the second year in Idaho community colleges.
2. Attain 20% of head count for post-secondary unduplicated awards for certificates requiring one academic year or more of study.

Description:

The Idaho State Board of Education (SBOE) has set a goal of 60% of all Idahoans between the ages of 25 and 34 receiving post-secondary education or training in order to meet today's needs in the workforce. The JA and Kathryn Albertsons Foundation has also strongly supported post- secondary education through their funding initiatives and "Go On" programs.

Though bachelor's and graduate degrees are important, the community colleges feel very strongly that these goals can only be met through a combination of associate degrees, professional technical education, certificates and customized workforce training.

The proposed model is based upon successful pilot programs funded by short term grants at our institutions and proven programs successfully implemented throughout the nation. This model, based in part on Complete College Idaho, is one of career counseling, guided pathways for success (GPS), mandatory orientation, intensive and intrusive advising, redesigned remedial courses, continuous follow up and expanded tutoring. It is high touch and highly successful. From a student's perspective, it requires a significant amount of effort for a shorter period of time and a much greater probability of success.

Each institution is at a different point in implementing programs to increase student success and therefore will have different needs. The funding distribution for this request is based upon each institution's academic FTE as reported to the Idaho State Board of Education.

The following outlines the needs of each institution:

North Idaho College

1. Coordinator Retention/Completion: 1 FTE ($60,000 salary plus $20,000 benefits), $2,500 operating expense and $1,500 equipment. = $84,500

   A Coordinator for Retention/Completion will help to manage, develop and implement retention strategies to support student cohorts, and will help develop measurable goals to enhance student progress to degree completion. In addition to closely tracking student progress, the coordinator will assist with developing reports and will work with campus leaders to plan and provide support for broader campus retention efforts. The Coordinator will support instructional efforts to help sustain several grant-funded programs. This position will assist students with student services needs as they enter programs, track and aid students through their programs, and provide employment assistance as they complete programs.

2. Advising Staff: 4 FTE ($45,000 salary plus benefits = $60,000) = $240,000 plus $8,000 in operating expenses and $6,000 in capital outlay = $254,000

   We have has a very successful pilot program with funding from the J.A. and Kathryn Albertsons Foundation (JKAF). This pilot program targeted at-risk students (i.e. minority, first generation college, underprepared and economically disadvantaged). Based upon the pilot program results and with assistance from our existing advising staff, we would implement intrusive advising with a case management model. In addition to staff, operating expenses include travel and training and capital outlay includes computers and some office furniture.

3. Summer Remediation Program: 3 FTE ($45,000 salary plus benefits = $45,000) = $180,000, plus $6,000 equipment and $4,500 operating expenses = $190,500

   The new staff would be supplemented by existing faculty in the establishment of an open laboratory type setting with computerized developmental coursework for math and English. The year round labs would be staffed by trained instructional staff to monitor and assist each student in completing coursework at his or her own pace.

4. Transition Coordinator: 1 FTE ($45,000 plus benefits = $60,000), plus $2,500 operating expenses and $1,500 equipment = $64,000

   A Transition Coordinator position will work closely with recruiting and admissions staff to help students transition from secondary to post-secondary programs. The Transition Coordinator will provide pathways coaching, will assist students in navigating through admissions and financial aid requirements, and will aid students with their education plans. Integrating the sometimes overwhelming admissions process with early advising ensures a smooth transition for students and a clear path toward timely completion of their program of study.

5. Support for Faculty Engagement in Intrusive Advising: 5 FTE (part time and adjunct faculty) plus benefits = $144,000

   The college has successfully implemented Intrusive Advising for at-risk students but has only been able to implement it on a small scale. Since faculty are often the first and most important point of contact for new students, they are in a position to recognize the early signs of an “at-risk” student such as sudden non-attendance or sudden failure to turn in work. Frequent faculty-student contact in and out of the classroom is the most important factor in student motivation and involvement. By providing support for faculty engagement in intrusive advising, the college can identify at-risk students early in their program thereby moving a greater number of students toward completion.

6. Faculty Professional Development: $80,000 operating expense

   Several faculty-driven curriculum process changes are underway at NIC as a result of the state-wide General Education Reform (GEM) initiative, and the adoption of the Guided Pathways approach to reducing time to graduation. The need for professional development for faculty is great so that the work continues toward identifying an explicit core with shared learning outcomes that clearly guides students toward their educational goals. NIC has begun work to review and implement a redesigned core that will not simply generate more degrees, but will generate quality degrees, and to both collect and use assessment data to make core course improvements.

7. Expansion of Quality Matters: 1 FTE ($60,000 plus benefits = $80,000), plus $50,000 in instructional stipends, $52,000 operating expenses and $1,500 in equipment = $183,500

   The Quality Matters project at NIC is aimed at creating a continuous improvement process for assuring the quality of online instruction. The project will involve faculty, instructional designers, and staff in best practices in instructional design. The project will help to systematically ensure the quality and consistency of NIC's online courses resulting in greater success rates for online students.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   The request is for funding to develop a comprehensive approach to postsecondary educational services for all students. The approach involves the investment of resources on the front end of a student's educational experience in order to increase program completion at the most economical price possible. Job coaching, recruitment, orientation, placement, advising, registration and follow up services are all significantly enhanced through this proposal.

   The primary purpose of this request is to not only increase completion rates for all programs, but also to increase the number of students participating in post-secondary training. This is a direct response to both the Idaho State Board of Education 60% goal and the JA and Kathryn Albertson "Go On" campaign.

   The base funding for salaries and benefits for the existing staffing includes six advisors and advising Director totaling is $338,700. This amount is in the NIC general fund. We also have two positions funded by the Albertson's grant in the amount of $93,000. This is grant funding.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      1.0 FTE – Transition Coordinator $45,000, full time with benefits at $15,000. Anticipated hire date 7/1/16. 12 month employee.

      1.0 FTE Coordinator Retention/Completion $60,000, full time with benefits at $20,000. Anticipated hire date 7/1/16. 12 month employee

5.0 FTE Faculty/Adjunct Faculty Advisors 150 stipends at $800/credit. Taxes and retirement only benefits. Anticipated hire date 8/15/16
1.0 FTE Instructional Designer $60,000, full time with benefits at $20,000. Anticipated hire date 7/1/16. 12 month contract.
0.0 FTE Faculty/Adjunct Faculty Training Stipends, $500/faculty member for 100 faculty, taxes and retirement only. Hire Date of August 1, 2016
4.0 FTE Advising Staff $45,000, full time with benefits at $15,000. Anticipated hire date 7/1/16. 12 month contract
3.0 FTE Advising Staff $45,000, full time with benefits at $15,000. Anticipated hire date 7/1/16. 12 month contract

b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

The existing NIC advising and instructional staff will train with and support these initiatives. There are already staff and faculty interested in and piloting these programs.

c. List any additional operating funds and capital items needed.

We are requesting $80,000 in professional development funds for instructional personnel to help the college with general education reform and to design better methods for collecting, utilizing, and sharing student learning outcomes assessment data. This work will guide students toward their educational goals.
We are requesting $15,000 for computers for the new staff in this request as well as for office furniture.
We are requesting $10,000 travel funds for the advising staff for professional development and collaboration with other institutions concerning best practices.
We are requesting $11,000 in travel, $20,000 in supplies and $30,000 for training and professional development for our instructional designer position. The travel is to ensure that our instructional designer and selected lead staff stay current on best practices. The $20,000 is for providing supplies and training materials to the faculty being instructed in the new methods. The $30,000 for professional development is to expose our faculty to innovative instruction. This will involve speakers, travel, webinars and direct instruction.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   The entire request is for General Funds. The $15,000 for desktop computers and furniture is a one-time start-up equipment purchase. Replacement computers will be funded from institutional funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

This request is to improve the services we provide to students to ensure they are successful in their post-secondary experience. As noted in our Performance Measures, we expect to see more students, to serve them better and to increase completion rates.
If this request is not funded, we will continue to run pilot programs serving small groups of students. This will refine the development of programs but it will not have a major effect on increasing enrollments and completion rates.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   This is the first year for this request.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

AGENCY: Community Colleges	Agency No.: 501	FY 2016 Request
FUNCTION: NIC	Function No.: 02	Page ___ of __ Pages
		Original Submission _X_ or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.02**	Title: **Data System Analyst/Developer**			Priority Ranking 2 of 4	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	1.00				1.0
PERSONNEL COSTS:					
1. Salaries	$78,500				$78,500
2. Benefits	26,000				26,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$104,500				$104,500
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$5,000				$5,000
TOTAL OPERATING EXPENDITURES:	$5,000				$5,000
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation	$3,000				$3,000
TOTAL CAPITAL OUTLAY:	$3,000				$3,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$112,500				$112,500

Supports institution/agency and Board strategic plans:

Goal 3, Objective B: Data Informed Decision Making – increase the quality, thoroughness and accessibility of data for informed decision-making and continuous improvement of Idaho's educational system.

Description:
The demand for more information to support regulatory compliance, strategic data driven decision making, ad-hoc and operational reporting needs is ever increasing. Renewed emphasis and institutional commitment and priority need to be given in the area of data development. An additional staff position in Information Technology will enable the College to markedly improve reporting and information analytics.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      1 FTE Data Analyst/Developer, $78,500 salary full time with benefits at $26,000. Anticipated hired date 7/1/16. 12 month contract.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      No resources will be redirected. Existing operations will improve quality and availability of reporting to campus and constituents.
   c. List any additional operating funds and capital items needed.
      $5,000 for travel to training and meetings with other schools. $3,000 one-time funds for a desktop computer and office furniture.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
   Funding request is for state general funds. $3,000 is for one time capital items (computer and office furniture).

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Since 2006, Information Technology has partnered with the Office of Institutional Effectiveness to develop an institutional reporting capability including a centralized, data-mart reporting environment. This environment utilizes Microsoft technologies and reporting tools that came at no additional cost to the institution due to our existing campus license agreement with Microsoft.

   Leveraging the Microsoft Business Intelligence suite of tools will pay great dividends to North Idaho College. The Developer position will not only assist and support the existing Information Center staff and data analysts but will further extend the college's ability to complete current information initiatives and address new analytics initiatives, taking the data mart reporting platform to a new level

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

AGENCY: Community Colleges	Agency No.:	FY 2016 Request
FUNCTION: NIC	Function No.: 02	Page ___ of __ Pages
ACTIVITY:	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.03** Title: Security Measures Priority Ranking 3 of 4

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 2 Officers					
1. Salaries	$64,000				$64,000
2. Benefits	16,000				16,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$80,000				$80,000
OPERATING EXPENDITURES: Establish M & O budget:					
Security Training	$15,000				
TOTAL OPERATING EXPENDITURES:	$15,000				$15,000
CAPITAL OUTLAY **by summary object:**					
<u>Exterior Campus Surveillance System:</u> Network Storage, ($35,000); Entrance/Exit Cameras, ($84,000); Parking lot Cameras, ($40,000); License, ($10,000); Installation, ($16,000)	$185,000				$185,000
<u>Electronic Access Controls for Departmental/Building Zone Security:</u> 50 doors at $5,000 per door.	250,000				250,000
Internal Electronic Access controls: Upgrade to current system to allow classrooms with electronic locks to be locked down from within.	90,000				90,000
TOTAL CAPITAL OUTLAY:	$525,000				$525,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$620,000				$620,000

Supports institution/agency and Board strategic plans:

Performance Measures:

Narrative Support: Since the passing of SB 1254, allowing concealed weapons on campus, the safety of our college campuses have come into question. Increased training and personnel within our campus security department along with the installation of surveillance cameras and expanding the capability for securing areas of campus through electronic access will serve to make our campus safer.

Description: Enhancing the capabilities of our campus security by providing an increased visual presence and ability to respond to multiple calls will better serve our students, employees, and visitors.

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Questions:

1. What is being requested and why?
   Increased security personnel, campus wide exterior surveillance system, and enhanced electronic access controls. These 3 components will serve to improve the safety of our campus for students, employees, and visitors.

2. What is the agency staffing level for this activity and how much funding by source is in the base?
   We are requesting 2 full-time, benefitted staff positions. 100% of the funding for this position is base.

3. What resources are necessary to implement this request

4. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   All anticipated expenditures would be state general funds. $540,000 would be one-time funds for capital purchases.

5. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted

   Students, employees, and visitors to the North Idaho College campus will experience a more safe and secure environment. If this request is not funded, we will not be able to provide the enhanced level of safety and security we hope for.

6. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   Line items from prior year budget requests have either been funded or are a lower priority within the North Idaho College mission and strategic plan .

AGENCY: North Idaho College	Agency No.:	FY 2016 Request
FUNCTION: Education	Function No.: 02	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.04**	Title: Electronic and Information Technology Coordinator (ADA)			Priority Ranking 4 of 4	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	$42,000				$42,000
2. Benefits	17,700				17,700
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$59,700				$59,700
OPERATING EXPENDITURES: Establish M & O budget:					
Office remodel in Seiter Hall, computer, and equipment	$12,000				$12,000
Electronic Information Technology and Assistive Technology Conferences, staff development and association memberships	10,000				10,000
TOTAL OPERATING EXPENDITURES:	$22,000				$22,000
CAPITAL OUTLAY **by summary object:**					
<u>Network, Software, and other system compliance</u>: HiSoftware Compliance Sheriff for Web Content Compliance Automation, ($32,000); Campus-Wide Speech to Text Software Licensing Software Read/Write Gold ($12,000); Transcription Costs for Video and Film Captioning ($18,000)	$62,000				$62,000
Hardware Compliance: Access Kiosk Computer Replacements ($18,000); Student Disability Multimedia Computer Stations upgrades for 7 sites ($21,000); Blind and Visually Impaired Assistive Technology Lab to include 3-D printing for Tactile accommodation ($15,000).	54,000				54,000
TOTAL CAPITAL OUTLAY:	$116,000				$116,000
GRAND TOTAL	$197,700				$197,700

Supports institution/agency and Board strategic plans:

Performance Measures:
Performance objectives and measures will be defined in the North Idaho College Electronic and Information Technology (EIT) Policy and Procedure.

Description:
The U.S. Department of Education, Office for Civil Rights is widely publicizing the recent May 4, 2012 University of Montana EIT compliance complaint against the institution. The Office for Civil Rights is reminding all post-secondary institutions that the remedial actions against the University of Montana should be viewed as a template to ensure colleges are in compliance with EIT requirements and standards. After reviewing the Department of Education, Office for Civil Rights Resolution Agreement with the University of Montana, NIC has recognized the need to designate/hire an Electronic and Information Technology (EIT) coordinator, develop an EIT Policy and Procedure, audit all college electronic systems for accessibility compliance, and develop a priority list to begin addressing deficit areas. NIC has already identified several deficit areas through past audit activity including the need to install web content compliance software, purchase a campus wide licensing for text to speech software system, upgrade computer kiosks, information stations, copiers, learning management systems including classroom technology and multimedia, phone systems, and also provide captioning of videos and film content to ensure accessibility for students with disabilities is adequately addressed. Additionally the EIT Coordinator would be responsible for identifying additional funding sources and grants to ensure continued electronic and information tech compliance across all NIC campuses and platforms.

Questions:
1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   It is critical for North Idaho College to fully meet federal EIT compliance and in order to do so, both staff and capital outlay resources must be established and maintained. North Idaho College is requesting funds to expand and further develop its Electronic and Information Technology (EIT) compliance to ensure NIC systems are fully accessible for individuals with disabilities. In order to meet compliance standards, NIC must develop an EIT Accessibility Policy and Procedures, designate an EIT Coordinator who has the responsibility and commensurate authority to coordinate the College's Accessibility Policy and Procedures, perform an audit of EIT applicable systems at NIC, prioritize deficient systems, and then implement enhancement and corrective action to ensure EIT compliance. In addition to requesting base funding for an EIT coordinator position, several large scale EIT systems expenditures are also being recommended as part of this request.

   Salary request for 1 full-time, benefitted staff position. 100% of the funding for this position is base.

Request funding for EIT upgrades and improvements which may include the following: website accessibility and website document compliance monitoring software; video and media accessibility and captioning capability; office equipment, copier and fax machine accessibility upgrades; information kiosks, ATM, and ancillary equipment upgrades; learning management system upgrades. 25% of the request is base to ensure ongoing accessibility systems upgrade and compliance.

2. What resources are necessary to implement this request?

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   The entire request is from the General fund. $116,000 is one time capital expenditure. Replacement, maintenance and future license renewal would be funded from other sources.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted.

   Students with documented disabilities, as defined by Section 504 of the Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act of 1990, and the regulations that implement those statues at 34 C.F.R. Part 104 and 28 C.F.R. Part 35, from the five northern counties and served by North Idaho College will be legally served through the implementation of the EIT coordinator and applicable systems management and upgrades.
   If not funded, colleges risk a similar response by the U.S. Department of Education, Office for Civil Rights as was taken against the University of Montana. Preventative and incremental adequately funded EIT adaptation towards compliance, guided by policy and procedures and facilitated by an EIT Coordinator, is preferred as opposed to immediate OCR sanction which may result in costly and immediately intervention.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   N/A. There have been no prior requests for an EIT Coordinator position or EIT system improvements and enhancements.

   Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Community Colleges	Agency No.: 505	FY 2016 Request
FUNCTION: College of Western Idaho	Function No.: 07	Page ___ of __ Pages
ACTIVITY: Instructional Support	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.01**	Title: **COMPLETE COLLEGE IDAHO/60%**			Priority Ranking 1 of 3	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	5.0				5.0
PERSONNEL COSTS:					
1. Salaries	$236,600				$236,600
2. Benefits	106,200				106,200
3. Faculty training stipends	18,000				18,000
TOTAL PERSONNEL COSTS:	$360,800				$360,800
OPERATING EXPENDITURES **by summary object:**					
1. Travel (professional development)	$20,000				$20,000
2. Computers	6,000				6,000
3. Software	510,000				510,000
4. e-Campus	100,000				100,000
TOTAL OPERATING EXPENDITURES:	$636,000				$636,000
CAPITAL OUTLAY **by summary object:**					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	**$996,800**				**$996,800**

Supports institution/agency and Board strategic plans:

<u>Idaho SBOE Goal 1, Objective B</u>

GOAL 1: A WELL EDUCATED CITIZENRY *The educational system will provide opportunities for individual advancement.*
Objective B: Higher Level of Educational Attainment – Increase the educational attainment of all Idahoans through participation and retention in Idaho's educational system.

Performance Measure:

CWI Goal 1, Objectives 1 and 3

Institutional Priority 1: Student Success -- *CWI values its students and is committed to supporting their success (in reaching their educational and/or career goals).CWI will develop educational pathways and services to improve accessibility*

Objective 1: *CWI will improve student retention and persistence*

Performance Measure: *Semester-to-Semester Persistence rates will meet or exceed 80% by 2019*

Objective 3: *CWI will provide support services that improve student success*

Performance Measure: *Persistence Rate first to second semester of enrollment for 1st time college attenders will meet or exceed 77% by 2019.*

Description:

1. General Education Coordinator $50,500 salary plus benefits = $71,655; Credit for Prior Learning Coordinator $50,500 plus benefits = $71,655; Functional Analyst $45,600 plus benefits $65,726; OE $68,600 = **$277,636**

   The State Board of Education recently approved a new General Education framework for Idaho post-secondary institutions to provide greater consistency and transferability among all public higher education institutions. This 36 credit framework represents a significant milestone for degree-seeking students. Currently, students completing this course of study are not awarded a formal certificate of completion and therefore are not counted towards the 60% goal. A general education academic certificate will allow the state of Idaho to formally acknowledge this milestone and capture these students in the count towards the 60% goal. CWI hopes to create such a certificate of completion. We believe this will not only significantly contribute to 60% of Idahoans, age 25 to 34, attaining a degree or certificate by 2020, such a certificate will provide dual credit students a goal of achievement prior to high school graduation (which they can transfer seamlessly to any of Idaho's public postsecondary institutions). In addition, an academic certificate will provide college students a sense of achievement and renewed motivation on their pathway to degree completion. An academic certificate for general education completers is also significant to business and industry. In a 2013 workforce study conducted by Hart Research Associates, 95% of employers "put a priority on hiring people with the intellectual and interpersonal skills that will help them contribute to innovation in the workplace" and 95% of employers say that "a candidate's demonstrated capacity to think critically, communicate clearly, and solve complex problems is more important than their undergraduate major." CWI will utilize e-portfolios to assess our general education program—students will contribute "signature assignments" to demonstrate their knowledge, skills, and abilities. The intention of the portfolio, beyond programmatic assessment, is to provide students with artifacts and documentation to aid transfer, scholarship applications, honors program transfer, or employment opportunities. The General Education Coordinator will promote the general education academic certificate, act as a liaison between Academic Affairs and the Registrar to oversee academic certificate completion, act as a liaison to Advising to coordinate ongoing degree completion planning for students earning an academic certificate, and will be responsible for coordinating general education program assessment. CWI is also requesting a Functional Analyst to assist in all data collection, analysis, and reporting related to Complete College Idaho initiatives, including general education reform, transforming remediation, and strengthening advising. A Coordinator of Credit for Prior Learning will assist students in aligning prior experience with course competencies. Students may be granted credit for relevant experience commensurate with coursework, thereby shortening time to degree.

2. Student Success Course: 2 FTE $90,000 plus benefits = $130,000; faculty training $18,000 plus benefits = $21,780; $7400 in OE = **$159,180**.

   To align with the Complete College Idaho key strategy of Structuring Student Success, CWI has developed a first semester student success course with thoughtful intent to connect students with the institution, faculty and staff, support services, one another, and with themselves as college-level learners. Connecting with Ideas is a course designed for new degree-seeking students and is a required component of the reformed General Education framework. CWI requests two full-time faculty leads to implement the new curriculum; coordinate monitoring, assessment, and reporting related to this cornerstone course; as well as to provide training and maintain a professional learning community for up to 30 adjunct and full-time faculty who will be teaching the course at multiple campus locations. This course is designed to help students become engaged members of the academic community at College of Western Idaho and cultivate the habits of mind for lifelong achievement and success by encouraging students to claim their education through learning how to learn. This course addresses academic expectations and strategies, introduces students to college resources and services, financial literacy, and encourages personal responsibility and engagement in an effort to prepare students for navigating college life and life beyond college. CWI recognizes the need to provide a transitional, college-readiness course in order to create the level of institutional connection that is critical to retention, persistence, student success.

3. Study Plan: Ellucian software, OE = **$55,000**

   In an effort to advise students more effectively, CWI requests funding to implement a study plan tool within our current enrollment system, Ellucian. This tool will interface with degree audit and allow students and advisors to establish a degree plan to clearly define the students' pathway to a degree goal. Having this information in a format that allows for early verification and ongoing advising and registration support will allow students to keep sight of their goals, plan accordingly, and improve time to degree by reducing miscalculations of academic requirements or course availability.

4. Recruiter: Ellucian software, OE **$255,000**

   Ellucian Recruiter is advanced student recruitment and enrollment management software that provides insight into your prospect pool, using enrollment probability and predictive modeling to help you identify your ideal prospects. With Ellucian Recruiter, you have the ability to personalize your message to each prospect, with tools to ensure the message gets delivered the way they've said they want to hear from you. This tool will be especially valuable for outreach to high schools and to prospective student lists. Recruiter allows prospective students access to an online portal to initiate and track their application process, connect with advisors and receive information from the institution at relevant intervals throughout the process (including financial aid, assessment and placement, access to class schedules, etc.). CWI aims to improve the efficiency and ease of transitioning to the college. Capturing prospective students by improving accessibility helps strengthen the pipeline from secondary to post-secondary, and from the workforce to college.

5. Student Success: Ellucian software, OE **$150,000**

   Ellucian Student Success CRM is a comprehensive set of tools focused on advancing student engagement, increasing retention, and measuring progress towards educational success. This solution connects the campus with student-centric services, processes, insights, and technology to help every student stay on track to graduate. Ellucian Student Success CRM helps institutions:
   - Provide seamless, accessible, and easy to use systems and processes that clear pathways and remove unnecessary friction
   - Detect problems early by monitoring student predicators, events, and behavior that indicate when a student is struggling.
   - Engage students with personal and timely communications that help them become a meaningful part of the campus community
   - Use insightful analytics to make the most of the data institutions already have

6. E-Campus Support Services: **$100,000**

   CWI provides robust online instruction, and is currently planning a build-out of student support services online including advising, tutoring, and IT support. These services are critical to our mission of accessibility and creating learning opportunities for all students. Online retention is traditionally lower than traditional classroom delivery, but retention can be improved if the appropriate co-instructional support is available to online students.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   The request is for funding to enhance our service to prospective students and current students alike, regardless of their academic background or goals. This funding will allow CWI to provide support and outreach services to potential students, with emphasis on accessibility and ease of navigation. This will also serve enrolled students by providing instructional enhancements that engage students in the learning process, set them up for academic success by providing a course specifically designed to connect students to the college, provide relevance to their future academic and work careers, and provide resources and pathways to reduce time to degree.
   CWI will utilize current staffing, outside of the following FTE requests, to implement the projects listed herein.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      1.0 FTE General Education Coordinator, $50,500, Full Time, Full Time Benefits @ $21,155, Hire Date of July 1, 2015, 12 month.
      1.0 FTE Credit for Prior Learning Coordinator, $50,500, Full Time, Full Time Benefits @ $21,155, Hire Date of July 1, 2015, 12 month.
      1.0 FTE Functional Analyst, $45,600, Full Time, Full Time Benefits @ $20,126, Hire Date of July 1, 2015, 12 month.
      2.0 FTE Faculty, $45,000, Full Time, Full Benefits @ $20,000, Hire Date of July 1, 2015, 9 month contract
      Faculty training stipends, $18,000, Full and Part Time, 30 faculty @ 20 hours *$30/hour, Benefits @ $3780.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      With the transition to the new general education framework, the human resources CWI currently allocates to teach elective core offerings will soon be reallocated to other competency areas, including the cornerstone course (Connecting with Ideas). CWI will utilize current IT staff to assist in implementation of e-portfolios and Ellucian software. CWI will utilize current online and support staff to build out online student support services.

   c. List any additional operating funds and capital items needed.

      We are requesting $20,000 in travel funds to assist in the professional development of faculty and coordinator positions.
      We are requesting $6000 for computers for new position requests.

We are requesting $50,000 for software product and implementation of e-portfolio system for all General Education students.
We are requesting $460,000 in Ellucian software products (Study Plan, Student Success, and Recruiter) to aid prospective and current students in their admissions process and pathway to degree.
We are requesting $100,000 to assist in the build out of online student support services.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   All funds requested are State General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   All degree-seeking students, online and face-to-face, will be served by this request. The expected impacts are an improved rate of persistence from first to second semester and a higher rate degree completion. We believe these projects will create a much stronger connection between the student and the College of Western Idaho. Forging that connection by providing the additional support and services, along with creating an engaging and meaningful experience, is critical to our retention and completion efforts.

   If this request is not funded, we will continue to transition prospective students to enrolled students, as well as assist current students in academic planning as efficiently as possible. We will seek other revenue sources to assist our transition to the new statewide general education core, but may need to find alternative methods of assessment and ways to provide relevant meaning to students without implementation of e-portfolios. We will continue to build out online support services, perhaps at a decelerated rate. Overall, maintaining our current will not have a major effect on increasing enrollments, retention, and completion rates.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   The top two Line Item requests for FY 2015, Occupancy for Micron Center and nursing staff support, were both funded in the Community College appropriation. The other three Line Item requests, not recommended by the Governor, have been determined to be lesser priorities than providing comprehensive services to all students to assist with remediation and retention.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

AGENCY: Community Colleges	Agency No.:	505	FY 2016 Request
FUNCTION: College of Western Idaho	Function No.:	07	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY: Academic Support	Activity No.:		Revision No. ___

A: Decision Unit No: **12.02** Title: **MATH LEARNING LAB** Priority Ranking 2 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	2.00				2.00
PERSONNEL COSTS:					
1. Salaries					
Director (Ada Campus)	$62,000				62,000
Site Coordinator (Nampa)	56,000				56,000
2. Benefits	45,900				45,900
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$163,900				163,900
OPERATING EXPENDITURES **by summary object:**					
1. Check in system (2)	$6,000				6,000
TOTAL OPERATING EXPENDITURES:	$6,000				6,000
CAPITAL OUTLAY **by summary object:**					
	$144,000				144,000
1. Student workstations (180)					218,400
2. Computers (182)	218,400				1,500
3. Director work station (1)	1,500				1,200
4. Coordinator work stations (1)	1,200				
TOTAL CAPITAL OUTLAY:	$365,100				365,100
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$535,000				$535,000

Supports institution/agency and Board strategic plans:

<u>Idaho SBOE Goal 1, Objective B</u>

GOAL 1: A WELL EDUCATED CITIZENRY *The educational system will provide opportunities for individual advancement.*
Objective B: Higher Level of Educational Attainment – Increase the educational attainment of all Idahoans through participation and retention in Idaho's educational system.

Performance Measure:
Postsecondary unduplicated awards (certificate of one academic year or more) as a percentage of total student headcount)
Benchmark: 20% for 2-year institutions

CWI Goal 1, Objectives 1 and 4

Institutional Priority 1: Student Success -- *CWI values its students and is committed to supporting their success (in reaching their educational and/or career goals).CWI will develop educational pathways and services to improve accessibility*

Objective 1: *CWI will improve student retention and persistence*

Performance Measure: *Course Completion rates will meet or exceed 80% by 2019*

Objective 4: *CWI will develop educational pathways and services to improve accessibility*

Performance Measure: *By 2019, 60% of Students who complete college prep coursework will earn a C or better in the corresponding gateway course*

Description:
To address the Complete College Idaho (CCI) key strategy of Transforming Remediation, CWI has designed a new delivery system for college preparatory math. Rather than offering a sequence of college-preparatory courses as is the current practice, CWI will offer college-preparatory mathematics in a learning-lab setting staffed by qualified instructors.

"The problem with remediation starts with the current placement assessments and their failure to provide postsecondary institutions with the appropriate information necessary to determine both a student's knowledge and abilities" (Complete College Idaho, 2012, p.11). The Math Learning Lab model will incorporate measures for assessment beyond standardized cut scores, including specialized diagnostic assessments of each student's mathematical knowledge and skills. This diagnostic measure will provide *individualized learning plans* that allow students to focus only on the curriculum they need in a modular, self-paced format with individual monitoring and just-in-time instruction.

The Math Learning Lab model aligns with the Board's strategic objective of increasing educational attainment through participation and retention in Idaho's educational system. Of CWI students placed in the remediation pipeline, fewer than half persist to a college-level math course. This model is designed to move students more quickly into a college-level math course by focusing instruction only on areas of need, thus saving the students money, eliminating the "stop-out" points that exist within the current remediation ladder of sequential courses, and accelerating time to degree. This model also aligns with CWI's strategic initiative of student success by creating a pathway for remediation that will support course-level retention and bolster persistence to and success in college-level courses for students who are initially placed in pre-college mathematics.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   CWI requests funding for two Math Learning Labs to be located on the Nampa and Ada campuses. Labs will include 90 student workstations (180 total), including data infrastructure, which will serve 1200 underprepared math students at each location. Two FTE, Director of Math Learning Lab and Nampa Site Coordinator, are included in the request, along with workstations and computers for each. Technology and infrastructure are critical to the design of the lab. Students will utilize specialized software for diagnostic assessment, module testing, and daily homework (including online tutorials) related to their individualized study plans.

   Current personnel budget for 45 adjunct faculty teaching approximately 200 sections of pre-college math is approximately $590,000. With the new delivery model, adjunct faculty will transition to instructional lab staff and budget will be reallocated to fund part-time staffing in the new model. Full-time faculty will also participate in lab-based instruction.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      Two full-time positions are requested to manage and coordinate the Math Learning Labs at Ada Campus and Nampa Campus:
      Director, Math Learning Lab, Ada Campus; $62,000 salary, plus $23,570 benefits, total $85,570; full-time; January 2015 date of hire, 12 month term.
      Site Coordinator, Math Learning Lab, Nampa Campus; $56,000 salary, plus $22,310 benefits, total $78,310; full-time; May 2015 date of hire, 12 month term.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      Approximately 200 sections of pre-college math courses will be eliminated and reformatted into the Math Learning Lab model; 45 adjunct faculty will be retrained and reassigned as instructional methodology will transition from traditional delivery to a needs-based, individualized instructional approach. CWI anticipates utilizing our current full-time and adjunct faculty to deliver instruction.

   c. List any additional operating funds and capital items needed.

      180 student workstations, $800/unit (including data), total $144,000.

182 computers (180 student, 1 director, 1 coordinator), $1,200/unit, total $218,400
1 director workstation, $1,500
1 coordinator workstation, $1,200
2 check-in systems, $3000/unit, total $6,000

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   All funds requested are State General Funds.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   According to CCI (2012), "Of first-time, full-time students who enrolled in a 2-year Idaho postsecondary institution, nearly 67% were identified as needing remediation. Of students who have been away from high school for more than a year, 46% were identified by Idaho postsecondary institutions as needing remedial services" (p. 11). Underprepared students in mathematics is the primary population served by this request. The Office of the State Board has set a date of Fall 2015 for full implementation of transformed remediation delivery. The impact of this request will allow CWI to implement a nationally-recognized model that has demonstrated and documented success of improving student retention, persistence, and success. CWI will be seeking additional external funding sources for the Math Learning Labs. If this request is not funded, CWI may need to reassess the timeline for implementation which will impact students' ability to benefit from an accelerated preparation.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   The top two Line Item requests for FY 2015, Occupancy for Micron Center and nursing staff support, were both funded in the Community College appropriation. The other three Line Item requests, not recommended by the Governor, have been determined to be lesser priorities than providing comprehensive services to all students to assist with mathematics remediation and retention.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

AGENCY: Community Colleges	Agency No.: 505	FY 2016 Request
FUNCTION: College of Western Idaho	Function No.: 07	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY: Student and Staff Safety	Activity No.:	Revision No. ___

A: Decision Unit No: **12.03**	Title: **WEAPONS ON CAMPUS**			Priority Ranking 3 of 3	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Contract police officers 2. Vehicles 3. Training, equipment, etc.	 $172,900 60,000 12,100				 $172,900 60,000 12,100
TOTAL OPERATING EXPENDITURES:	$245,000				$245,000
CAPITAL OUTLAY **by summary object:** 1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$245,000				$245,000

Supports institution/agency and Board strategic plans:

Idaho SBOE Goal 1, Objectives A

GOAL 1: A WELL EDUCATED CITIZENRY *The educational system will provide opportunities for individual advancement.*
Objective A: Access – Set policy and advocate for increasing access for individuals of all ages, abilities, and economic means to Idaho's P-20 educational system.
Performance Measure:

CWI Goal 1, Objectives 1; Goal 2, Objective 1

Institutional Priority 1: Structure Student Success – *The College of Western Idaho will implement a variety of programs to foster students' success in reaching their educational and/or career goals.*

Objective 1: *CWI will be actively involved in college readiness efforts that prepare students for success.*

Performance Measure: *Promote and publicize the positive financial and personal benefits of earning a degree or certificate from a community college.*

Institutional Priority 2: Develop Systems to Support Faculty and Staff – *The College of Western Idaho will prioritize support for employees, which thereby maximizes student success.*

Objective 1: *Develop resource allocation guidelines to effectively deliver programs and services.*

Performance Measure:

[To be developed]

Description:

CWI will initiate a 'School Resource Officer (SRO)' type program, which would be the most economical option for armed, P.O.S.T. certified law enforcement presence. This would be the most viable direction to proceed, considering the CWI two campus concept. The SRO would have oversight of all law enforcement issues, training, security assessments, and so forth.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   CWI requests an additional $245,000 for armed police presence, as contracted from local police agencies. Currently, CWI does not employ armed police officers, either directly or by contract. The current staffing level for unarmed security is approximately 12 full time and 7 part time contract positions. CWI currently spends approximately $556,000 (FY 2014 dollars) for security (mostly for contract security staff).

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      This request includes two full-time, additional sworn police officers, contracted through a public law enforcement agency. It is estimated these positions would be in 'Police Officer III – Advanced', positions, with an hourly/annual pay rate of

$29.22/$60,778, plus benefits. These officers would be employed by a local law enforcement agency, with PERSI benefits.

b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
   No existing human resources would be redirected.
c. List any additional operating funds and capital items needed.
   It is estimated that approximately $72,000 would be needed for vehicles for the officers (paid to the local agency via contract), training, equipment, and related.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
   Fund source is expected to be the State General Fund.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Students, faculty, staff and visitors would all be served by this request. Due to the distance between CWI locations, it has been the procedure of CWI Security to provide a presence at all locations while the buildings are occupied with students. In locations such as Aspen Creek where the building are in close proximity, CWI Security provides an officer for the entire site and the officer covers all 3 buildings and grounds. This would also be the case in any location that has multiple building, or a more traditional campus setting.
   If this request is not funded, CWI will have to make operational budgets cuts in order to adequately implement and meet the mandate of the State.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.
   This item has not been requested in the past.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Agricultural Research & Ext Srv	Agency No.:	514	FY 2016 Request
FUNCTION: Agricultural Research & Extension Service	Function No.:	02	Page 1 of 5 Pages
			Original Submission _X_
ACTIVITY:	Activity No.:		or Revision No. ___

A: Decision Unit No: **12.01** Title: **Personnel and Operating Expenditures** Priority Ranking 1 of 1

DESCRIPTION	**General**	**Dedicated**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	21.7			21.7
PERSONNEL COSTS:				
1. Salaries	$965,000			$965,000
2. Benefits	395,000			395,000
3. Group Position Funding	150,000			150,000
TOTAL PERSONNEL COSTS:	$1,510,000			$1,510,000
OPERATING EXPENDITURES **by summary object:**				
1. Travel				
TOTAL OPERATING EXPENDITURES:				
CAPITAL OUTLAY **by summary object:**				
1. PC and workstation				
TOTAL CAPITAL OUTLAY:				
T/B PAYMENTS:				
LUMP SUM:				
GRAND TOTAL	$1,510,000			$1,510,000

Supports institution/agency and Board strategic plans:

Goal 3, Objective A

In order to meet society's critical needs in the area of agriculture, we must build a structure to adequately support our research and extension faculty and staff. This will require human capital to form a framework to support and enhance scientific discovery, revenue generation, dissemination of knowledge, and education of our youth. This team of support will increase our ability to be successful in the exchange of knowledge and resources and have a positive impact on Idaho and beyond.

Performance Measure: Align personnel costs with strategic plan direction to achieve a balance that is sustainable and will allow the Agricultural Research and Extension Service (ARES) to move forward to achieve our goals.

ARES is severely underfunded in personnel. We have qualified faculty and support staff to conduct research and extension activities but lack the funding needed to allow them to adequately focus in their areas of expertise. With the addition of the requested new positions, adequate funding for current positions and the addition of graduate assistantships, we expect to see a direct effect on productivity and retention (longevity of employment).

Description:
The College of Agricultural and Life Sciences, its Idaho Agricultural Experiment Station and its Cooperative Extension System face a number of major program challenges in our responsibilities to serve the people of Idaho and meet the essential needs of the State's increasingly important agricultural industry. Among these challenges, several issues loom as extremely critical for Idaho's agriculture and constitute program areas for which we are inadequately invested in scientific, youth development and technological resources.
The positions identified in this request would provide a structure that would assist the University of Idaho and the College of Agricultural and Life Sciences in obtaining a more competitive position in the job market and to allow faculty and staff to be in a better position to develop competitive, productive, sustained research and extension programs. The contributions from productive research and extension programs directly benefit virtually all of Idaho's agricultural industry, communities, citizens, and stakeholders.

Questions:
1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   We are requesting the following resources:

   Salary (3 FTE) 4-H Area Extension Educator Faculty (New positions)
   A nationwide longitudinal study conducted over an 8-year period by Tuft's University documents that youth in grades 5 to 12 who are involved in out-of-school 4-H programs excel in many areas. These include academic achievement, interest in STEM programs, civic engagement, and healthy living choices.

   Idaho 4-H engages over 56,000 Idaho youth (15% Hispanic) in various programs. The 4-H program is delivered in each Idaho county as a partnership between 4-H professionals and volunteers who focus on helping youth develop citizenship, healthy living, and STEM skills. We have grown youth enrollment from 30,272 in 2008 to 56,546 in 2013, and have increased the number of volunteers from 3,510 in 2008 to 5,062 in 2013. However, the 4-H Youth Development program is running at near capacity; to further expand youth involvement, three additional faculty positions, one for each Extension district, are needed to provide program leadership and district-wide technical support in 4-H science, healthy living and citizenship. These faculty will train volunteers and 4-H staff and will focus on expanding partnerships and bringing additional external resources to support the 4-H program.

Investing in the UI Extension 4-H Youth Development Program aligns directly with UI's Strategic Plan (Goal 3); with UI's Core Theme of increasing engagement and its STEM initiative, and with the College of Agricultural and Life Sciences Strategic Plan to develop the "Transformative Youth Development Program of Distinction".

Salary (16.2 FTE) for Technical Support (Existing Positions)
Fully fund existing full-time technical support positions to support statewide research and extension programs. Positions are located at all Research and Extension Centers and in Moscow on the University of Idaho campus. Funding for existing full-time support staff positions was reduced to 50 percent in 2010 to meet budget reductions. This request re-establishes funding at 100 percent for full-time support staff. Support staff assist principal investigators with research and extension programs focused on developing and transferring knowledge of new, improved principles and practices that will enhance Idaho's agriculture, and improve the lives of Idaho's citizens. Principal responsibilities include supervising day-to-day operations of field, greenhouse, and laboratory aspects of programs; writing extension and research articles, reports and grant proposals, and preparing and presenting information to stakeholders. Fully funding these positions will significantly increase the productivity of research faculty who will subsequently be better able to focus on strategic areas as identified in our strategic plan as programs of distinction.

Salary (1.0 FTP) Grant Writer – Classified Staff (Level 7) New position
Enhance grant proposal competitiveness and success of College of Agricultural and Life Sciences faculty. The position will be located in Moscow on the University of Idaho campus and will have statewide responsibility in assisting faculty in identifying funding sources, and preparing and submitting grant proposals. The focus will be on grant proposals that are high value, multidisciplinary, integrated efforts that provide significant funding to College of Agricultural and Life Sciences faculty who will address research and extension needs important to Idaho's agricultural industry and Idaho's citizens. As part of the College's strategic plan, we intend to increase research and extension extramural funding from $17 million to $25 million over the next 5 years. A grant writer is essential in identifying funding opportunities and gaining efficiencies through coordination of effort or this ambitious goal will not be attainable. The enhanced extramural funding will provide direct benefits to Idaho's citizens and to agriculture by developing and transferring knowledge of new, improved principles and practices.

Salary (1.0 FTP) Web Technician – Classified Staff (Level 5) New Position
Provide web support primarily on the websites for University of Idaho Extension, which has a presence in 42 of the 44 counties, each with a separate series of

websites used to communicate to the stakeholders of that specific county. While there is a single person in each county that is trained to upload and edit information on the website, these efforts have to be coordinated and branded to appear as a cohesive unit. The Web Technician will help coordinate these efforts, provide technical support, and assure that information is readily accessible by the community and service the efforts of extension.

Salary (0.5 FTP) Marketing and Communications Manager – Classified Staff (Level 10) Partial Funding of Existing Position
As the land grant institution for the state of Idaho, it is our responsibility to not only identify problems and create solutions, but effectively communicate this to stakeholders. Although print media and websites were key to communication in the past, with advances in technology we recognize the need to expand our educational and information delivery in new ways (on-line short courses, interactive websites, blogs, social media platforms, etc.). To be successful in this arena, we must identify key personnel to coordinate these efforts across disciplines and to increase public awareness of the excellent resources CALS offers Idaho's residents. The Marketing and Communications Manager will coordinate efforts to maximize efficiencies while increasing communications to external audiences and aligning efforts with priorities in the College of Agricultural and Life Sciences as outlined in the strategic plan.

Salary Graduate Research Assistantship Stipends (7-10 New Positions)
Graduate assistantship stipends must be provided competitively (best students) and strategically (high impact research and extension projects) to faculty located at all Research and Extension Centers and in Moscow on the University of Idaho campus. Funding for State supported graduate research assistantship stipends was reduced by 50 percent in 2010 to meet budget reductions. This request supports 7 to 10 master or Ph.D. level students. Graduate students assist faculty with research and extension programs focused on developing and transferring knowledge of new, improved principles and practices that will enhance Idaho's agriculture, and improve the lives of Idaho's citizens. In addition, graduate students conduct novel research important to Idaho, and are the next generation of agricultural science trained leaders.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      See #1 above
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      We have redirected .75 FTP to our marketing and communications effort in order to develop a long range plan for marketing and communicating our success to stakeholders.

   c. List any additional operating funds and capital items needed.

N/A

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   100% of the requested $1,510,000 is recurring state general fund funding.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   The citizens of Idaho, the agricultural industry, and our growing export markets will be better served through improved research and extension activities if this funding request is approved. The same constituent groups will suffer if the request is not approved.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   This request is a high priority for FY16 and will continue to be in future years due to the need to develop and disseminate information by several methods in order to reach a larger group of our stakeholders and significantly increase the opportunity for success for research and extension grant proposals submitted and awarded.

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AGENCY: Health Programs | Agency No.: 515 | FY 2016 Request
FUNCTION: WWAMI | Function No.: 02 | Page _1_ of 3 Pages
ACTIVITY: | Activity No.: | Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.01**	Title: **Continuation of Five Medical School Seats for WWAMI TRUST Program (Year Three of Four)**			Priority Ranking 1 of 3	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:** 1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	$180,300				$180,300
LUMP SUM:					
GRAND TOTAL	$180,300				$180,300

Supports institution/agency and Board strategic plans:

Goal I: A WELL EDUCATED CITIZENRY –Continuously improve access to medical education for individuals of all backgrounds, ages, abilities, and economic means.

Objective A: Access – (SBOE) Set policy and advocate for increasing access; (WWAMI) recruit a strong medical student applicant pool for Idaho.

- *Performance measure*: the number of Idaho WWAMI medical school applicants per year, the number of funded medical student positions per year, and the ratio of Idaho applicants per funded medical student position.

Objective B: Transition to Workforce - Maintain a high rate of return for Idaho WWAMI graduate physicians who choose to practice medicine in Idaho.

- *Performance measure*: Cumulative Idaho WWAMI return rate for graduates who practice medicine in Idaho.

GOAL 3: Effective and Efficient Delivery Systems – Deliver medical education, training, research, and service in a manner which makes efficient use of resources and contributes to the successful completion of our medical education program goals for Idaho.

Objective A: Increase medical student early interest in rural and primary care practice in Idaho.

- *Performance measure*: the number of WWAMI rural summer training placements in Idaho each year.

Objective B: Increase medical student participation in Idaho clinical rotations (clerkships) as a part of their medical education.

- *Performance measure*: the number of WWAMI medical students completing clerkships in Idaho each year.

Objective C: Support and maintain interest in primary care medicine for medical career choice.

- *Performance measure*: Percent of Idaho WWAMI graduates choosing primary care specialties for residency training each year.

Description:

This is a request for the continuation of funding for the five Idaho TRUST (Targeted Rural Under-Served Track) students added in the FY14 Budget, who will now be continuing on into their third year of medical training in the WWAMI program at the University of Washington School of Medicine in Seattle.

The goal of the TRUST program is to provide an ongoing training connection between community workforce needs, medical education, and rural healthcare providers in Idaho. TRUST medical students will be specifically selected for their experiences and backgrounds in rural and underserved Idaho, and their commitment to returning to such communities to work as physicians where they are most needed. With a four-year curriculum that combines traditional medical training with additional classroom and clinical experiences developed around rural and underserved healthcare needs, TRUST students will develop long-term relationships with Idaho's rural communities and physicians. The TRUST program is designed to admit, educate, place, train, and retain local Idaho students as future Idaho physicians.

Budget support for Year 3 is in the form of Trustee/Benefits payments under the WWAMI contract. No new positions, staffing, capital, or operating funds are included in this request. The increase in State funding goes entirely for medical student education for these five TRUST students admitted to the Idaho WWAMI program in 2013.

AGENCY: Health Programs	Agency No.:	515	FY 2016 Request
FUNCTION: WWAMI	Function No.:	02	Page _1_ of 2 Pages Original Submission _X_ or
ACTIVITY:	Activity No.:		Revision No. ___

A: Decision Unit No: **12.02**	Title: **Continuation of Five Additional Medical School Seats for WWAMI (Year Two of Four)**			Priority Ranking 2 of 3	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:** 1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	$180,300				$180,300
LUMP SUM:					
GRAND TOTAL	$180,300				$180,300

Supports institution/agency and Board strategic plans:

Goal I: A WELL EDUCATED CITIZENRY –Continuously improve access to medical education for individuals of all backgrounds, ages, abilities, and economic means.

Objective A: Access – (SBOE) Set policy and advocate for increasing access; (WWAMI) recruit a strong medical student applicant pool for Idaho.

- *Performance measure*: the number of Idaho WWAMI medical school applicants per year, the number of funded medical student positions per year, and the ratio of Idaho applicants per funded medical student position.

Objective B: Transition to Workforce - Maintain a high rate of return for Idaho WWAMI graduate physicians who choose to practice medicine in Idaho.

- *Performance measure*: Cumulative Idaho WWAMI return rate for graduates who practice medicine in Idaho.

GOAL 3: Effective and Efficient Delivery Systems – Deliver medical education, training, research, and service in a manner which makes efficient use of resources and contributes to the successful completion of our medical education program goals for Idaho.

Objective A: Increase medical student early interest in rural and primary care practice in Idaho.

- *Performance measure*: the number of WWAMI rural summer training placements in Idaho each year.

Objective B: Increase medical student participation in Idaho clinical rotations (clerkships) as a part of their medical education.

- *Performance measure*: the number of WWAMI medical students completing clerkships in Idaho each year.

Objective C: Support and maintain interest in primary care medicine for medical career choice.

- *Performance measure*: Percent of Idaho WWAMI graduates choosing primary care specialties for residency training each year.

Description:
This is a request for the continuation of funding for the five additional students added in the FY15 Budget, who will now be continuing on into their second year of medical training in the WWAMI program at the University of Washington School of Medicine in Seattle.

Budget support for Year 2 is in the form of Trustee/Benefits payments under the WWAMI contract. No new positions, staffing, capital, or operating funds are included in this request. The increase in State funding goes entirely for medical student education for these 5 additional students admitted to the Idaho WWAMI program in 2014.

AGENCY: Health Programs	Agency No.: 515	FY 2016 Request
FUNCTION: WWAMI	Function No.: 02	Page 1_ of _3 Pages
ACTIVITY:	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.03** Title: Five Additional Seats Priority Ranking 3 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	1.5 FTE				1.5 FTE
PERSONNEL COSTS:					
1. Salaries	$105,600	$52,800			$158,400
2. Benefits	34,100	17,000			51,100
3. Group Position Funding					
4. Bridge funding for curriculum renewal	100,000				100,000
TOTAL PERSONNEL COSTS:	$239,700	$69,800			$309,500
OPERATING EXPENDITURES **by summary object:**					
1. Operating Expenses	$46,400				$46,400
TOTAL OPERATING EXPENDITURES:	$46,400				$46,400
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$286,100	$69,800			$355,900

Supports institution/agency and Board strategic plans:

Goal I: A WELL EDUCATED CITIZENRY – Continuously improve access to medical education for individuals of all backgrounds, ages, abilities and economic means.

Objective A: Access – (SBOE) Set policy and advocate for increasing access; (WWAMI) recruit a strong medical student applicant pool for Idaho.

- *Performance Measure: the number of Idaho WWAMI medical school applicants per year, the number of funded medical student positions per year, and the ratio of Idaho applicants per funded medical student position.*

Objective B: Transition to Workforce – Maintain a high rate of return for Idaho WWAMI graduate physicians who choose to practice medicine in Idaho.

- *Performance Measure: Cumulative Idaho WWAMI return rate for graduates who practice medicine in Idaho.*

GOAL 3. EFFECTIVE AND EFFICIENT DELIVERY SYSTEMS – Deliver medical education, training, research, and service in a manner which makes efficient use of resources and contributes to the successful completion of our medical education goals for Idaho.

Objective A: Increase medical student early interest in rural and primary care practice in Idaho.

- *Performance measure:* the number of WWAMI rural summer training placements in Idaho each year.

Objective B: Increase medical student participation in Idaho clinical rotations (clerkships) as a part of their medical education.

- *Performance measure:* the number of WWAMI medical students completing clerkships in Idaho each year.

Objective C: Support and maintain interest in primary care medicine for medical career choice.

- *Performance measure:* Percent of Idaho WWAMI graduates choosing primary care specialties for residency training each year.

Description:

This new program request is for five (5) additional positions for medical students in the Idaho WWAMI program, beginning in FY16. With the transition of twenty WSU-based WWAMI students to Spokane in FY15, the Idaho WWAMI program has capacity for additional students; additionally, because of curriculum renewal, the University of Washington School of Medicine has increased capacity for the total number of medical students. Therefore, in an effort to increase the opportunity of the sons and daughters of Idaho citizens to attend a prestigious, highly ranked medical school and to potentially increase the number of physicians providing medical services in the state of Idaho in a timely manner, this request is to increase the incoming class of WWAMI students in the fall of 2015 to a total of thirty five (35).

To accomplish these goals and objectives, the Idaho WWAMI program needs to be authorized and funded to admit five additional students (new entering class total of 35 Idaho WWAMI students, fall 2015). This funding would come from the General Fund and dedicated funds derived from WWAMI tuition received by the University of Idaho. Specifically, new program costs are provided on page 1 of this request and would include:

1. A request to add one and a half (1.5) FTEs for faculty positions to implement curriculum renewal. This would take the form of three 0.5 FTE appointments; 1.0 FTE (two 0.5 FTE appointments) would be funded from General Funds and 0.5 FTE would be derived from dedicated funds.

2. Operating expenses for educating the five additional medical students, including anatomy supplies and equipment, study resources, clinical instruction, and other program costs.
3. Because we will be changing the curriculum beginning in the fall of 2015 to include both basic science and clinical medicine, and because additional revenue from this revised program will not be forthcoming until the following fiscal year, one-time funds are requested to support the salaries of clinicians that will be required to teach in the program (in the renewed curriculum, analysis of medical cases by the class will be directed by both a basic scientist and a clinician).

The FTE increase is requested to implement the instruction of additional subject areas of the renewed curriculum. In addition to personnel requirements, an expansion in medical student enrollment would require a modest increase in operating expenses for teaching these additional students.

This request for increased WWAMI medical student positions would be an ongoing request. It requires a commitment to not only increased funding and medical students in year 1 (FY16), but also ongoing commitments in years 2, 3, and 4 of medical school, with proportional costs in each of those years, as students move successfully through medical school toward graduation. Idaho WWAMI is currently at 30 students per year, or 120 total students in medical school. This request requires the addition of 5 students in the entering classes of FY16, FY17, FY18, and FY19 or 35 students per year, for a total of 140 Idaho WWAMI students enrolled in medical school by FY19 (Fall 2018). This initial request is relatively small. The ongoing commitment to medical education, growing the Idaho WWAMI total medical school enrollment from 120 to 140 students, is necessary for the future of Idaho communities.

This request also supports the recommendations of the State Board of Education's Medical Education Subcommittee from January, 2009; specifically, recommendations #2 (increased WWAMI students), #5 (admissions selection for rural and primary care interests), and #6 (ensuring rural training rotations in Idaho as a part of students' program).

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AGENCY: Health Education Agency No.: 513 FY 2016 Request
FUNCTION: Idaho State University, Family Practice Residency Function No.: 4000 Page ___ of __ Pages
Original Submission _X_ or
ACTIVITY: Activity No.: Revision No. ___

A: Decision Unit No: **12.01**	Title: **Residency Support**			Priority Ranking 1 of 1	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	1.5				1.5
PERSONNEL COSTS:					
1. Salaries	64,000				64,000
2. Benefits	26,000				26,000
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	90,000				90,000
OPERATING EXPENDITURES **by summary object:**					
1. Travel					
TOTAL OPERATING EXPENDITURES:	0				
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:	0				
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	90,000				90,000

Supports institution/agency and Board strategic plans:

ISU Department of Family Medicine Strategic Plan 2015- 2020
Strategic Planning – Mid-term (3-5 years)
The ISU Department of Family Medicine has defined mid-term (3-5 years) and long-term (6-10 years) strategic planning components some of which are outlined below.

GOAL 1: Access – Recruitment of physicians for Idaho
Objectives for access

1. Maintain core residency program at 7-7-7.
   - *Performance measure:*
     - Number of residents.
   - *Benchmark:*
     - 21 residents in training.

Description:
Over the last three years the ISU Family Medicine residency has solidified their expansion from 18 to 21 residents with additional administrative and faculty supervising staff to meet education and accreditation standards for the enlarged residency. Funding was originally acquired through the federal Primary Care Residency Expansion (PCRE) monies which was an initiation funding for start-up costs. The residency now has to cover the ongoing permanent maintenance costs or alternatively reduce the residency back to 18. The increased support staffing required is 1.5 FTE at a cost of $90,000 for the additional three residents to be supported and supervised for each three years of residency.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   One full time faculty to supervise 6 residents in addition to the director is the minimum supervising ratio; one to four is the ideal ratio. The FTE administrative staff ratio is equivalent and this action will bring the ratio to 4.7 FTE admin staff for 21 residents or 1 administrative staff FTE to 4.5 residents.

2. What resources are necessary to implement this request?
   a. List by position: position titles: *Residency Coordinator Full time, Residency Assistant Coordinator 0.5 FTE, Non classified permanent employees*

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted. *None*

   c. List any additional operating funds and capital items needed. *None*

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.)

   This is an ongoing general fund request that was initially supported by federal PCRE funds for the first five years of the implementation of the increase in resident numbers.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   6000 current Family medicine patients in South East Idaho and tens of thousands of rural Idaho patients in the future practices of the graduates of the program

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Medical Care of Idaho's citizens is a high priority and supersedes most unapproved items from the previous year

Supporting documentation
The following is reproduced from the Accreditation Council of Graduate Medical Education's (ACGME) Institutional requirements:

II B The Sponsoring Institution (ISU) must ensure that:

II B 2 programs Receive Adequate support for core faculty members to ensure both effective supervision and quality resident education.

II B 4 programs coordinators have sufficient support and time to effectively carry out their responsibility; and,

II B 5 resources, including space, technology, and supplies, are available to provide effective support for ACGME-accredited programs.

The ISU Family Medicine Residency respectfully submits this funding request to assist ISU FMR in meeting its ACGME requirements for maintaining a 21-resident complement.

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AGENCY: Health Education	Agency No.: 501	FY 2016 Request
FUNCTION: FMRI	Function No.:	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.01** Title: Increase State Support Priority Ranking 1 of 1

DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:** 1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	$411,300				$411,300
LUMP SUM:					
GRAND TOTAL	$411,300				$411,300

Supports institution/agency and Board strategic plans:

Goal 1, Objective D: Improve the ability of the educational system to meet educational needs and allow efficient and effective transition into the workforce.

Expanding graduate medical education (GME/residency) training in Idaho has been identified as an educational and funding priority in the State of Idaho: the state-funded MGT Medical Education Study (11/1/07), the Idaho Medical Association (8/10/08, 8/1/13), the Legislative Medical Education Interim Committee (11/12/08, 8/1/13), and the State Board of Education (1/26/09). The State Board of Education rank ordered ten recommendations towards expansion of medical education (1/26/09). The first of these recommendations was to “expand the development of graduate medical education (residency programs) opportunities in the State of Idaho focusing on primary care and rural practice.”

The Family Medicine Residency of Idaho (FMRI) has produced 278 graduates since 1975, of which 150 are located in Idaho (54%). This ranks Idaho 7th in the nation in the ability to keep residents in the state they train in. Over 80% of FMRI graduates practice in Idaho or its contiguous states, and nearly 70% of those in rural or underserved areas. The high retention rate of family physicians speaks to the FMRI being a high-value program to the State of Idaho.

At any one time, FMRI has 48 family medicine residents in its three-year residency program and 3 fellows in training at over 30 different locations in Ada, Canyon, Jerome, and Twin Falls counties, as well as 28 additional rural rotation sites in nearly every other county of Idaho.

Description:
In the 2014-15 academic year, two large federal grants that helped support FMRI's growth, the Teaching Health Center Graduate Medical Education (THC-GME) grant and the Primary Care Residency Expansion (PCRE) grant, will end. This will leave FMRI with a $1,350,000 budget shortfall. With these grants, FMRI was able to add 12 residents in the program. It is therefore imperative that Idaho steps up now to help support these residency positions or they will be lost to our program and our rural training tracks. This budget request of $411,300 will only be 30% of the shortfall, but in good faith will help stabilize FMRI so that it will not have to reduce its program from 16 residents per class to 12 per class at a time that Idaho needs this workforce the most.

Questions:
1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   $411,300 in ongoing General Funds is requested to help maintain the current family medicine residency cohort size of 16 residents per year for three years.
   Current state base funding for this program is $1,118,700 (T/B)

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      N/A
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      N/A
   c. List any additional operating funds and capital items needed.
      N/A
3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
   $411,300 in ongoing T/B General Funds is requested.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?
   Idaho ranks 49th of 50 states in regards to primary care physicians per capita and 49th of 50 states in the number of resident's per capita training in our state. FMRI received federal grants to expand its class size and footprint in order to help Idaho meet its looming workforce crisis. This crisis has only been magnified by increased health insurance coverage and the need for timely access to high-quality primary care for all of Idaho's citizens especially in the rural part of our state.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.
   N/A

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Health Education	Agency No.: 501	FY 2016 Request
FUNCTION: Kootenai Health FMR	Function No.:	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.01** Title: **Residency Build-out** Priority Ranking 1 of 1

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:** 1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	$180,000				$180,000
LUMP SUM:					
GRAND TOTAL	$180,000				$180,000

Supports institution/agency and Board strategic plans:

Goal 1, Objective D: Improve the ability of the educational system to meet educational needs and allow efficient and effective transition into the workforce.

Expanding graduate medical education (GME/residency) training in Idaho has been identified as an educational and funding priority in the State of Idaho: the state-funded MGT Medical Education Study (11/1/07), the Idaho Medical Association (8/10/08, 8/1/13), the Legislative Medical Education Interim Committee (11/12/08, 8/1/13), and the State Board of Education (1/26/09). The State Board of Education rank ordered ten recommendations towards expansion of medical education (1/26/09). The first of these recommendations was to “expand the development of graduate medical education (residency programs) opportunities in the State of Idaho focusing on primary care and rural practice.”

Description:
Kootenai Health Family Medicine Coeur d'Alene Residency (KFMR) will be in the continued startup phase of our Family Medicine Residency program, in the 2nd year operations for FY 2016. The program started-up in July 2014, with 6 R1 first year residents. In the subsequent two years an additional six residents will be added to attain the full complement of 6 R1's, 6 R2's and 6 R3' totaling 18 residents, each to complete the full three years residency training program.

The focus of this program is to train rural family physicians for Idaho. Kootenai Health, a community owned and operated health care entity has invested significant resources into this project of developing a family medicine residency program. Kootenai Health is requesting additional support funds, through the Idaho State Board of Education, from the Idaho Legislature.

Questions:
1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   The need stated is based upon the additional costs which we will encounter related to training our residents in urban and in rural settings, preparing them to be fully functioning family physicians.

   Residents must be sent to Spokane for more intense pediatric training at Providence Sacred Heart Children's Hospital, due to fact that regionally the more severely ill and injured children are transferred there for the more intense treatment needed. Specific costs encountered relate to the loss of federal GME support dollars and to revenues lost, in their absence from our clinic patient care operations. Each resident will spend a total of 12 weeks in Spokane.

   In addition, residents are sent to rural communities in North Idaho. Specific costs related to that experience include travel, place of residence in that community for 4 week blocks, and to specific revenues lost in our clinic patient care operations, in the absence of that resident.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      N/A
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      N/A
   c. List any additional operating funds and capital items needed.
      N/A
3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

Projected expenses and revenues for FY 2016

- *Kootenai Health ongoing annual investment:* *$945,000*
- *Federal Revenues:* *$1,632,000*
- *Family Medicine Center clinical revenues:* *$2,321,000*
- *State Appropriation (FY15):* *$200,000 (ongoing)*
- *State Appropriations Request (FY16):* *$180,000 (ongoing)*

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   KMFR is specifically targeting the primary care physician shortage which exists in North Idaho and secondarily targeting the fact the State of Idaho is experiencing a significant physician manpower shortage, which will definitely become more acute over the next 5 to 10 years. The State of Idaho currently ranks number 49/50 in the state's number of physicians per capita. It is projected that within 5 to 7 years, approximately 20 of the present 30 family physicians in the Kootenai County region will retire. In the state of Idaho it is projected that approximately 50% of the currently practicing family physicians will retire within the next 7 to 10 years. National research projects a 60,000 family physician shortage in the United States by the year 2020.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.
   N/A

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Health Education	Agency No.:	FY 2016 Request
FUNCTION: Psychiatry Residency	Function No.:	Page ___ of __ Pages
		Original Submission _X_ or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.01** Title: Increase State Support Priority Ranking 1 of 1

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:**					
1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:	$78,600				$78,600
LUMP SUM:					
GRAND TOTAL	$78,600				$78,600

Supports institution/agency and Board strategic plans:

GOAL 1: A WELL EDUCATED CITIZENRY
The educational system will provide opportunities for individual advancement.
Objective D: Transition – Improve the ability of the educational system to meet educational needs and allow students to efficiently and effectively transition into the workforce.

Description:
The Idaho/UW Advanced Clinician Track is a four year University of Washington Psychiatry Residency program. After graduating from medical school, physicians learn psychiatry by treating patients in hospitals, emergency rooms and clinics. They train for two years in Seattle learning from world-renowned experts, then move to Idaho for their final two years learning from local experts at the Boise VA, Saint Alphonsus Hospital, Saint Luke's Hospital, Portneuf Hospital, Family Medicine Residency of Idaho and various other clinical sites. Our mission is to train excellent psychiatrists who could practice anywhere, but choose to stay in Idaho.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   The Psychiatry Residency program is requesting $36,420 to cover personnel costs and General Funds, which reflects a 30% increase, to provide additional base funding support for the program. With additional money we will place our psychiatry residents in underserved communities using telepsychiatry. We will expand psychiatric coverage to those living in more remote areas of the state.

2. What resources are necessary to implement this request?

   Additional state funding will be added to funding from St Luke's, St Alphonsus and the Boise VA hospital funding.

   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      Not applicable.

   b. Note any existing human resources that will be redirected to this new effort and existing operations will be impacted.

      The additional money will be used to set up telepsychiatry rotations, working with hospitals throughout the state.

   c. List any additional operating funds and capital items needed.
      Not applicable.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   Ongoing State General Funds

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   The people living in remote areas of Idaho are served by this funding request, as are all citizens who benefit from physicians' care. If we can extend our program's reach to all corners of Idaho, we put technology to its best use by helping people. Treating common illnesses like depression and anxiety have a positive effect on other medicial illnesses like high blood pressure and diabetes. Telepsychiatry programs have a profound effect on overall physical health. If we do not fund this request, we will not be able to expand psychiatry resident care into more remote areas of our state.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.
   Not applicable.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Special Programs	Agency No.: 516	FY 2016 Request
FUNCTION: Forest Utilization Research (FUR)	Function No.: 01	Page 1 of 3 Pages
		Original Submission X
ACTIVITY:	Activity No.:	or Revision No. ___

A: Decision Unit No: **12.01**	Title: **FUR-Forest Resource Economist**			Priority Ranking 1 of 3	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	1.00				1.00
PERSONNEL COSTS:					
1. Salaries	$72,000				$72,000
2. Benefits	26,100				26,100
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$98,100				$98,100
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$5,000				$5,000
2. Operating	5,000				5,000
TOTAL OPERATING EXPENDITURES:	$10,000				$10,000
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation	$3,500				$3,500
TOTAL CAPITAL OUTLAY:	$3,500				$3,500
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$111,600				$111,600

Supports institution/agency and Board strategic plans:

Goal 1, Objectives A.1 and A.2; Goal 2, Objective A.1. This request will upgrade and develop university human resource competencies (faculty, staff and students) to strengthen disciplinary and interdisciplinary scholarship in forest resource economics that advances the college's strategic themes and land-grant mission and are directly linked to FUR programs in the UI Experimental Forest and Forest Nursery complex. Scholarly modes of discovery, application and integration that address issues of importance to the citizens of Idaho will be enhanced by improving timber harvesting, forest productivity, regeneration, and management with respect to a full range of goods and services, including environmental quality as well as wood and paper products. The direct metrics of performance will be the number of CNR faculty, staff, students and constituency groups involved in scholarship or capacity building activities in forest resource economics research projects.

Goal 1, Objective B.2. Create new products, technologies, protocols and processes useful to private sector natural resource businesses such as timber harvesting and processing, consumer products manufacturing, forest regeneration and rehabilitation firms, as well as governmental and non-governmental enterprises and operating units. The direct metrics of performance will be the amount of non-FUR funding leveraged by FUR funded forest resource economics research projects.

Goal 2, Objectives A.2 and A.3. Engage with communities, governmental and non-governmental organizations through flexible partnerships that share resources and respond to local needs and expectations; in addition, foster key industry and business relationships that benefit entrepreneurship and social and economic development through innovation and technology transfer that will increase the productivity of Idaho's forests. The direct metrics of performance will be communities served and resulting documentable impacts from serving various communities, governmental and non-governmental organizations, and private businesses and landowners.

Goal 3, Objectives A.1, A.2 and A.3. Provide undergraduate, graduate and professional students with education and research opportunities in forest resource economics research and management that are integrated educational experiences with ongoing FUR and non-FUR research programs at CNR outdoor laboratories, including the University of Idaho Experimental Forest, the Forest Nursery complex, and McCall campus, and also engage alumni and stakeholders as partners in research, learning, and outreach. The direct metrics of performance will be number and diversity (as measured by variety of academic programs impacted) of courses which use full or partially FUR funded projects, facilities or equipment to educate undergraduate, graduate and professional students.

Description:

Advancing forest resource economics research at the University of Idaho by investing in human resources.

Forests cover nearly forty percent of Idaho and produce a wide variety of goods and services including timber, livestock forage, wildlife habitat, water resources, recreation opportunities, open space, as well as water purification and carbon sequestration. Forest lands are vital to Idaho's economy, and the ability to serve current and future generations will be influenced by our understanding of the economic costs and benefits, and secondary effects, of providing a variety of goods and services from Idaho's forests. Improving forest conditions and productive capacity through science and applied management and economics research in the current context of ecological and societal change will require analysis of newly integrative thinking and innovative practices to maintain and restore forest lands and the human communities that rely on them.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   The College of Natural Resources is requesting $111,520 in the Forest Utilization Research (FUR) budget to provide full-time salary support, plus travel, operations, and capital equipment, for a new forest resource economics assistant professor to create research capacity to document with in-depth analysis the importance of forest-based enterprises in Idaho's economy, including trucking and forest resource-based recreation and tourism. These resources will enhance the capability of FUR programs to work with stakeholders and leverage additional funds from other non-state sources, both of which help strengthen a traditional Idaho industry and the rural communities that long have relied upon the jobs from harvesting, transporting and processing timber into useful consumer products.

2. What resources are necessary to implement this request?

   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      The College of Natural Resources is requesting funds sufficient to provide full-time salary and benefits support for a new forest resource economics assistant professor.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      There will not be redirection.

   c. List any additional operating funds and capital items needed.

      The request includes $5,000 for travel, $5,000 for operating expenses, and $3,500 for capital equipment used to process data.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   Not applicable.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Research in forest resource economics using the requested resources will directly serve professional managers and state and private owners of Idaho forest lands and enhance the skills and tools to sustain and improve forest health and productivity. Rural communities and outdoor recreation stakeholders in Idaho benefit from productive forest lands that support economic enterprises, vigorous wildlife populations, fertile soils and abundant supplies of clean water.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first. This request has not been made previously.

AGENCY: Special Programs	Agency No.: 516	FY 2016 Request
FUNCTION: Forest Utilization Research (FUR)	Function No.: 01	Page 1 of 3 Pages
ACTIVITY:	Activity No.:	Original Submission X or Revision No. ___

A: Decision Unit No: **12.02** Title: **FUR-Rangeland Resource Management Analyst** Priority Ranking 2 of 3

DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	1.00				1.00
PERSONNEL COSTS:					
1. Salaries	$69,000				$69,000
2. Benefits	25,400				25,400
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$94,400				$94,400
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$5,000				$5,000
2. Operating	5,000				5,000
TOTAL OPERATING EXPENDITURES:	$10,000				$10,000
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation	$3,500				$3,500
TOTAL CAPITAL OUTLAY:	$3,500				$3,500
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$107,900				$107,900

Supports institution/agency and Board strategic plans:

Goal 1, Objectives A.1 and A.2; Goal 2, Objective A.1. This request will upgrade and develop university human resource competencies (faculty, staff and students) to strengthen disciplinary and interdisciplinary scholarship in rangeland resource management that advances the college’s strategic themes and land-grant mission and are directly linked to FUR programs in the UI Rangeland Center. Scholarly modes of discovery, application and integration that address issues of importance to the citizens of Idaho will be enhanced by improving invasive species management, wildfire management (including hazardous fuel treatment and post-fire regeneration to discourage invasive species), and integrated wildlife management (especially greater sage-grouse). Attention to these issues will help provide a full range of goods and services, including environmental quality as well as livestock grazing. The direct metrics of performance will be the number of CNR faculty, staff, students and constituency groups involved in scholarship or capacity building activities in rangeland resource management research projects.

Goal 1, Objective B.2. Create new products, technologies, protocols and processes useful to private sector natural resource businesses such as rangeland livestock operators, vegetation regeneration and rehabilitation firms, as well as governmental and non-governmental enterprises and operating units. The direct metrics of performance will be the amount of non-FUR funding leveraged by FUR funded rangeland resource management research projects.

Goal 2, Objectives A.2 and A.3. Engage with communities, governmental and non-governmental organizations through flexible partnerships that share resources and respond to local needs and expectations; in addition, foster key industry and business relationships that benefit entrepreneurship and social and economic development through innovation and technology transfer that will increase the productivity of Idaho's rangelands. The direct metrics of performance will be communities served and resulting documentable impacts from serving various communities, governmental and non-governmental organizations, and private businesses and landowners.

Goal 3, Objectives A.1, A.2 and A.3. Provide undergraduate, graduate and professional students with education and research opportunities in rangeland resource management research and management that are integrated educational experiences with ongoing FUR and non-FUR research programs at CNR outdoor laboratories. Faculty, staff and students will work directly with ranchers to help them solve pressing management challenges and engage alumni and stakeholders as partners in research, learning, and outreach. The direct metrics of performance will be number and diversity (as measured by variety of academic programs impacted) of courses which use full or partially FUR funded projects, facilities or equipment to educate undergraduate, graduate and professional students.

Description:

Advancing rangeland resource management research at the University of Idaho by investing in human resources.

Rangelands cover more than forty percent of Idaho and produce a wide variety of goods and services including livestock forage, wildlife habitat, water resources, recreation opportunities, open space, and ecosystem services such as water purification and carbon sequestration. The ability to serve current and future generations will be influenced by our understanding of the environmental effects of providing these goods and services because rangelands are vital to the ecological and economic health of Idaho. Improving rangeland conditions and productive capacity through science and applied management in the current context of ecological and societal change will require analysis of newly integrative thinking and innovative practices to maintain and restore rangelands and the human communities that rely on them.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   The College of Natural Resources is requesting $107,815 in the Forest Utilization Research (FUR) budget to provide salary and fringe benefits, plus travel, operations, and capital equipment, for a new Assistant Professor to increase the research capacity of the Rangeland Center to focus on wildfire and invasive species management, especially to maintain and restore habitat for greater sage-grouse. These resources will enhance the capability of FUR programs to work with stakeholders and leverage additional funds from other non-state sources, both of which help strengthen a traditional Idaho industry and the rural communities that long have relied upon the jobs from rangeland resources, including livestock grazing, vegetation management, and recreation.

2. What resources are necessary to implement this request?

   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      The College of Natural Resources is requesting funds sufficient to provide full-time salary and fringe benefits support for a new rangeland resource management Assistant Professor.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      There will not be redirection.

   c. List any additional operating funds and capital items needed.

      The request includes $5,000 for travel, $5,000 for operating expenses, and $3,500 for capital equipment used to process data.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   Not applicable.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Research in rangeland management using the requested resources will directly serve professional managers and state and private owners of Idaho rangelands and enhance the skills and tools to sustain and improve rangeland health and productivity. Rural communities and outdoor recreation stakeholders in Idaho benefit from productive rangelands that support economic enterprises, vigorous wildlife populations, fertile soils and clean abundant water.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first. This request has not been made previously.

AGENCY: Special Programs	Agency No.: 516	FY 2016 Request
FUNCTION: Forest Utilization Research (FUR)	Function No.: 01	Page 1 of 3 Pages
		Original Submission X
ACTIVITY:	Activity No.:	or Revision No. ___

A: Decision Unit No: **12.03** Title: **FUR-Forest Resource Analyst** Priority Ranking 3 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	0.50				0.50
PERSONNEL COSTS:					
1. Salaries	$25,000				$25,000
2. Benefits	10,500				10,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$35,500				$35,500
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$5,000				$5,000
2. Operating	5,000				5,000
TOTAL OPERATING EXPENDITURES:	$10,000				$10,000
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation	$3,500				$3,500
TOTAL CAPITAL OUTLAY:	$3,500				$3,500
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAT	$49,000				$49,000

Supports institution/agency and Board strategic plans:

Goal 1, Objectives A.1 and A.2; Goal 2, Objective A.1. This request will upgrade and develop university human resource competencies (faculty, staff and students) to strengthen disciplinary and interdisciplinary scholarship in forest resource analysis that advances the college's strategic themes and land-grant mission and are directly linked to FUR programs in the UI Experimental Forest and Forest Nursery complex. Scholarly modes of discovery, application and integration that address issues of importance to the citizens of Idaho will be enhanced by improving timber harvesting, forest productivity, regeneration, and management with respect to a full range of goods and services, including environmental quality as well as wood and paper products. The direct metrics of performance will be the number of CNR faculty, staff, students and constituency groups involved in scholarship or capacity building activities in forest resource analysis research projects.

Goal 1, Objective B.2. Create new products, technologies, protocols and processes useful to private sector natural resource businesses such as timber harvesting and processing, consumer products manufacturing, forest regeneration and rehabilitation firms, as well as governmental and non-governmental enterprises and operating units. The direct metrics of performance will be the amonut of non-FUR funding leveraged by FUR funded forest resource analysis research projects.

Goal 2, Objectives A.2 and A.3. Engage with communities, governmental and non-governmental organizations through flexible partnerships that share resources and respond to local needs and expectations; in addition, foster key industry and business relationships that benefit entrepreneurship and social and economic development through innovation and technology transfer that will increase the productivity of Idaho's forests. The direct metrics of performance will be communities served and resulting documentable impacts from serving various communities, governmental and non-governmental organizations, and private businesses and landowners.

Goal 3, Objectives A.1, A.2 and A.3. Provide undergraduate, graduate and professional students with education and research opportunities in forest resource analysis research and management that are integrated educational experiences with ongoing FUR and non-FUR research programs at CNR outdoor laboratories, including the University of Idaho Experimental Forest, the Forest Nursery complex, and McCall campus, and also engage alumni and stakeholders as partners in research, learning, and outreach. The direct metrics of performance will be number and diversity (as measured by variety of academic programs impacted) of courses which use full or partially FUR funded projects, facilities or equipment to educate undergraduate, graduate and professional students.

Description:

Advancing forest resource economics research at the University of Idaho by investing in human resources.

Forests cover nearly forty percent of Idaho and produce a wide variety of goods and services including timber, livestock forage, wildlife habitat, water resources, recreation opportunities, open space, as well as water purification and carbon sequestration. Forest lands are vital to Idaho's economy, and the ability to serve current and future generations will be influenced by our understanding of forest inventory and forest utilization information that support providing a variety of goods and services from Idaho's forests. Improving forest conditions and productive capacity through science and applied management research in the current context of ecological and societal change will require analysis of newly integrative thinking and innovative practices to maintain and restore forest lands and the human communities that rely on them.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   The College of Natural Resources is requesting $48,925 in the Forest Utilization Research (FUR) budget to provide half-time salary support, plus travel, operations, and capital equipment, for a new forest resource analyst to enhance research capacity and document the importance of forest-based enterprises in Idaho's economy. These resources will enhance the capability of FUR programs to work with stakeholders and leverage additional funds from other non-state sources, both of which help strengthen a traditional Idaho industry and the rural communities that long have relied upon the jobs from harvesting, transporting and processing timber into useful consumer products.

2. What resources are necessary to implement this request?

   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      The College of Natural Resources is requesting funds sufficient to provide half-time salary and benefits support for a new forest resource analyst.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      There will not be redirection.

   c. List any additional operating funds and capital items needed.

      The request includes $5,000 for travel, $5,000 for operating expenses, and $3,500 for capital equipment used to process data.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   Not applicable.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Research in forest resource analysis using the requested resources will directly serve professional managers and state and private owners of Idaho forest lands and enhance the skills and tools to sustain and improve forest health and productivity. Rural communities and outdoor recreation stakeholders in Idaho benefit from productive forest lands that support economic enterprises, vigorous wildlife populations, fertile soils and abundant supplies of clean water.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   This request has not been made previously.

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AGENCY: Special Programs	Agency No.:	516	FY 2016 Request
FUNCTION: Idaho Geological Survey	Function No.:	02	Page _4__ of 4_ Pages
ACTIVITY: Strategic Initiatives	Activity No.:	01	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.01** Title: Landslide inventory and hazard research program Priority Ranking 1 of 1

DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	1.00				1.00
PERSONNEL COSTS:					
1. Salaries	$60,400				$60,400
2. Benefits	21,500				21,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$81,900				$81,900
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$5,000				$5,000
2. Software upgrades and maintenance	2,000				2,000
TOTAL OPERATING EXPENDITURES:	$7,000				$7,000
CAPITAL OUTLAY **by summary object:**					
1. PC and software	$1,200				$1,200
2. Photogrammetry workstation and NAIP photos	30,000				30,000
TOTAL CAPITAL OUTLAY:	$31,200				$31,200
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$120,100				$120,100

Supports institution/agency and Board strategic plans:

This *Landslide Inventory and Hazard Research Program* support **Goal 1** of the IGS Strategic Plan:

OUTREACH AND ENGAGEMENT (SERVICE)

1) Achieve excellence in collecting and disseminating geologic information and mineral data to the mining, energy, agriculture, utility, construction, insurance, and financial sectors, educational institutions, civic and professional organizations, elected officials, governmental agencies, and the public. Continue to strive for increased efficiency and access to Survey information primarily through publications, Web site products, in-house collections and customer inquiries. Emphasize Web site delivery of digital *products and compliance with new revision of state documents requirements (Idaho Code 33-2505). Maintain concentrated effort to collect and preserve valuable geologic data at risk.*

Objective A: Produce and effectively deliver relevant geologic information to meet societal priorities and requirements.

Performance Measure: Number of published reports on geology/hydrogeology/**geologic hazards**/mineral and energy resources.

Objective B: Build and deliver Web site products and develop user apps and search engines.

Performance Measure: Number of IGS web site viewers and products used/downloaded.

Description:

Idaho Geological Survey (IGS) is the lead state agency for the collection, interpretation, and dissemination of geologic and mineral data for Idaho. The Survey accomplishes its mission through research, service, and outreach activities, with an emphasis on the practical application of geology to benefit Idaho and economic development within the state.

The state of Idaho needs a sustained hazards research program and a comprehensive, accurate, easily assessed, and updatable landslide inventory. The IGS presently lacks sufficient staff, however, to conduct and sustain a state-wide landslide inventory without jeopardizing ongoing earthquake research and geologic mapping efforts in high-priority areas such as southwest Idaho where important oil and gas exploration is taking place.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   This request seeks funding for one permanent (new FTE) Research Geologist position dedicated to landslide inventory and related geologic hazard research. IGS appropriations were drastically reduced in FY10 and staffing levels for essential programs have been cut to below adequate levels. The agency presently has only one geologist with expertise in hazards-related research such as landslides and earthquakes. This state-supported geologist is heavily involved in externally funded earthquake studies and geologic mapping efforts in southeast and southwest Idaho, all of which are critical to fulfilling the IGS mandate. While we recognize the need to increase geologic hazards efforts with regard to landslide mitigation, it is impossible to do so without additional staff.

2. What resources are necessary to implement this request?

a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

   Salary for a new, full-time Research Geologist (faculty position). We anticipate hiring a permanent, full-time, benefit-eligible Research Geologist by July 2015.

b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

   Research Geologist, a current IGS employee whose salary is covered by state funds, will reduce his geologic mapping effort to devote 5 weeks/year to landslide work.

   GIS Data Manager, a current IGS employee whose salary is partially covered by state funds, will reduce his website management effort to devote 5 weeks/year to landslide

c. List any additional operating funds and capital items needed.

   - PC and software for new Research Geologist
   - High-precision 3D photogrammetry workstation and state-wide digital images from existing National Agricultural Inspection Program (NAIP)
   - Travel expenses in support of field work and outreach/education activities.
   - Software and hardware upgrades and maintenance for photogrammetry workstation

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   Personnel costs and travel are ongoing. Capital outlay is one time.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Idaho's infrastructure, particularly roads, railroads, and canals, are susceptible to expensive landslide damage. These events have the potential to isolate communities, damage homes, and disrupt vital economic activities. This risk is increasing because of greater incidence of wildfires and movement of populations and infrastructure to landslide-prone landscapes. Reduction of this risk begins with a comprehensive inventory of landslides because the most accurate predictor of future landslides is the presence of past landslide activity. The last statewide inventory was conducted by the IGS in 1991. It is out-of-date and lacks sufficient detail to protect infrastructure. National inventories by the U.S. Geological Survey are even more inadequate. For example, despite a history of costly landslides near Bonners Ferry, the U.S.G.S. landslide map shows the Idaho panhandle to be an area of low landslide incidence.

Beneficiaries of landslide research will include county and municipal governments, state agencies (Idaho Bureau of Homeland Security, Idaho Transportation Department, and Idaho Department of Lands), and the general public.

Impacts if funding not provided

The deadly Oso, Washington landslide disaster of March 22, 2014 underscored the need for accurate, up-to-date landslide inventories that are easily accessed and understood by the public and local jurisdictions. Sustained action over a period of years that reduces or eliminates the risk of landslide losses is needed and cost effective. As noted by the Idaho Bureau of Homeland Security:

"For every $1 spent [on mitigation], $4 in losses prevented….."

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   This is the highest priority request.

AGENCY: Special Programs	Agency No.: 516	FY 2016 Request
FUNCTION: Scholarships and Grants	Function No.: 03	Page ___ of __ Pages
ACTIVITY:	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.01** Title: GEARUP Priority Ranking 1 of 1

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	0.00				0.0
PERSONNEL COSTS:					
1. Salaries					
2. Benefits					
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	0				0
OPERATING EXPENDITURES **by summary object:**					
1. Travel					
TOTAL OPERATING EXPENDITURES:	0				0
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:	0				0
T/B PAYMENTS:			$852,300		$852,300
LUMP SUM:					
GRAND TOTAL	0		$852,300		$852,300

Supports institution/agency and Board strategic plans:

Goal 1, Objective A

Goal 1, A Well Educated Citizenry, calls for providing opportunities for individual enhancement and Objective A, Access, advocates for increasing access for individuals of all ages, abilities, and economic means to Idaho's P-20 educational system.

Performance Measure: Percent of need met by available need-based financial aid.

Description:
GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) is a federal discretionary grant program designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education. This

program provides six-year grants to states and partnerships to provide services at high-poverty middle and high schools which are designated as GEAR UP schools. GEAR UP started in Idaho in FY 2007 with the renewable scholarships starting in FY 2013.

GEAR UP allocates $852,300 per cohort to the State of Idaho. In fiscal year 2016 there will be three cohorts requiring funding. The GEAR UP selection and funding is based on a student's financial need, academic merit, and participation in GEAR UP. The scholarship rules require the minimum award is not less than the applicant's Pell Grant amount. The Pell amount is currently $5,730. The 2015 spending authority allows for 297 total students in the three cohorts to be funded at full Pell amounts. Looking ahead to FY 2016, FY 2017, and FY 2018, there will be three cohorts in 2016 at $852,300 per cohort for a total of $2,556,900 which will fund 446 students. In 2017 two cohorts require funding for a total of $1,704,600 and 297 students. And the final year 2018 one cohort of 152 students for a request of $852,300 will be required. One variable that changes this projection is the Pell funding amount. If the Pell amount is increased by the federal government in 2016, 2017, or 2018 then the current request has the potential to not cover the minimum Pell requirement. The money not expended stays in the GEAR UP fund, so it is prudent to request the full amount allocated by GEAR UP.

The appropriation for FY 2015 is $1,704,600. This request is to increase the spending authority for the GEAR UP program in FY 2016 one-time by $852,300.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   This request reflects an increase of $852,300 in one-time federal funds spending authority for GEAR UP scholarships. This request does not affect staffing levels.

2. What resources are necessary to implement this request?

   No additional resources are required as current staffing levels are sufficient.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   Federal spending authority with grant funds already awarded.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   GEAR UP is designed to increase the number of low-income students from high-poverty middle and high schools that are prepared to enter and succeed in postsecondary education. GEAR UP provides students an opportunity to apply for a 4-year renewable scholarship based upon financial need and level of participation in the program and funding for participating students to prepare for and take the ACT test. The GEAR UP Program will serve over 5,500 students in Idaho during the life of the grant.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   N/A

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AGENCY: Special Programs	Agency No.: 516	FY 2016 Request
FUNCTION: Scholarships and Grants	Function No.: 03	Page ___ of __ Pages
ACTIVITY:	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.03** Title: **Opportunity Scholarship** Priority Ranking 3 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	0.00				0.0
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:	0				0
OPERATING EXPENDITURES **by summary object:** 1. Travel					
TOTAL OPERATING EXPENDITURES:	0				0
CAPITAL OUTLAY **by summary object:** 1. PC and workstation					
TOTAL CAPITAL OUTLAY:	0				0
T/B PAYMENTS:	$4,322,700				$4,322,700
LUMP SUM:					
GRAND TOTAL	$4,322,700				$4,322,700

Supports institution/agency and Board strategic plans:

Goal 1, Objective A

Goal 1, A Well Educated Citizenry, calls for providing opportunities for individual enhancement and Objective A, Access, advocates for increasing access for individuals of all ages, abilities, and economic means to Idaho's P-20 educational system.

Performance Measure: Percent of need met by available need-based financial aid.

Description:

The Opportunity Scholarship is Idaho's signature hybrid scholarship which factors awards based on merit and need. It is designed on a shared responsibility model with state dollars being the "last dollars". This means that a student must apply for federal aid, have a self or family contribution element before they would be eligible for the

Opportunity Scholarship. In FY07 and FY08, the initial years of this program, $20 million dollars was put into an endowment fund and $1.925 million was designated to fund scholarships for the 2007-2008 and 2008-2009 academic years. Approximately 700 students each year have received this renewable scholarship with the majority of students receiving the maximum award of $3,000.

As a result of the financial difficulties during FY10-FY12, funds were not available to fund neither the endowment nor the ongoing scholarships, however, the Board was permitted to use the earnings from the endowment and $1,000,000 from the corpus in those years. This allowed us to fund qualifying renewals, but new awards were limited. In FY13, the discontinuance of the federal LEAP and SLEAP scholarships freed up the state match of $550,800 in state General Fund dollars which was reallocated to the Opportunity Scholarship. This amount combined with $449,200 from the corpus provided a total of $1,000,000 available for scholarships.

In FY14, Senate Bill 1027 consolidated several existing scholarships into a reconstituted Opportunity Scholarship resulting in $1,045,800 set aside for scholarships out of the general fund with no planned reductions to the corpus. The Scholarships Committee planned use of existing funds in FY15 calls for a consolidation of most scholarship programs into the Opportunity Scholarship program resulting in a total of $5,277,300 which will fund over 1,500 students with a scholarship. More scholarships may be funded depending on the average award amount.

This request is for $4,322,700 from the state General Fund to bring the total amount to $9,600,000 for FY 2016. This would provide 2,000 new scholarships and enough funding for an expected rate of 50% renewals for the second year returning students. The goal is to increase the Opportunity Scholarship over the next three years to be able to fund 2,000 new scholarships and 1,000 renewals as shown in the table on the next page.

Opportunity Scholarship Plan to Increase Awards to 2,000 new scholarships per year					
	Year 1 New	Year 2 Renewals	Year 3 Renewals	Year 4 Renewals	Total
FY 2015					
Awards	1,741	150			1,891
Award $	$ 3,000	$ 3,000	$ 3,000	$ 3,000	
Amount	$5,223,000	$ 450,000	$ -	$ -	5,673,000
FY 2016					
Awards	2,000	900	150	150	3,200
Award $	$ 3,000	$ 3,000	$ 3,000	$ 3,000	
Amount	$6,000,000	$ 2,700,000	$ 450,000	$ 450,000	9,600,000
FY 2017					
Awards	2,000	1,000	900	150	4,050
Award $	$ 3,000	$ 3,000	$ 3,000	$ 3,000	
Amount	$6,000,000	$ 3,000,000	$ 2,700,000	$ 450,000	12,150,000
FY 2018					
Awards	2,000	1,000	1,000	1,000	5,000
Award $	$ 3,000	$ 3,000	$ 3,000	$ 3,000	
Amount	$6,000,000	$ 3,000,000	$ 3,000,000	$ 3,000,000	15,000,000

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   $4,322,700 is requested to bring the total General Fund Opportunity Scholarship to $9,600,000 in order to award 2,000 new scholarships fund renewals estimated at 50% of the prior year new awards.

2. What resources are necessary to implement this request?

   No additional resources are required as current staffing levels are sufficient.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   $4,322,700 in ongoing General Funds

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   The State Board of Education has set an ambitious goal that 60% of Idahoans ages 25-34 will have a college degree or certificate by the year 2020. It is estimated that postsecondary education attainment for this adult population is currently at 40%. One of the key drivers for meeting this goal is access. The Opportunity Scholarship is Idaho's primary scholarship for helping students afford a postsecondary education.

   The value of a four-year degree is at an all-time high. The wage differential between those with a four-year degree and those with a high school degree has grown to 81% -- higher than at any time in the past 90 years. Thus, if this request is not funded, not only could it impact the earning power of thousands of Idahoans, it will also ultimately impact the state's tax base.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   N/A

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

AGENCY: Special Programs	Agency No.: 516	FY 2016 Request
FUNCTION: Small Business Development Centers	Function No.: 05	Page 1 of 3 Pages
		Original Submission X or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.01** Title: **Business Development** Priority Ranking 1 of 1

DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	4.0				4.0
PERSONNEL COSTS:					
1. Salaries	$223,600				$223,600
2. Benefits	66,500				66,500
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$290,100				$290,100
OPERATING EXPENDITURES **by summary object:**					
1. Travel	$8,000				$8,000
TOTAL OPERATING EXPENDITURES:	$8,000				$8,000
CAPITAL OUTLAY **by summary object:**					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$298,100				$298,100

Supports institution/agency and Board strategic plans:
This request to add additional business consultants at the Idaho Small Business Development Center supports:

- *Governor Otter's "Accelerate Idaho" initiative by empowering business creation, expansion and innovation through high-quality, no-cost business consulting.*
- *The State Board of Education's objectives for adult learners through individualized coaching of small business owners and entrepreneurs.*
- *The State Board of Education's objective to prepare students for entering the workforce by providing experiential learning through class projects and internships with small business clients.*
- *Boise State University's core theme for community commitment.*
- *The Boise State College of Business and Economics' goal to support economic development through collaboration with public and private organizations.*

- *The host college and university goals for outreach to communities and support of economic development.*

Description:

The Idaho Small Business Development Center has been providing no-cost consulting and coaching to Idaho's small businesses and entrepreneurs since 1986 through a network of 6 offices hosted by Idaho's colleges and universities. This request enhances the Idaho Small Business Development Center's resources to help small business start, grow and prosper by adding 4 FTEs for business consulting. Funding will be distributed between each of the existing offices to support businesses in rural areas, businesses new to exporting and businesses with an innovation as their competitive advantage.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   $298,100 is being requested to add 4 FTEs to the Idaho Small Business Development Center network. $290,100 is for salary and fringe and $8,000 is for travel so that personnel can travel to rural areas and also travel to local and national conferences for professional development.

   The request is for ongoing funding that would be added to the base.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      Positions will be Business Consultants in all 8 locations. Two offices will receive funding for new part-time non-benefit eligible hires. Five offices will receive funding to increase hours for existing benefit eligible positions. The State Office will receive funding to leverage with SBA funding to hire a new full-time position for assistance to technology/innovation companies statewide. (See Funding Distribution Calculations attachment for more details.)

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      The only existing human resources that are impacted are those positions that will have increased hours.

   c. List any additional operating funds and capital items needed.

      The request includes $8,000 in travel funds ($1,000 per position) to support professional development at twice yearly internal conferences, an annual national professional development conference and for travel to rural areas.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   Please see the table above and the Funding Distribution Calculations attachment.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   This initiative will accelerate business creation and expansion in Idaho by providing Idaho's entrepreneurs and small business owners with no-cost individualized coaching and assistance to improve their skills and success. The Idaho SBDC has a proven 28-year track record of achieving an average return on investment of 4:1. Idaho SBDC clients consistently outperform their peers with clients' sales routinely 5 times that of the average small business in Idaho (see attached Impact Report).

   Small businesses are the engine of the economy and responsible for creating 60–80% of the net new jobs. The focus is on innovative companies and companies new to exporting. Technology/innovation firms typically create higher paying positions and companies engaged in exporting are bringing additional wealth into the state. Strong partnerships are already in place so that there is no duplication of services.

   The goal of this initiative is to grow Idaho's economy. Expected annual impacts after the first year of development are:
   - *16 new businesses started*
   - *100 jobs created*
   - *$2 million increase in sales*
   - *$2 million capital raised*
   - *15 companies new to exporting*
   - *15 companies with innovations/technologies*
   - *10% growth in economic impacts in rural Idaho*

   If this request is not funded, the increased growth for Idaho's businesses will not be realized.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   No prior year request.

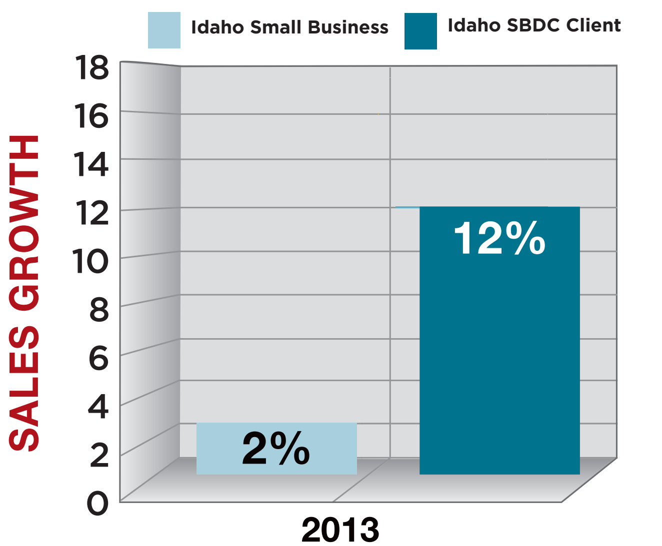
Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

sbdc IDAHO

Small Business Development Center

direction. solutions. impact.

IDAHO SBDC CLIENTS OUTPERFORM!

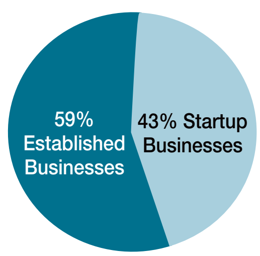


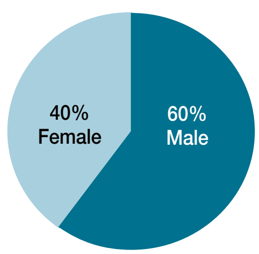
Data from third party researcher, Dr. Jim Chrisman, Economic Impact of Small Business Development Center Counseling in Idaho

YEARLY RETURN ON INVESTMENT

- **1,025** jobs created and retained
- **$4 million** in additional state and federal taxes
- **$24 million** in capital infusion
- **4:1** return on investment

CLIENT MIX





CLIENT SATISFACTION

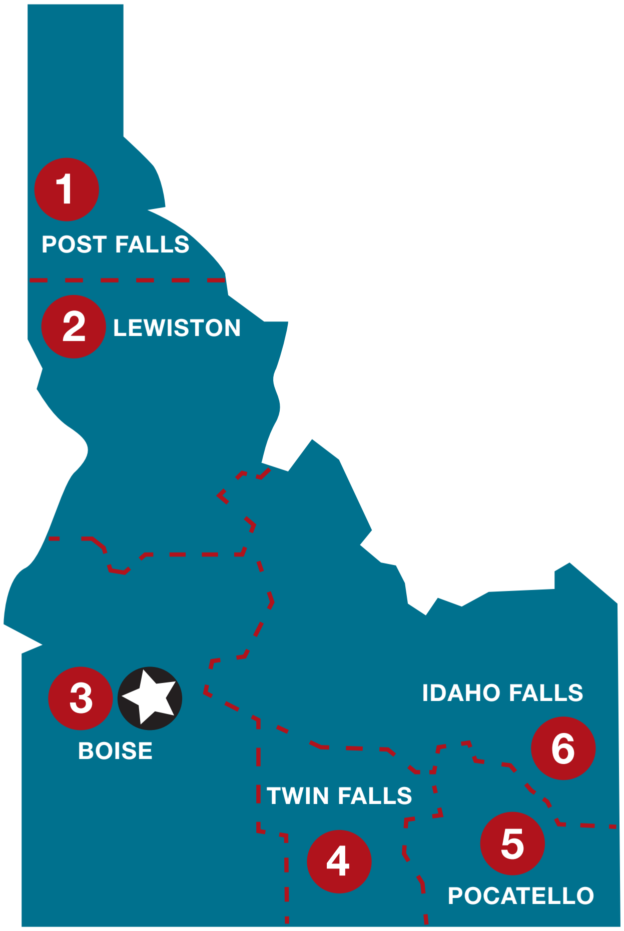
Would recommend SBDC services	99%
Rate services very good and excellent	98%

services

consulting Our primary service is no-cost confidential consulting tailored to individual businesses' needs. Our coaches are available by appointment and help solve even the most complex problems. Most have MBAs or a related degree and have owned their own small business. **1,678 clients served in 2013.**

training We offer a continual schedule of affordable trainings designed to teach practical business skills. Our consultants and local business professionals serve as instructors. Classes compliment coaching sessions and help clients progress even faster. **2,517 attended trainings in 2013.**

resources The SBDC serves as the focal point for coordinating with other programs and services, both public and private, to bring additional expertise and resources for client assistance. We also help clients build a strong team of professionals to support the business.



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Visit our website at
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College of Southern Idaho · North Idaho College · Lewis-Clark State College · University of Idaho · Boise State University · Idaho State University

Idaho Small Business Development Center

FY16 Funding Request - Distribution calculations

Personnel

Region	position	FTE	Salary	Fringe rate	Fringe	Total
I	new part-time non-benefit eligible position	0.6	$ 31,200	9%	$ 2,808	$ 34,008
II	increased hours for benefit eligible position	0.4	$ 20,800	36%	$ 7,488	$ 28,288
III	increased hours for benefit eligible position	0.5	$ 29,120	37%	$ 10,774	$ 39,894
TECenter	increased hours for benefit eligible position	0.5	$ 29,120	37%	$ 10,774	$ 39,894
IV	new part-time non-benefit eligible position	0.5	$ 26,000	9%	$ 2,340	$ 28,340
V	increased hours for benefit eligible position	0.4	$ 23,296	37%	$ 8,620	$ 31,916
VI	increased hours for benefit eligible position	0.5	$ 29,120	37%	$ 10,774	$ 39,894
State	new full-time position (leveraged with federal funds)	0.6	$ 34,944	37%	$ 12,929	$ 47,873
		4	$ 223,600		$ 66,508	$ 290,108

Operating	$1,000 for each position (travel and profess	$ 8,000
TOTAL		$ 298,108

AGENCY: Office of the State Board of Education	Agency No.:	501	FY 2016 Request
FUNCTION: Charter School Comm'n	Function No.:	03	Page ___ of __ Pages
			Original Submission _X_ or
ACTIVITY:	Activity No.:		Revision No. ___

A: Decision Unit No: **12.01** Title: **PCSC Oversight** Priority Ranking 1 of 2

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	1.50				1.50
PERSONNEL COSTS:					
1. Salaries	$73,700				$73,700
2. Benefits	31,100				31,100
3. Group Position Funding	$1,500				$1,500
TOTAL PERSONNEL COSTS:	$106,300				$106,300
OPERATING EXPENDITURES **by summary object:**					
1. Office space	$12,500				$12,500
2. Photocopier lease	$6,000				$6,000
3. Travel	$6,000				$6,000
TOTAL OPERATING EXPENDITURES:	$24,500				$24,500
CAPITAL OUTLAY **by summary object:**					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$130,800				$130,800

Supports institution/agency and Board strategic plans:

GOAL 1: A WELL EDUCATED CITIZENRY
The educational system will provide opportunities for individual advancement.

Objective A: Access - Set policy and advocate for increasing access for individuals of all ages, abilities, and economic means to Idaho's P-20 educational system.

Description:

Currently the Public Charter School Commission (PCSC) the PCSC authorizes 35 schools. Thirty-three schools are currently in operation and two are scheduled to open in the fall of 2014 (there are also three unapproved petitions under consideration). In addition, new public charter schools may be authorized each year. The number of authorized schools has increased to the point where 2.5 people simply can no longer provide support to the Commission and manage the day to day oversight of the schools. For example, lack of adequate staff makes it impossible to conduct thorough reviews of chartered schools without obvious or reported deficiencies. Absent thorough reviews, staff is unable to advise charter school boards and the PCSC regarding areas in need of improvement and ultimately provide data-driven, context-based recommendations regarding renewal or non-renewal. As a result, the PCSC's ability to fulfill its mission of maintaining high standards, upholding school autonomy, and protecting students and taxpayers is compromised.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
2.

The Public Charter School Commission (PCSC) requests 1.5 FTE in the form of a full-time program manager position and a half AA2 position.

Current staffing for this program is 2.5 FTE. Beginning in FY2015 source of funds is 100% Public Charter Authorizer fees, prior to that it was General Funds. PCSC needs an additional professional level staff position to facilitate the oversight of all schools authorized by the PCSC. This position would act at the direction of the executive level staff person to evaluate, report, and respond to school performance. This would include analysis of school finances and academic results, evaluation of compliance and governance, and frequent communication with schools and stakeholders. Additionally, this position would be responsible for gathering information and supporting PCSC meetings, appeals, and hearings.

PCSC currently has a 0.50 FTE for administrative support. PCSC needs to move this to a full-time position in order to manage the increased workload associated with staff work oversight of 35 schools.

Nationally, statewide charter school authorizing commissions average 0.44 FTE per school (*Source:* Authorizing Roadmap: National Perspectives on Quality Authorizing, 2013 Report by National Association of Charter School Authorizing Senior Advisor Nelson Smith). To match average national staffing levels, the PCSC would have more than 15 FTE.

In order to accommodate necessary growth in staffing, ongoing funding is also requested for increased lease space.

3. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      Program Manager (1 FTE), Pay Grade N (80% of policy = $27.80), full-time, non-classified, benefit eligible, hire date: July 1, 2015
      Administrative Assistant II (0.50 FTE), Pay Grade I, classified, benefit eligible, hire date: July 1, 2015

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      The current half-time AA2 position supporting this program would be moved to full-time.

   c. List any additional operating funds and capital items needed.
      $12,500 in ongoing operating expenses is requested for 1,000/SF lease space in the Borah building. Unlike other Capitol Mall office space, all space in Borah rent for $11.19 per SF. Ongoing OE is also needed to lease a photocopier.

4. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
   On-going General Funds

5. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Approximately 11,700 students are served by the 35 PCSC-chartered schools. Lack of adequate PCSC staffing levels has a material impact on oversight to help ensure the delivery of quality education at these taxpayer funded schools.

6. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.
   Not Applicable

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Office of the State Board of Education	Agency No.: 501	FY 2016 Request
FUNCTION: Administration	Function No.: 03	Page ___ of __ Pages
ACTIVITY: Proprietary Schools	Activity No.:	Original Submission _X_ or Revision No. ___

A: Decision Unit No: **12.02** Title: **State Authorizers Reciprocity** Priority Ranking 2 of 2

DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:		$21,000			$21,000
OPERATING EXPENDITURES **by summary object:** 1. Office space 2. Photocopier lease					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:**					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL		$21,000			$21,000

Description:

Idaho has been approved as part of the State Authorization Reciprocity Agreement (SARA) through the Western Interstate Commission for Higher Education (WICHE). SARA is an agreement among member states, districts and territories that establishes comparable national standards for interstate offering of postsecondary distance education courses and programs. It is intended to make it easier for students to take online courses offered by postsecondary institutions based in another state. SARA is overseen by a National Council and administered by four regional education compacts.

Any degree-granting institution based in the United States, holding proper authorization from Congress, a U.S. state or a federally recognized Indian tribe and holding accreditation from an accrediting association recognized by the U.S. Secretary of Education is eligible to apply to its home state to participate in SARA if that state is a SARA member. For more information: http://nc-sara.org/what-does-institution-do

Institutions that wish to apply for Idaho State Authorization must register by completing an application, paying a state fee to the Idaho State Board of Education and receive a confirmation of their authorization status. An institution seeking approval to operate under the terms and standards of SARA must meet the requirements of application. Idaho will be charging an application fee of $1,500.00. The application fee is due when application is submitted. Registrations for state approval are voluntary, however institutions can only apply to their home state. Private institutions operating out of multiple states apply to the state of their headquarters.

The following table is an estimate of the annual application fees for public, private and exempt institutions in Idaho. Possible uses of these funds include staffing to assist with complaints and to conduct investigations.

Institutions	FY15 Projected Fees
Boise Bible College	$ 1,500.00
Boise State University	$ 1,500.00
BYU Idaho	$ 1,500.00
College of Southern Idaho	$ 1,500.00
College of Western Idaho	$ 1,500.00
Eastern Idaho Technical College	$ 1,500.00
Idaho State University	$ 1,500.00
Lewis-Clark State College	$ 1,500.00
New Saint Andrews College	$ 1,500.00
North Idaho College	$ 1,500.00
Northwest Nazarene University	$ 1,500.00
The College of Idaho	$ 1,500.00
University of Idaho	$ 1,500.00
one additional institution	$ 1,500.00
Total	**$ 21,000.00**

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   Spending authority is requested in order to use the fees generated through this program. Staffing levels have not been estimated at this time and will be provided in August. The current Miscellaneous Funds spending authority is not sufficient for this new program.

2. What resources are necessary to implement this request?

   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      No FTP is requested at this time.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      It is unknown at this time the long-term human resource needs to review applications, respond to complaints and conduct investigations.

   c. List any additional operating funds and capital items needed.

      OSBE is requesting $21,000 in Miscellaneous Funds spending authority which is the total estimated amount of fees under the State Authorization Reciprocity Agreement.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

   $21,000 ongoing Miscellaneous Funds

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Idaho students will benefit by make it easier for them to take online courses offered by postsecondary institutions based in another state by establishing comparable national standards for interstate offerings of postsecondary distance education courses and programs.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   Not Applicable

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Idaho Public Television	Agency No.: 520	FY 2016 Request
FUNCTION: Idaho Public Television	Function No.: 01	Page _1_ of _3_ Original Submission _X_ or
ACTIVITY:	Activity No.:	Revision No. ___

A: Decision Unit No: **12.01** Title: **Idaho Experience** Priority Ranking 1 of 1

DESCRIPTION	General	Dedicated	Federal	Other	Total
FULL TIME POSITIONS (FTP)	3.0				3.0
PERSONNEL COSTS:					
1. Salaries	$161,600				$161,600
2. Benefits	66,600				66,600
3. Group Position Funding	25,000				25,000
TOTAL PERSONNEL COSTS:	$253,200				$253,200
OPERATING EXPENDITURES **by summary object:**					
1. Professional Services	$55,000				$55,000
2. Administrative Services	10,000				10,000
3. Travel / Specific Use Supplies	34,500				34,500
TOTAL OPERATING EXPENDITURES:	$99,500				$99,500
CAPITAL OUTLAY **by summary object:**					
1. Office Furniture	$3,000				$3,000
TOTAL CAPITAL OUTLAY:	$3,000				$3,000
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$355,700				$355,700

Supports institution/agency and Board strategic plans:

Goal 1 SBOE Goal 1 is a well-educated citizenry. IdahoPTV's objectives to meet this goal are to provide high quality television programming and new media content, and to provide relevant Idaho-specific information.

Description:

This year Idaho Public Television has a unique opportunity to capitalize on prospective support from private funders to offer Idahoans an in-depth look at our state's rich history. We are asking for base funds to move forward with plans to create a televised multi-media series that will bring to life the people and events which shaped our state's past and present. Similar to the PBS program, THE AMERICAN EXPERIENCE, the ongoing series would be produced in a collaborative effort with the Idaho Historical Society and other educational institutions.

For the 2009 legislative session, both the State Board of Education and Governor Otter recommended funding for the Idaho Experience Line Item request. For the 2010 legislative session, this request was approved by the State Board of Education.

Questions:

1. What is being requested and why?

   Idaho Public Television proposes to preserve and enhance Idaho's heritage by producing two historical documentaries and related Web sites annually, and to make them available to students, teachers and the Idaho public. We will work closely with educators to align the series with Idaho's school curriculum and to present the material in ways that is both engaging and accurate. This is an exceptional opportunity for us to capture and examine the history of our state so that we can help educate and inform Idaho's citizens, both our youth and adults.

   To date, there are no other known efforts to produce comprehensive multi-media documentaries about influential Idahoans and the forces that shaped our state. Idaho Public Television is uniquely positioned to be able to take on such a task. Our past efforts to do so have produced award winning documentaries such as ASSASSINATION: IDAHO'S TRIAL OF THE CENTURY and the recently released CAPITOL OF LIGHT. Both films have been widely praised for their fascinating and comprehensive portrayal of Idaho's history.

   Using these programs as a template, each new documentary will be broadcast several times throughout the state, with unlimited off-air record rights for educational institutions. Enhanced DVDs and web-based media of the programs will be available to the Idaho Commission for Libraries for circulation to libraries throughout Idaho via interlibrary loan. The documentaries will be closed-captioned for the hearing impaired and a companion Web site will be developed to take the program beyond the television screen and enhance educational opportunities for Idaho's teachers and students.

   Working together with the Idaho State Historical Society and Idaho's universities and colleges, we will help to conserve Idaho's heritage by preserving valuable, unique documents and artifacts that are presently stored in the partners' collections but are unusable because of their fragile condition.

   In addition to State of Idaho contributions to this effort, Idaho Public Television will seek additional resources to enhance and expand this effort. As mentioned above, we have already been approached by funders interested in supporting this idea.

What is the agency staffing level for this activity and how much funding by source is in the base? N/A

2. What resources are necessary to implement this request?

   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      PTV Producer/Director, pay grade L, full-time, classified, anticipated hire date July 1, 2015, salary cost estimated at $57,886; benefited with benefit costs estimated at $23,058, position ongoing.

      PTV Writer/Reporter/Producer, pay grade L, full-time, classified, anticipated hire date July 1, 2015, salary cost estimated at $57,886; benefited with benefit costs estimated at $23,058, position ongoing.

      PTV Director/Videographer, pay grade J, full-time, classified, anticipated hire date July 1, 2015, salary cost estimated at $45,781; benefited with benefit costs estimated at $20,443, position ongoing.

      Group Position at $25,000 to aid as an Associate Producer.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      The primary human resources that will be redirected are portions of time from the Executive Producer and Production Manager for oversight of the series. In addition, existing technical/engineering, promotional and administrative (primarily fiscal) personnel support. The series will utilize existing equipment, studios, production control, and editing suites. A vehicle would be needed to ensure travel was possible.

   c. List any additional operating funds and capital items needed.

      IdahoPTV will need new computers for use by the new positions along with workspace modifications. A vehicle is listed to accommodate the travel that will be needed. This series will be filmed throughout Idaho and some limited out-of-state locations.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumptions (e.g. anticipated grants, etc.).

   N/A

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   The population of Idaho would be impacted most. There are historical issues unique to Idaho that should be documented for a viewing audience. Idaho schools would be benefitted by the extensive Web site planned for this series and DVDs, web streaming, and on-air programming would be distributed by IdahoPTV. Certain programs from this series may have regional and national broadcast potential.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   N/A

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

AGENCY: Office of the State Board of Education	Agency No.:	523	FY 2016 Request
FUNCTION: Vocational Rehabilitation	Function No.:	02	Page ___ of __ Pages Original Submission _X_ or
ACTIVITY: Basic Grant	Activity No.:	02	Revision No. ___

A: Decision Unit No: **12.01**	Title: **Counselor Salaries**			Priority Ranking 1 of 3	
DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS:					
1. Salaries	$47,300	$3,200	$186,600		$237,100
2. Benefits	9,900	600	39,200		49,700
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	$57,200	$3,800	$225,800		$286,800
OPERATING EXPENDITURES **by summary object:**					
1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation					
TOTAL CAPITAL OUTLAY:					
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	$57,200	$3,800	$225,800		$286,800

Supports institution/agency and Board strategic plans:
Goal 2 Objective 5

Objective: IDVR will maintain a comprehensive system of personnel development (CSPD) standard for IDVR counselors.

Benchmark: Vocational Rehabilitation Counselors will maintain all CSPD standards for their position annually and all Vocational Rehabilitation Specialist positions will be incompliance with the agency's standard to reach CSPD in FFY 2014.

IDVR will have trouble meeting this standard without this increase because we are having trouble recruiting counselors that meet this standard because of the low salary. We lose many counselors to Health and Welfare agencies because their pay for equivalent positions start $3 an hour higher than ours.

Description:
IDVR is requesting funds to increase funding for our Vocational Rehabilitation Counselors (VRC) positions to a level that is still $1.50 an hours less than an equivalent position in Health and Welfare. IDVR will evaluate this effect and if it is still having difficulty retaining staff will request in the future a comparable salary to other state agencies with positions requiring a Master's in a similar field.

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
   IDVR has 68 VRCs and 8 Regional Managers in the agency, besides the other staff of the agency. These VRCs provide the most essential service IDVR offers Counseling and Guidance. It is critical for IDVR to achieve its goals that we have high quality VRCs. Unfortunately IDVR has had trouble hiring VRCs that meet the criteria as laid out in our Comprehensive System of Personnel Development that is a part of our State Plan that is submitted to the Rehabilitation Services Administration. Our VRCs are required to have or be able to sit to become Certified Rehabilitation Counselor (CRC). This requirement means that they have a Master's in Rehabilitation Counseling or a Master's in a similar field and 18 hours of graduate level studies in vocational rehabilitation. This severely limits our pool of candidates. In addition IDVR has lost many VRCs to other state agencies that pay substantially more for a similar education.

   Staffing level for this function is currently 76.0 FTP VR Counselors and Regional Managers at a cost of $5,297,000, split between $1,065,000 from general funds, $62,600 from dedicated funds and $4,169,400 from federal funds.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      IDVR currently has 76 non-classified positions in the field offices that would be impacted. Position titles are Vocational Rehabilitation Counselors and Regional Managers all of them full-time with benefits.

   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      No existing human resources will be redirected.

   c. List any additional operating funds and capital items needed.
      No additional operating funds or capital outlay is needed.

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

The federal grant is sufficient to fund up to 78.7% of this cost and those funds are currently being returned to the federal agency because the 21.3% non-federal share is insufficient.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?
   This request ultimately makes it so IDVR can serve our customers better. By being able to recruit and retain quality VRCs IDVR will reduce the impacts of overstaffed caseloads that result in diminished services as well as unnecessary changes between counselors that stagnates progress for the customer.

   If this request is not funded IDVR will face considerable difficulty recruiting and retaining VRCs throughout the state. We have already had a lot of difficulty hiring VRCs in certain parts of the state.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Office of the State Board of Education	Agency No.:	523	FY 2016 Request
FUNCTION: Vocational Rehabilitation	Function No.:	02	Page ___ of __ Pages
			Original Submission _X_ or
ACTIVITY: Basic Grant	Activity No.:	02	Revision No. ___

A: Decision Unit No: **12.02** Title: **Additional grant funds** Priority Ranking 2 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)					
PERSONNEL COSTS: 1. Salaries 2. Benefits 3. Group Position Funding					
TOTAL PERSONNEL COSTS:					
OPERATING EXPENDITURES **by summary object:** 1. Travel					
TOTAL OPERATING EXPENDITURES:					
CAPITAL OUTLAY **by summary object:** 1. PC and workstation					
TOTAL CAPITAL OUTLAY:					0
T/B PAYMENTS:			$1,200,000		$1,200,000
LUMP SUM:					
GRAND TOTAL			$1,200,000		$1,200,000

Supports institution/agency and Board strategic plans:

Goal 1 Objective 1

Objective: To provide customers with effective job supports including adequate job training to increase employement stability and retention..

Performance Measure: To enhance the level of job preparedness services to all customers.

Description:
IDVR is requesting $1,200,000 in Federal funds to have a sufficient amount of funds available to pay for assessment, training, tools, education, supplies, transportation, medical and other items to assist people with disabilities prepare for, secure, retain or regain employment.

Questions:
1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?
IDVR is requesting additional Federal funds to be able to meet the requirements of the Federal vocational rehabilitation program. In FY 2014 the Division's budget was reduced by $2 million dollars in Federal funds to more accurately reflect what the Division had actually spent on the program in FY 2012. However, services increased by 7% in FY 2013 and through March of 2014 services had increased another 13%. Without this increase the Division may not be able to meet the current requirements of the Vocational Rehabilitation program. If that was the case then IDVR would need to adjust how the program operates in Idaho and would not be able to serve all those who need service.

1. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.
      None
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      None
   c. List any additional operating funds and capital items needed.
      None

2. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).
   IDVR has not been using all of the Federal funds allocated to the State, but has been remitting available funds back to the Federal Government. The $1.2 million in Federal funds is available to be used for this purpose.

3. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?
   This request will allow IDVR to continue to serve all of our customers without limiting available services.

4. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

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AGENCY: Idaho State Council for the Deaf and Hard of Hearing (CDHH)	Agency No.:	523	FY 2016 Request
FUNCTION: CDHH Administration	Function No.:	01	Page 1 of 4 Pages
ACTIVITY: CDHH	Activity No.:		Original Submission _X_ or Revision No. ___

A: Decision Unit No: Title: **Communication/Outreach** Priority Ranking 3 of 3

DESCRIPTION	**General**	**Dedicated**	**Federal**	**Other**	**Total**
FULL TIME POSITIONS (FTP)	1.00				1.0
PERSONNEL COSTS:					
1. Salaries	50,800				50,800
2. Benefits	19,700				19,700
3. Group Position Funding					
TOTAL PERSONNEL COSTS:	70,500				70,500
OPERATING EXPENDITURES **by summary object:**					
1. Travel	2,300				2,300
2. Communication Accommodations	10,000				10,000
3. Cell phone	1,200				1,200
4. Office lease	2,400				2,400
TOTAL OPERATING EXPENDITURES:	15,900				15,900
CAPITAL OUTLAY **by summary object:**					
1. PC and workstation set-up	3,400				3,400
TOTAL CAPITAL OUTLAY:	3,400				3,400
T/B PAYMENTS:					
LUMP SUM:					
GRAND TOTAL	89,800				89,800

Questions:

1. What is being requested and why? What is the agency staffing level for this activity and how much funding by source is in the base?

   The Council for the Deaf and Hard of Hearing is requesting one (1) additional FTE identified as Communication and Outreach Coordinator. The Council for the Deaf and Hard of Hearing is a unique state agency following its mission of being "*Dedicated to making Idaho a place where persons, of all ages, who are deaf or hard of hearing have an equal opportunity to participate fully as active, productive and independent citizens.*" Using the formula of 13% provided by the Gallaudet Research Institute, an estimated 203,785 people in Idaho have hearing loss:

Total Idaho Population	1,567,582
Total Hearing Loss	203,785 (13%)
Severe Hearing Loss	34,486 (2.2%)
Profound Hearing Loss (deaf)	3,448 (.22%)

Currently, there are only **2** FTE's working for the Council, the Executive Director and an Administrative Assistant. With the establishment of Idaho Sound Beginnings (newborn hearing screening) children who have hearing loss are being identified earlier, baby-boomers are increasing and veterans are returning to civilian life. The aforementioned causes the need for an additional staff member to provide specific functions for the Council. The role of the Communication and Outreach Coordinator would be to increase awareness of the Council's role, services and programs throughout the state of Idaho. Strategies may include developing collaborations with community organizations, staffing exhibit tables at expos, providing training sessions, developing and disseminating information and resources, and managing external and internal communications.

One-time funds for initial office set up as desk, chair, desktop/laptop computers, monitors, warranties, and docking station is also being requested.

Currently there is no agency staffing for this position and no funding by source is in the base.

2. What resources are necessary to implement this request?
   a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire, and terms of service.

      The title of this position is: Communications and Outreach Coordinator
      Pay Grade: K
      Full Time Status
      Full Benefits
      Anticipated Date of Hire: July 1, 2016
      Terms of Service: NA
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      Existing Human Resources would be redirected to hire candidate. If this position were approved and funded, it would allow the two current staff members to spend 100% of their time on their assigned duties.

      Currently the Executive Director and Administrative Assistant are the only staff involved in providing information, workshops, presentations, and everyday operations of the Council. This position would relieve some of the burdens of the current staff to provide the necessary services dictated by Idaho Code Chapter 13, Title 33

c. List any additional operating funds and capital items needed.

Additional operating funds:

Office lease $200/mo	$ 2,400.00 annually
Cell Phone	$ 1,200.00 annually
Overnight travel ~ 10 x ~ 80	$ 800.00 annually
Per Diem ~ 20 x 33.00	$ 660.00 annually
Flights ~ 2 @ $400	$ 800.00 annually
Communication/accommodation svs	$10,000.00 annually
TOTAL Additional Operating Funds	**$15,860.00**

Capital Items

Desk	$740.00
Chair	$570.00
Desktop	$650.00
Desktop Warranty	$ 60.00
Laptop	$970.00
Laptop Warranty	$100.00
Docking Station	$160.00
Monitors	$156.00 Each
Total Capital Funds	**$3,406.00**

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

Ongoing request	$86,400
One Time request	$ 3,400.00

All funds will be from General Funds. There are no expectations of additional grant monies or federal monies. There are no external funding available that is in line with the objectives, mission and responsibilities/duties of the Council.

If the request is not funded, CDHH will be unable to fully utilize the collaborative relationship with community organizations, local and state governmental entities, and proactively develop a presence for our Council and the programs and services provided.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

   Idaho policymakers, the legislators, local, state agencies, businesses, and the 203,785 deaf and hard of hearing citizens will be served by this request. We anticipate the population to grow. This request allows for areas that are not currently served by the limited staff of CDHH to be included in the mission of the Council.

   It has been over 23 years, since the inception of the Council, without any significant increase in FTE that serves the constituents and/or stakeholders directly. For the past two decade the deaf and hard of hearing population grew and assimilated much more deeply into the society more than ever before which demands more information and resources. The current staff finds it very difficult meeting the growing demands.

   If this request is not funded, Idaho's deaf and hard of hearing population will continue to be underserved.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first.

   N/A. No request for FTE was presented on our line item last year.

Attach supporting documentation sufficient enough to enable the Board, Division of Financial Management, and the Legislative Budget Office to make an informed decision.

SUBJECT

Board Policy V.R. – Establishment of Fees – first reading

APPLICABLE STATUTE, RULE, OR POLICY

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

BACKGROUND/DISCUSSION

Board policy allows special course fees and assessments as follows:

A special course fee is a fee required for a specific course or special activity and, therefore, not required of all students enrolled at the institution. Fees such as: student orientation fees (when assessed to only those who register to participate), penalty assessments, library fines, continuing education fees, parking fines, laboratory fees, breakage fees, fees for video outreach courses, late registration fees, and fees for special courses offered for such purposes as remedial education credit that do not count toward meeting degree requirements are considered special course fees. All special course fees or penalty assessments, or changes to such fees or assessments, are established and become effective in the amount and at the time specified by the chief executive officer or provost of the institution. The chief executive officer is responsible for reporting these fees to the Board upon request.

According to current Board policy, it appears the intent of course fees is to cover the costs for specific courses in which students are enrolled or registered, continuing education, and fines.

Beginning in 2012, the Audit Committee (and the institutions' internal auditors at the behest of the committee) started reviewing how the institutions use course fees. For each institution, the Committee reviewed a list of all course fees and assessments, reviewed the policies and procedures used to approve course fees, and examined approval documentation for a sample of specific course fees. The table below shows a history of revenues generated from course fees and assessments and the percentage of those fees to total net fees. The table also calculates the revenues per headcount. While the revenue generated from course fees as a percentage of total net fees has not grown, the revenue generated per headcount has gone up considerably.

Special Course Fees and Assessments

	2008	2009	2010	2011	2012
BSU Course Fees	$ 4,389,731	$ 5,123,880	$ 5,539,250	$ 6,299,844	$ 6,680,310
BSU Total Net Fees	71,582,436	78,910,915	78,222,523	92,808,614	99,062,505
BSU Fees/Net Fees	6.1%	6.5%	7.1%	6.8%	6.7%
BSU Headcount	19,542	19,670	18,936	19,993	19,664
Course Fees per HC	$ 225	$ 260	$ 293	$ 315	$ 340
ISU Course Fees			$ 3,765,877	$ 3,980,264	$ 4,923,950
ISU Total Net Fees			57,721,128	62,525,361	72,360,828
ISU Fees/Net Fees			6.5%	6.4%	6.8%
ISU Headcount	13,362	12,644	13,493	12,595	12,587
Course Fees per HC	$ -	$ -	$ 279	$ 316	$ 391
UI Course Fees	$ 5,379,919	$ 5,941,235	$ 6,172,802	$ 6,605,145	$ 6,908,810
UI Total Net Fees	58,017,484	60,702,738	65,097,956	78,626,119	87,673,932
UI Fees/Net Fees	9.3%	9.8%	9.5%	8.4%	7.9%
UI Headcount	11,636	11,791	11,957	12,302	12,312
Course Fees per HC	$ 462	$ 504	$ 516	$ 537	$ 561
LCSC Course Fees	$ 899,324	$ 994,589	$ 1,247,525	$ 1,368,214	$ 1,384,626
LCSC Total Net Fees	10,330,711	10,632,306	11,968,980	13,791,766	14,996,481
LCSC Course/Net Fees	8.7%	9.4%	10.4%	9.9%	9.2%
LCSC Headcount	3,269	3,334	3,521	3,822	3,761
Course Fees per HC	$ 275	$ 298	$ 354	$ 358	$ 368

The Audit Committee and internal auditors made the following observations in the course of their review of course fees:

- Course fees should not be charged to offset the loss of a department's appropriated state General Funds or other funding sources.

- Course fees should be directly related to the academic activities. Professional-Technical Education courses may also be eligible.

- Course fees are charged for optional facilities as well as required labs. An example of an optional facility is a computer lab with special software for computer science students. All computer science students are charged the course fee whether they use the lab or not. An example of a required lab is a Biology 101 lab in which a student is concurrently enrolled with a Biology 100 lecture course. The Committee determined an approach to differentiate special courses from department operations was to only assess a fee when the student voluntarily enrolls in the course.

- Course fees are being charged for instructional and administrative costs. In some instances, blanket course fees are charged for all physical education (P.E.) students in addition to course fees for specific P.E. classes. The Committee determined only direct costs, including personnel, should be included in the expenses covered by course fees. Personnel costs could include a lab manager or instructor. An example where the cost of an instructor could be covered by course fees is an adjunct providing private instruction to a student in a separate, distinct course (e.g. piano or voice lessons). The Committee determined the cost of administrative and clerical support or other indirect overhead costs should not be included in the expenses covered by special course fees.

- Course fees are not always segregated in order to maintain balances for the specific courses. This makes it impossible to determine whether revenue from one special course is subsidizing other special courses or programs. This also makes it difficult to determine if excess balances are being maintained.

- Approval of course fees are not always made by the president or provost of the institution as required in Board policy. Documentation is not always maintained on all approved course fees, and many course fees are not reviewed periodically to ensure their efficacy.

In revising Board policy for special course fees, staff determined assessments needed to be addressed at the same time. In addition to a list of special course fees, each institution provided the Audit Committee a list of assessments. One list included 70 separate fees. Assessments include fees for applications (including separate fees for graduate, undergraduate, domestic, international, nursing, and study abroad), orientations, challenges, withdrawals, testing, transcripts, graduation, diploma, placement, permits, and also late fees, fines, lost card, and service charges. At one time, many of the costs for these functions were included in an institution’s operating budget and covered by either state General Funds or Board approved fees. By expanding the number of assessments to pay for these functions, more fees are outside the Board’s purview which begins to erode the Board’s statutory role and authority to set tuition and fees. The revisions to Board policy allow for a small number of functions to be covered by assessments: undergraduate application fee, graduate application fee, graduation/diploma fee, transcripts, and permits (e.g. parking permit). All other functions would need to be covered by the departments’ operating budget and will limit the growth of assessments which will provide more transparency to students. Fines are addressed separately and may be assessed for the infraction of an institution policy (e.g., late fee, late drop, library fine, parking fine, lost card, returned check, or stop payment).

IMPACT

The raw number of course fees being assessed is significant. For example, one institution now has over 1,400 special course fees. The committee reviewed the justification of course fees assessed at the college and universities and found it was difficult to determine whether specific course fees were following Board policy and being used for the purpose for which they were originally intended. This also made it difficult for the institutions’ internal auditors to audit the course fees. As such, the committee determined the best approach was to clarify and revise Board policy so management can review their course fees, followed by an internal audit assessment.

ATTACHMENTS

Attachment 1 – Section V.R. – First Reading Page 5

STAFF COMMENTS AND RECOMMENDATIONS

In April of each year, the Board sets the dollar amount and percentage increase of the full-time tuition and fees at each institution including the Technology, Facility and Activity fees. In doing so, the Board has an expectation that the Board-approved rate represents the sticker price for the average student. As seen in the table above, each institution has steadily increased its revenues from institution-approved course fees and assessments.

The revisions clarify what can be charged for course fees and assessments, the Board will have better control over the annual increase in overall student fees and it will provide more transparency to students of the all-in cost of their education. Specifically, the revisions provide that all fees assessed by the institutions shall be approved by the Board except those expressly delegated to the institution including: 1) Continuing Education, 2) Course Overload Fee, 3) Special Course Fees, and 4) Fines.

Staff recommends approval.

BOARD ACTION

I move to approve the first reading of proposed amendments to Board policy Section V.R., Establishment of Fees, with all revisions as presented.

Moved by____________ Seconded by_____________ Carried Yes____ No____

1. Board Policy on Student Tuition and Fees

   Consistent with the Statewide Plan for Higher Education in Idaho, the institutions shall maintain tuition and fees that provide for quality education and maintain access to educational programs for Idaho citizens. In setting fees, the Board will consider recommended fees as compared to fees at peer institutions, percent fee increases compared to inflationary factors, fees as a percent of per capita income and/or household income, and the share students pay of their education costs. Other criteria may be considered as is deemed appropriate at the time of a fee change. An institution cannot request more than a ten percent (10%) increase in the total full-time student fee unless otherwise authorized by the Board.

2. Tuition and Fee Setting Process – Board Approved Tuition and Fees

   a. Initial Notice

      A proposal to alter student tuition and fees covered by Subsection V.R.3. shall be formalized by initial notice of the chief executive officer of the institution at least six (6) weeks prior to the Board meeting at which a final decision is to be made.

      Notice will consist of transmittal, in writing, to the student body president and to the recognized student newspaper during the months of publication of the proposal contained in the initial notice. The proposal will describe the amount of change, statement of purpose, and the amount of revenues to be collected.

      The initial notice must include an invitation to the students to present oral or written testimony at the public hearing held by the institution to discuss the fee proposal. A record of the public hearing as well as a copy of the initial notice shall be made available to the Board.

   b. Board Approval

      Board approval for fees will be considered when appropriate or necessary. This approval will be timed to provide the institutions with sufficient time to prepare the subsequent fiscal year operating budget.

   c. Effective Date

      Any change in the rate of tuition and fees becomes effective on the date approved by the Board unless otherwise specified.

3. Definitions and Types of Tuition and Fees

The following definitions are applicable to tuition and fees charged to students at all of the state colleges and universities, except where limited to a particular institution or institutions. It is the intent of the Board that all tuition and fees assessed are approved by the State Board of Education except those expressly delegated to the institution under Subsection R.3.c.

a. General and Professional-Technical Education Tuition and Fees

Tuition and fees approved by the State Board of Education. Revenues from these fees are deposited in unrestricted current fund 0650.

i. Tuition fees – University of Idaho, Boise State University, Idaho State University, Lewis-Clark State College

Tuition fees are the fees charged for any and all educational costs at University of Idaho, Boise State University, Idaho State University, and Lewis Clark State College. Tuition fees include, but are not limited to, costs associated with academic services; instruction; the construction, maintenance, and operation of buildings and facilities; student services; or institutional support.

ii. Professional-Technical Education Fee

Professional-Technical Education fee is defined as the fee charged for educational costs for students enrolled in Professional-Technical Education pre-employment, preparatory programs.

iii. Part-time Credit Hour Fee

Part-time credit hour fee is defined as the fee per credit hour charged for educational costs for part-time students enrolled in any degree program.

iv. Graduate Fee

Graduate fee is defined as the additional fee charged for educational costs for full-time and part-time students enrolled in any post- baccalaureate degree-granting program.

v. Western Undergraduate Exchange (WUE) Fee

Western Undergraduate Exchange fee is defined as the additional fee for full-time students participating in this program and shall be equal to fifty percent (50%) of the total of the tuition fee, facility fee, technology fee and activity fee.

vi. Employee/Spouse/Dependent Fee

The fee for eligible participants shall be set by each institution, subject to Board approval. Eligibility shall be determined by each institution. Employees, spouses and dependents at institutions and agencies under the jurisdiction of the Board may be eligible for this fee. Employees of the Office of the State Board of Education and the Division of Professional-Technical Education shall be treated as institution employees for purposes of eligibility. Special course fees may also be charged.

vii. Senior Citizen Fee

The fee for eligible participants shall be set by each institution, subject to Board approval. Eligibility shall be determined by each institution.

viii. In-Service Teacher Education Fee

The fee shall not exceed one-third of the average part-time undergraduate credit hour fee or one-third of the average graduate credit hour fee. This special fee shall be applicable only to approved teacher education courses. The following guidelines will determine if a course or individual qualifies for this special fee.

a) The student must be an Idaho certified teacher or other professional employed at an Idaho elementary or secondary school.

b) The costs of instruction are paid by an entity other than an institution.

c) The course must be approved by the appropriate academic unit(s) at the institution.

d) The credit awarded is for professional development and cannot be applied towards a degree program.

ix. Workforce Training Credit Fee

This fee is defined as a fee charged students enrolled in a qualified Workforce Training course where the student elects to receive credit. The fee is charged for processing and transcripting the credit. The cost of delivering Workforce Training courses, which typically are for noncredit, is an additional fee since Workforce Training courses are self-supporting. The fees for delivering the courses are retained by the technical colleges. The Workforce Training fee shall be $10.00 per credit.

b. Institutional Local Fees – Approved by the Board

Institutional local fees are both full-time and part-time student fees that are approved by the State Board of Education and deposited into local institutional accounts. Local fees shall be expended for the purposes for which they were collected.

The facilities, activity and technology fees shall be displayed with the institution's tuition and fees when the Board approves tuition and fees.

i. Facilities Fee

Facilities fee is defined as the fee charged for capital improvement and building projects and for debt service required by these projects. Revenues collected from this fee may not be expended on the operating costs of the general education facilities.

ii. Activity Fee

Activity fee is defined as the fee charged for such activities as intercollegiate athletics, student health center, student union operations, the associated student body, financial aid, intramural and recreation, and other activities which directly benefit and involve students. The activity fee shall not be charged for educational costs or major capital improvement or building projects. Each institution shall develop a detailed definition and allocation proposal for each activity for internal management purposes.

iii. Technology Fee

Technology fee is defined as the fee charged for campus technology enhancements and operations (e.g., internet and web access, general computer facilities, electronic or online testing, and online media).

iv. Professional Fees

To designate a professional fee for a Board approved academic program, *all* of the following criteria must be met:

a) Credential or Licensure Requirement:

1) A professional fee may be assessed for an academic professional program if graduates of the program obtain a specialized higher

education degree that qualifies them to practice a professional service involving expert and specialized knowledge for which credentialing or licensing is required. For purposes of this fee, "academic" means a systematic, usually sequential, grouping of courses that provide the student with the knowledge and competencies required for a baccalaureate, master's, specialist or doctoral degree as defined in policy III.E.1.

2) The program leads to a degree where the degree is at least the minimum required for entry to the practice of a profession.

b) Accreditation Requirement: The program:
1) Is accredited,
2) is actively seeking accreditation if a new program, or
3) will be actively seeking accreditation after the first full year of existence if a new program by a regional or specialized accrediting agency.

c) Extraordinary Program Costs: Institutions will propose professional fees for Board approval based on the costs to deliver the program. An institution must provide clear and convincing documentation that the cost of the professional program significantly exceeds the cost to deliver non-professional programs at the institution. A reduction in appropriated funding in support of an existing program is not a sufficient basis alone upon which to make a claim of extraordinary program costs.

d) The program may include support from appropriated funds.

e) The program is consistent with traditional academic offerings of the institution serving a population that accesses the same activities, services, and features as regular full-time, tuition-paying students.

f) Upon the approval and establishment of a professional fee, course fees associated with the same program shall be prohibited.

g) Once a professional fee is initially approved by the Board, any subsequent increase in a professional fee shall require prior approval by the Board at the same meeting institutions submit proposals for tuition and fees.

v. Self-Support Academic Program Fees

a) Self-support programs are academic degrees or certificates for which students are charged program fees, in lieu of tuition. For purposes of this fee, "academic" means a systematic, usually sequential, grouping of courses that provide the student with the knowledge and competencies required for an academic certificate, baccalaureate, master's, specialist or doctoral degree. To bring a Self-support program fee to the Board for approval, the following criteria must be met:

1) An institution shall follow the program approval guidelines set forth in policy III.G.
2) The Self-support program shall be a defined set of specific courses that once successfully completed result in the awarding of an academic certificate or degree.
3) The Self-support program shall be distinct from the traditional offerings of the institution by serving a population that does not access the same activities, services and features as full-time, tuition paying students, such as programs designed specifically for working professionals, programs offered off-campus, or programs delivered completely online.
4) No appropriated funds may be used in support of Self-support programs. Self-support program fee revenue shall cover all direct costs of the program. In addition, Self-support program fee revenue shall cover all indirect costs of the program within two years of program start-up.
5) Self-support program fees shall be segregated, tracked and accounted for separately from all other programs of the institution.

b) If a Self-support program fee is requested for a new program, an institution may fund program start-up costs with appropriated or local funds, but all such funding shall be repaid to the institution from program revenue within a period not to exceed three years from program start-up.
c) Once a Self-support program fee is initially approved by the Board, any subsequent increase in a Self-support program fee shall require prior approval by the Board.
d) Institutions shall audit Self-support academic programs every three (3) years to ensure that program revenue is paying for all program costs, direct and indirect, and that no appropriated funds are supporting the program.
e) Students enrolled in self-support programs may take courses outside of the program so long as they pay the required tuition and fees for those courses.

vi. Contracts and Grants

Special fee arrangements are authorized by the Board for instructional programs provided by an institution pursuant to a grant or contract approved by the Board.

vii. Student Health Insurance Premiums or Room and Board Rates

Fees for student health insurance premiums paid either as part of the uniform student fee or separately by individual students, or charges for room and board at the dormitories or family housing units of the institutions. Changes in insurance premiums or room and board rates or family housing charges shall be approved by the Board no later than three (3) months prior to the semester the change is to become effective. The Board may delegate the approval of these premiums and rates to the chief executive officer.

viii. New Student Orientation Fee

This fee is defined as a mandatory fee charged to all first-time, full-time students who are registered and enrolled at an institution. The fee may only be used for costs of on-campus orientation programs such as materials, housing, food and student leader stipends, not otherwise covered in Board-approved tuition and fees.

c. Institutional Local Fees and Charges Approved by Chief Executive Officer

These local fees and charges are assessed to support specific activities and are only charged to students that engage in these particular activities. Local fees and charges are deposited into local institutional accounts or unrestricted current fund 0650 and shall only be expended for the purposes for which they were collected.

i. Continuing Education

Continuing education fee is defined as the additional fee to part-time students which is charged on a per credit hour basis to support the costs of continuing education.

ii. Course Overload Fee

This fee may be charged to full-time students with excessive course loads as determined by each institution. Revenue from this fee is deposited in unrestricted current fund 0650.

iii. Special Course Fees ~~or Assessments~~

a. Special course fees may only be assessed to cover the direct costs of the unique, additional, and necessary expenses of the course. This may include personnel costs for a lab manager or instructor. The costs for a lab manager dedicated to multiple labs shall be allocated proportionally to multiple special course fees. An example of unique instructor costs could include an adjunct providing private instruction to a student in a separate, distinct course (e.g. piano or voice lessons). A special course fee shall not subsidize other courses, programs, or operations.

b. A course fee shall not be used to pay a cost that the institution would ordinarily budget and pay for had the special course never existed (e.g., technology support staff, fiscal staff, administrative support staff, copy machines, phone/fax/email/internet systems, general office supplies, etc.).

c. Special course fees shall be directly related to academic programming. Likewise, special course fees for professional-technical courses shall be directly related to the skill or trade being taught.

d. A special course fee shall only be assessed when a student enrolls in a required or corequisite course. (For example, a separate Biology 101 lab would be considered a special course when a student enrolls in the lab at the same time the student enrolls in the Biology 100 lecture course.) A special course fee shall not be assessed for general facilities not requiring specific enrollment. (For example, a special course fee would not be allowed to be charged to all computer science students for a computer lab housed in the computer science department.)

e. Special course fees shall not be commingled with other monies in a manner that precludes an accurate and separate accounting of which costs are directly attributed to the special course fee. The institution shall not maintain an unreasonable fund balance for any special course fee without justification. The balance of each special course fee shall be reviewed annually with an institution audit every three (3) years.

f. The institution shall maintain a system of internal controls providing reasonable assurance that: (1) special course fees are necessary and reasonable; (2) special course fees continue to be necessary over time; and (3) special course fee revenue is used for the purpose for which the fee was originally intended.

~~A special course fee is a fee required for a specific course or special activity and, therefore, not required of all students enrolled at the institution. Fees such as: student orientation fees (when assessed to only those who register to participate), penalty assessments, library fines, continuing education fees, parking fines, laboratory fees, breakage fees, fees for video outreach courses, late registration fees, and fees for special courses offered for such purposes as remedial education credit that do not count toward meeting degree requirements are considered special course fees.~~ All special course fees~~ or penalty assessments~~, or changes to such special course fees~~ or assessments~~, are established and become effective in the amount and at the time specified by the chief executive officer or provost of the institution. The chief executive officer is responsible for reporting these special course fees to the Board upon request.

iv. Processing Fees and Permits

Processing fees shall be limited to the following: undergraduate application fee, graduate application fee, graduation/diploma fee, transcripts. Fees for permits (e.g. parking permit) may also be assessed.

v. Fines

Fines may be assessed for the infraction of an institution policy (e.g., late fee, late drop, library fine, parking fine, lost card, returned check, or stop payment).

All fines, or changes to such fines, are established and become effective in the amount and at the time specified by the chief executive officer. The chief executive officer is responsible for reporting these fines to the Board upon request.

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SUBJECT

Board policy V.T. – Fee Waivers – first reading

APPLICABLE STATUTES, RULE OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Sections V.T. and V.R.
Idaho Code § 33-3717C

BACKGROUND / DISCUSSION

Staff and the institutions have developed a report showing all fee waivers and discounts ("waivers") which will be included for the first time with the fee hearing information. The report lists the Board policy section associated with each waiver listed. As noted in the report, however, some of the "waivers" do not have specific Board authority. Idaho Code only authorizes the Board to grant a full or partial waiver of tuition or fees for nonresident students. Three of the "waivers" listed in the report are for the benefit of resident students and therefore are not allowed under law.

After consultation with the institutions, the Business Affairs and Human Resources Committee recommended revising Board policy to allow for contracts or agreements approved by the Board and then to authorize those agreements currently in place (but not covered by Board policy) as special fees.

IMPACT

For FY 2013, the dollar value of the three "waivers" in question was $208,925.

The institutions provided additional information for the waivers under agreements and those documents have been provided as attachments to this agenda.

The University of Idaho agreement with Battelle Energy Alliance provides an annual fee to UI for providing education to employees of the Idaho National Laboratory.

The University of Idaho agreement with Brigham Young University-Idaho (BYUI) provides for students at either University of Idaho – Idaho Falls or BYUI to take one course at the other campus free of tuition.

ATTACHMENTS

STAFF COMMENTS AND RECOMMENDATIONS

The revisions to Board policy as outlined in Attachment 2 will provide a mechanism for institutions to come to the Board to approve agreements unique and outside the general list of special fees and nonresident tuition waivers authorized and enumerated in policy V.R. and V.T.

Staff recommends approval.

BOARD ACTION

I move to approve the first reading of proposed amendments to Board Policy V.T. Fee Waivers, with all revisions as presented in Attachment 2.

Moved by____________ Seconded by_____________ Carried Yes____ No____

BOARD ACTION

I move to approve the following special fees:

Students attending multiple Idaho public institutions
Idaho National Laboratory (UI)
BYU-Idaho - University of Idaho

Moved by____________ Seconded by_____________ Carried Yes____ No____

Idaho College and Universities
Fee and Tuition Waivers
Fiscal Year 2013

		Policy Section	BSU	ISU	UI	LCSC	Total
1	**Board Policy Tuition Waivers, Policy Section V.T.**						
2	Nonresident Graduate/Instructional Assistants	SBOE V.T.2.a	$1,493,967	$1,699,200	$4,732,783		$7,925,950
3	Nonresident Intercollegiate Athletics	SBOE V.T.2.b	$2,280,989	$1,604,010	$2,350,693	$1,234,194	$7,469,886
4		Nonresident Fee	$11,440	$11,800	$12,788	$9,914	11,486
5	Policy: Universities - 225, LCSC 110	Equivalent FTE	199	136	184	124	163
6							
7	**Waivers Subject to 6% Limitation**	SBOE V.T.2.c	$9,141,166	$3,764,535	$7,907,133	$433,618	$21,246,452
8	Annual FTE	Student FTE	16,694	10,826	10,436	2,938	40,895
9		Nonresident Fee	$11,440	$11,800	$12,788	$9,914	11,486
10	Equivalent FTE Waivers subject to 6% Limitation	Equivalent FTE	4.8%	2.9%	5.9%	1.5%	4.5%
11							
12	**Other Board Policy Exchange Programs**						
13	Exchange Student Waivers (1)	SBOE V.T.2.d	$0	$100,300	$370,878	$0	$471,178
14	WICHE - Western Regional Graduate Program	SBOE V.T.2.e	$0	$404,830	$0	$0	$404,830
15	Western Undergraduate Exchange (2)	SBOE V.R.3.a.v	$4,448,703	$1,068,657	$5,685,755	$317,237	$11,520,352
16	**Total Other Board Policy Exchange Programs**		**$4,448,703**	**$1,573,787**	**$6,056,633**	**$317,237**	**$12,396,360**
17							
18	**Total Board Policy Tuition Waivers**		**$17,364,825**	**$8,641,532**	**$21,047,242**	**$1,985,049**	**$49,038,648**
19	**Other Waivers and Discounts**						
20	Staff and Spouse Fees	SBOE V.R.3.a.vi	$938,509	$1,743,440	$947,623	$138,000	$3,767,572
21	Senior Citizen Fees	SBOE V.R.3.a.vii	$447,114	$327,728	$136,175	$85,201	$996,218
22	Dependent Fees	SBOE V.R.3.a.vi	$324,819		$243,662		$568,481
23	In-Service Teacher Education Fee	SBOE V.R.3.a.viii	$1,077,639	$944,698	$866,745	$64,896	$2,953,978
24	Staff, Spouse, Dependent Fees of other Idaho institution	SBOE V.R.3.a.vi	$3,176	$392,555	$101,401	$74,900	$572,032
25	Students attending multiple Idaho sister institutions				$16,973		$16,973
26	Idaho National Laboratory				$190,086		$190,086
27	BYU-UI				$1,866		$1,866
28	EDA-Nez Perce Tribe	1969 approval				$36,836	$36,836
29	**Total Other Waivers and Discounts**		**$2,791,257**	**$3,408,421**	**$2,504,531**	**$399,833**	**$9,104,042**
30	**Total FY13 Waivers and Discounts**		**$20,156,082**	**$12,049,953**	**$23,551,773**	**$2,384,882**	**$58,142,690**
31	FY13 Gross Student Fees		133,137,162	100,234,779	109,847,802	21,527,166	364,746,909
32	FY13 Net Student Fees from Operating Revenue per audited F/S		106,593,359	73,937,311	82,657,950	14,678,929	277,867,549
33	FY13 Scholarship Discounts & Allowances per audited F/S		22,095,100	24,723,681	21,133,219	6,531,000	74,483,000
34	Student Fee Revenue related to Exchange Program Discounts		4,448,703	1,573,787	6,056,633	317,237	12,396,360
35	Percentage of Total Gross Student Fees Waived or Discounted		15.14%	12.02%	21.44%	11.08%	15.94%

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1. Purpose and Authority for Fee/Tuition Waivers

   a. Definition

      A fee/tuition waiver shall mean a reduction of some or all of the approved fees/tuition specified in Section V, Subsection R, attributable to a particular student as the cost for attending an Idaho institution of higher education.

   b. Purpose
      The purpose in authorizing fee/tuition waivers includes but is not limited to the achievement of the following strategic objectives:

      i. The enhancement of education opportunities for Idaho residents;
      ii. To promote mutually beneficial cooperation and development of Idaho communities and nearby communities in neighboring states;
      iii. To contribute to the quality of educational programs; and
      iv. To assist in maintaining the cost effectiveness of auxiliary operations in Idaho institutions of higher education.

   c. Authority
      An institution shall not waive any of the applicable fees/tuition specified in Section V, Subsection R., unless specifically authorized in this subsection. ~~Special fees are not defined as a fee waiver.~~ Employee/Spouse/Dependent, Senior Citizen, In-Service Teacher Education, and Workforce Training Credit fees as authorized pursuant to Board policy V.R. do not constitute waivers.

2. Waiver of Nonresident Fees/Tuition

   Nonresident fees/tuition may be waived for the following categories:

   a. Graduate/Instructional Assistants

      Waivers are authorized for students employed as graduate assistants appointed pursuant to Section III, Subsection P.11.c.

   b. Students Participating in Intercollegiate Athletics

      For the purpose of improving competitiveness in intercollegiate athletics, the universities are authorized up to two hundred twenty-five (225) waivers per semester and, Lewis-Clark State College is authorized up to one hundred ten (110) waivers per semester. The institutions are authorized to grant additional waivers, not to exceed ten percent (10%) of the above waivers, to be used exclusively for post-eligibility students.

c. Waivers to Meet Other Strategic Objectives

The chief executive officer of each institution is authorized to waive nonresident fees/tuition for students, not to exceed the equivalent of six percent (6%) of the institution's total full-time equivalent enrollment. The criteria to be followed in granting such nonresident waivers shall be as follows:

i. A waiver may be granted to place a nonresident student in an institutional program only when there is sufficient capacity in the program to meet the needs of Idaho resident students; and
ii. A waiver may be granted only when its use is fiscally responsible to place a nonresident student in an institutional program in order to meet a strategic state and/or institutional need, as identified by the chief executive officer of the institution.

d. National Student Exchange Program - Domestic

Waivers are authorized for nonresident students participating in this program.

e. Western Interstate Commission for Higher Education

Waivers are authorized for nonresident students participating in the Western Interstate Commission for Higher Education Professional Student Exchange Program and the Graduate Student Exchange Program. An institution may include a participating nonresident student in its enrollment workload adjustment calculation, provided the figure does not exceed the maximum approved for an institution by the Board.

f. Institution Agreements

An institution may request Board approval of agreements with other entities resulting in special fees if it is shown to meet a strategic or workforce need (e.g. reaching an underserved or isolated population) or to help facilitate collaboration between the public institutions as it relates to enrollment and course/degree completion. The discounted dollar value of these special fees shall be reported to the Board, for inclusion in the annual discounts and waivers report, in a format and time to be determined by the Executive Director.

MGK713
Replace front page w/ this one.

INL FORM
PROC-1811
08/30/2010

Page 1

RELEASE NO. 00127 UNDER BLANKET MASTER CONTRACT NO. 00042246
BATTELLE ENERGY ALLIANCE, LLC (BEA)
2525 Fremont Avenue, P. O. Box 1625, Idaho Falls, ID 83415
OPERATING UNDER U.S. GOVERNMENT CONTRACT NO. DE-AC07-05ID14517

To: University of Idaho
Office of Sponsored Programs
~~P. O. Box 443020~~ 875 Perimeter Dr., MS 3020
Moscow, ID 83844-3020

Effective Date: 10/01/2013

To: Vicki Russell

Completion Date: 09/30/2014

1. **STATEMENT OF WORK**

1.1. University of Idaho (Subcontractor) shall furnish the services as described in the Statement of Work in Applicable Documents 3.1, and in accordance with the requirements, terms and conditions specified or referenced in this Release.

2. **RESOURCES**

2.1. The Subcontractor shall provide all resources, e.g., materials, labor, equipment, necessary to fulfill the requirements of this Release, except as otherwise specified.

3. **APPLICABLE DOCUMENTS** The following documents are incorporated into, and become a part of, this Release:

3.1. Statement of Work entitled, "Idaho National Laboratory/University of Idaho Employee Education Program (FY-2014) ," SOW-11133, dated 10/01/2013, Attachment 1.

3.2. Form 540.33, "Change Request."

4. **TERMS AND CONDITIONS**

4.1. The terms and conditions of Blanket Master Contract No. 00042246, except as modified herein, are hereby incorporated by this reference.

4.2. Certification of Eligibility: Subcontractor, by entering into this Release, certifies that it is not debarred, or proposed for debarment, by the Federal Government. Disclosure that Subcontractor was debarred, suspended, or proposed for debarment, by the Federal

Subcontract Administrator: Ben Louderback	**Telephone:** (208) 526-1157	**Cost:** $1,656,634.00
Ship via: N/A	**F.O.B./Trans.:** N/A	**Cash Terms:** Net 30 Days
Ship To: N/A	**Billing:** Accounts Payable. Send invoice in .pdf format to acctpay@inl.gov, ACH and W-9 to Vendorinfo@inl.gov; or Mail to: P.O. Box 1625, Idaho Falls, ID 83415-3117 Attn: Release No. 00127 under Blanket Master Contract No. 00042246	
(BEA Use Only)	**Signed:** Digitally signed by Robert Crowton DN: cn=Robert Crowton, o=Procurement Services, ou=Manager - Service Acquisitions, email=robert.crowton@inl.gov, c=US Date: 2014.01.30 10:36:39 -07'00' — Robert T. Crowton, Date **Title:** Manager, Service Acquisitions **Signed:** 2/7/14 — (Subcontractor's Official), Date **Title:** Polly Knutson, Director for Research Administration University of Idaho Return one signed copy of this Release No. 00127 under Blanket Master Contract No. 00042246 to Ben Louderback VR 2-7-14	

Government on or before the effective date of this Release shall constitute an additional basis for termination.

4.3. IRS Forms: Pursuant to U.S. tax law, BEA is required to report certain payments to the Internal Revenue Service (IRS). The Subcontractor agrees to furnish a completed IRS Form W-9, (for U.S. persons), W-8 (for non-U.S. persons) or other applicable IRS form to BEA prior to any request for payment. Forms can be accessed at http://www.irs.gov/app/picklist/list/formsInstructions.html. (W-9 form can be accessed at: http://www.irs.gov/pub/irs-pdf/fw9.pdf?portlet=3) Forms may be submitted electronically to: Vendorinfo@inl.gov or faxed to (208) 526-8240.

4.4. Tax Reporting: In addition to the Federal, State and Local Tax requirements the Subcontractor is reminded of its obligation to comply with tax reporting requirements, including the reporting of assets that may be subject to any personal property or transient personal property tax. Subcontractor should be aware that the geographical boundaries of the INL encompass multiple counties. A map of counties within the INL boundaries is available at https://inlportal.inl.gov/portal/server.pt/community/procurement/346/documents_and_forms.

4.5. Supplier Performance Evaluation (SPES): BEA evaluates Subcontractor performance in accordance with the SPES. The Subcontractor shall be formally evaluated no less than quarterly as applicable, and upon completion of the work. A minimum score of 80 points out of 100 is required to maintain approved status.

4.6. Byrd Amendment: Subcontractor shall comply with FAR 52.203-12, Limitations on Payments to Influence Certain Federal Transactions.

4.7. Technical Changes: Technical changes to the Release are authorized only upon receipt and acceptance of Form 540.33, Change Request or Contract Amendment.

4.8. Cooperation with the Office of Inspector General (OIG): The Subcontractor must ensure that all their employees understand that they must:

4.8.1. Comply with requests for interviews and briefings and must provide affidavits or sworn statements, if so required by an employee of the OIG so designated to take affidavits or sworn statements.

4.8.2. Not impede or hinder another employee's cooperation with the OIG.

4.8.3. Ensure that reprisals are not taken against employees who cooperate with or disclose information to the OIG or other lawful appropriate authority.

5. **ORDER OF PRECEDENCE**

5.1. In the event of any inconsistency between provisions of this Release, the inconsistency shall be resolved by giving precedence as follows:

5.1.1. Release Change documents, if any

5.1.2. Release

5.1.3. Statement of Work

5.1.4. Other provisions of this Release, whether incorporated by reference or otherwise.

5.2. Subcontractor shall notify BEA prior to performing work based on resolution of an inconsistency by the order of precedence set forth herein.

6. **ESTIMATED COST**

6.1. The total estimated cost of this Release is $1,656,634.00.

6.2. Contract Courses/Administration: The ceiling price for Contract Courses and Contract Administration is $1,474,323.00. The Subcontractor shall be paid for contract courses and administration in performance of the Statement of Work up to this ceiling, as proposed in the cost proposal. Notification shall be provided to BEA when the Contract Courses/ Administration cost is within 75% of the ceiling provided herein.

6.3. Support Courses: The ceiling price for Support Courses is $182,311.00. The Subcontractor shall be paid for support courses in performance of the Statement of Work up to this ceiling, as proposed in the cost proposal. Notification shall be provided to BEA when the Support Courses cost is within 75% of the ceiling provided herein.

6.4. An increase in in the ceiling for either Contract Courses/Administration and/or Support Courses must have BEA's concurrence, evidenced by written Modification to this Contract in advance of the Subcontractor exceeding the cost ceiling.

6.5. Invoicing:

6.5.1. Submittal of an invoice constitutes Subcontractor's certification that services have been provided, and invoiced amounts are in accordance with the Release provisions.

6.5.2. Unless otherwise authorized in the Release, invoices may not be submitted more than once per calendar month.

6.5.3. Invoices shall indicate the cumulative amount invoiced to date.

6.5.4. Invoices shall be submitted electronically in .pdf format to acctpay@inl.gov.

6.6. Indirect cost shall be in accordance with the negotiated rate agreement with the Department of Health and Human Services, dated 12/09/2010.

7. **COMPLETION DATE**

7.1. This Release shall be in effect through 09/30/2014.

8. **ADMINISTRATION**

8.1. Subcontractor Administration: The Subcontractor's responsibilities shall be administered by Vicki Russell, who will have overall technical direction of the work to be performed by Subcontractor and shall be available at all reasonable times in connection therewith.

8.2. Administrative and Legal Jurisdiction: Unless the Subcontractor is otherwise notified in writing, BEA's responsibilities under this action shall be administered by Ben Louderback, Subcontract Administrator, or another authorized Subcontract Administrator named herein or Procurement Manager.

8.3. Technical Representative: All work performed under this Release shall be subject to the technical direction of Julie Hart at (208) 526-9087.

8.4. Notices: Any notice provided for this action shall be considered as having been given: To BEA, if mailed electronically via e-mail (Elise.Miller@inl.gov) or fax, or if delivered personally to Elise Miller, or if mailed by U. S. Mail addressed to Elise Miller, Battelle Energy Alliance, LLC, 2525 Fremont Avenue, P. O. Box 1625, Idaho Falls, ID 83415; or to the

Subcontractor, if delivered personally to its duly authorized representative at the site of work, or if mailed electronically via e-mail or fax, or by U. S. Mail addressed to the Subcontractor at Office of Sponsored Programs, P.O. Box 443020, Moscow, ID 83844-3020.

Attachment 1
Contract No. 00042246 00127
Document ID: SOW-11133
Revision ID: 0
Effective Date: 10/01/2013

Statement of Work

IDAHO NATIONAL LABORATORY/ UNIVERSITY OF IDAHO EMPLOYEE EDUCATION PROGRAM (FY-2014)

Idaho National Laboratory

INL is a U.S. Department of Energy National Laboratory operated by Battelle Energy Alliance.

Idaho National Laboratory

IDAHO NATIONAL LABORATORY/UNIVERSITY OF IDAHO EMPLOYEE EDUCATION PROGRAM (FY-2014)	Identifier:	SOW-11133
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REVISION LOG

Rev.	Date	Affected Pages	Revision Description
0	10/01/13	All	New Document

Idaho National Laboratory

IDAHO NATIONAL LABORATORY/UNIVERSITY OF IDAHO EMPLOYEE EDUCATION PROGRAM (FY-2014)	Identifier:	SOW-11133
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CONTENTS

1. INTRODUCTION

1.1 Background

Battelle Energy Alliance (BEA), LLC, the current Management and Operating Contractor for the Idaho National Laboratory (INL), administers INL/BEA Employee Education Program. The program provides for the strategic alignment of resources to meet Laboratory needs, while also helping INL/BEA employee students gain valuable skills needed to better prepare them for INL/BEA's future workforce needs. INL/BEA employees may seek educational opportunities from accredited educational institutions if they meet program qualifications and appropriate approvals are obtained.

1.2 History

In 1954, the University of Idaho (UI) began offering classes in Idaho Falls to support the needs of the U.S. Department of Energy's (DOE's) national laboratory activities (then the National Reactor Testing Station). University of Idaho's Idaho Falls Center (UIIF) has served eastern Idaho for almost six decades. During this time the programs in Idaho Falls have evolved to meet the changing science and engineering educational needs of the Idaho National Laboratory (INL) and the State of Idaho. In the first 59 years, UI awarded 2,018 degrees, including 1,345 advanced degrees, to Idaho Falls Center students. UI is co-located with Idaho State University (ISU) at University Place. Through cooperative agreements and open transfer of credits between the schools, students attending classes at University Place participate in an educational experience that takes advantage of the strengths of both UI and ISU.

1.3 Purpose/Objectives

This Scope of Work (SOW) provides INL/BEA's requirements for UI's continuing support in providing educational opportunities that help meet the strategic requirements of INL/BEA. Emphasis is placed on graduate-level science and engineering degree programs/courses that directly support goals, and research initiatives in alignment to the Laboratory's strategic mission needs.

1.4 Anticipated Benefits

INL/BEA employee students, as the current and future workforce, will gain the opportunity to seek strategically aligned/mission related degrees. Anticipated direct benefits accrued to INL/BEA include:

- Increasing the number of credentialed employees with degrees aligned with the strategic missions of INL.

- Enabling employee students to aid INL in meeting its strategic missions, while providing potential opportunities to advance their careers.

- Increasing the benefit for the community/nation from the efforts the educated workforce will engage in.

In addition to these direct benefits, the following indirect benefits will also be realized by INL/BEA. Access to:

- Research active Resident Faculty and associated non-employee graduate students with expertise aligned with the missions of INL which may provide additional capacity to complete these missions.

- Local pool of potential INL candidates, which possess degrees pertinent to INL's mission.

- UI's state wide outreach resources and capabilities to support the strategic goals of INL.

2. APPLICABLE CODES AND REFERENCES

2.1 Templates

UI End of Semester (EOS) Template.

UI Invoice Back-Up Template.

2.2 UI Definitions

2.2.1 Student Definition

Employee students are defined in this context to include regular, permanent employees of INL/BEA only.

2.2.2 Faculty Definitions

For the purpose of this document, faculty is comprised of the following subcategories:

a. **Resident Faculty** – The University maintains a core group of research active faculty members that are physically located at the Idaho Falls Center. These faculty members ensure the delivery of classroom instruction for the supported programs outlined in Appendix A. Because of the critical importance of research mentorship in graduate educations, these faculty members have research interests that are aligned with the mission of INL.

Resident Faculty provide quality control to the education process by advising employee students in their programs of study, overseeing the hiring and supervising of Lecturers, and serving as Major Professors for employee students conducting thesis and dissertation research activities. The number and disciplines of Resident Faculty members are negotiated with INL, with INL disciplinary experts participating in the hiring process. The support of Resident Faculty through this contract ensures their continued presence in Idaho Falls and enables the university to offer classes with less than the typical university required enrollment headcount.

b. **Lecturers** – If requested and approved by INL/BEA Employee Education Program, the University will hire on an as-needed basis, part-time Lecturers to teach individual courses in Idaho Falls for a fixed fee. Lecturers are typically currently employed or recently retired from careers that directly apply to the subjects that they teach. Lecturers enrich the employee students' education by bringing their real-world experiences in to the classes they teach. In addition, Lecturers provide the opportunity to broaden course offerings beyond just those that can be taught by the Resident Faculty.

c. **Visiting Faculty** – The University will engage Visiting Faculty in Idaho Falls to teach seminars, courses, or lectures either in person or by distance delivery technology. In addition, Visiting Faculty may guide employee students in their degree related research. Visiting Faculty are subject area experts, who are affiliated with the Idaho Falls center for a short period of time (e.g., sabbatical leave) who bring their unique expertise to the classroom, benefitting employee students. They differ from Lecturers in that they hold faculty appointments at UI, with a primary work location other than Idaho Falls, or from another institution of higher education.

2.2.3 Course Definitions

a. **Course** - a single instructional subject commonly described by title, number, credits, and expected learning outcomes in the college catalog or bulletin.

b. ***Contract Courses*** are those courses that may be applied toward a degree in science, engineering or technology as defined in Appendix A. These courses have been approved by the college from which they are generated and have a course number designation of 300 or higher. *Contract Course* may be taught by Resident Faculty, Lecturers, or Visiting Faculty as described above. A course will only be considered a *Contract Course* if it includes at least one (1) BEA employee student enrolled on the fifth day. INL/BEA will be contacted to discuss cancellation of any of these courses due to low enrollment. In addition, courses listed on university approved Degree Plans for BEA employees will not be canceled due to less than university required minimum enrollment, without first consulting with INL/BEA Employee Education Program.

c. ***Support Courses*** are those courses that do not meet the criteria for *Contract Courses* as described above. *Support Courses* may also include Continuing Education courses (for credit) that meet internal INL/BEA requirements and are authorized on an INL Authorization Form (or Course Approval Form). They may also include for credit courses required by INL/BEA for meeting licenses and certification requirements. The cost per credit of Continuing Education courses shall not exceed the cost per credit of regular academic courses. UI will invoice INL/BEA for course tuition and related fees for *Support Courses* as part of this contract as outlined in Appendix B.

d. ***Engineering Outreach (EO) Courses*** - EO courses are courses which are supplied by UI's Engineering Outreach Department. These course fees are charged according to the EO Fee Schedule. It is expected that INL/BEA will not support the costs associated with these courses unless they are not available through existing offerings. These courses may be charged to this contract if agreed upon by the University and INL/BEA Employee Education Program. Allowances may be made for upper level courses (course number designation of 300 or higher.)

3. SCOPE

3.1 Work to be Performed

3.1.1 Academic Programs

To support the current and future workforce of INL/BEA, UI shall provide:

a. Strategically aligned, mission-related, degrees/courses, programs, and course curriculum in accordance with appropriate accreditation and university, college and department requirements. Included are:

- Growth and development of graduate-level science and engineering degree programs that support INL/BEA mission research and the educational development of its' current and future employees.

- Faculty, administrative/reporting staff, classrooms, and student services required to successfully deliver INL/BEA strategically-aligned, mission-related course(s).

- Approval of INL/BEA Authorization Forms (or Course Approval Forms) which confirms employee students are registered for the identified course(s).

- *Contract, Support* and *Engineering Outreach* courses that may be applied toward a degree in science, engineering and technology as identified in Appendix A (see 2.2.3 above for detailed definitions of course types).

b. Courses in Idaho Falls at times and in formats that meet INL/BEA employee students' varied work environments. For instance:

- Evening, web-based, DVD, and/or hybrid formats.

- An appropriate balance of Resident Faculty, Lecturers, and Visiting Faculty maintained in Idaho Falls for instruction, advising, and mentorship to ensure the timely delivery of the degree programs identified in Appendix A (see 2.2.2 above for detailed definitions of faculty types).

3.1.2 Non-Instructional Academic Support

To support access, academic progress, and success of employee students, UI shall provide:

a. **Student Services:** UIIF ensures that employee students have access to all available student services offered to the general Idaho Falls student population, including educational counseling services, providing evening hours in the Student Services Offices, exam proctoring services, online account access assistance, and other needs. UIIF Student Services staff works with INL/BEA Employee Education Program personnel to solve problems and address issues that arise with employee students. In addition, special services to accommodate the work and traveling schedules of employee students are provided. Services include:

- Counseling with employee students to identify the most appropriate academic programs and assist them in the admissions process.

- Providing INL/BEA Employee Education Program Personnel course registration and other applicable information for dissemination to INL/BEA employee students.

- Providing guidance regarding courses, degree programs, and the development of Degree Plans for employee students. Guiding employee students in the interpretation and application of university rules, deadlines and regulations. Assisting employee students with registration and the preparation of degree related required documents.

- Assisting employee students with connecting to university resources such as the library, tutoring, and counseling services.

- Making faculty members aware of employee student needs, concerns or special circumstances.
- Counseling with employee students to find the most efficient source of General Education credits, and facilitating registrations and payment to partnering institutions.

3.1.3 Instructional Design and Delivery

Courses may be recorded and made available via streaming video or other technologies to accommodate the work and travel schedules of employee students unable to attend live class sections.

3.1.4 Contract Oversight and Reporting

UI shall provide the following:

a. Oversight of contract activities by the Idaho Falls Associate Vice President/Center Executive Officer, with the support of the Academic Contract Coordinator.

b. The time for the Associate Vice President/Center Executive Officer and Academic Contract Coordinator to meet with INL/BEA Employee Education Program personnel as requested and/or agreed to by INL/BEA. It is expected that UI will provide:

- Input to INL/BEA, as needed, for creation of proposed FY-15 scope of work,
- Continued refinement and delivery of Certificate Programs in technical areas of interest/need to INL/BEA's current/future workforce, and
- Facilitation of collaboration with ISU to reduce duplication of offerings.

c. Facilitation of sourcing General Education courses from the most cost effective sources.

- Specifically, UI shall encourage (but not require) INL/BEA employee students to participate in live and other lower cost options when obtaining 100 and 200 level courses.
- As needed, UI will coordinate with other educational institution(s) and accept transferred credits. UI will provide INL/BEA with a course "upload" file which reflects course(s) taken from these institution(s) enabling employee students to use INL/BEA Authorization Forms or

Course Approval Forms as if taking a course from UI. Upload file must be in required INL/BEA format. NOTE: If other educational institution(s) do not provide a Course Registration Number (CRN), UI will "create" a CRN and include it in the upload.

3.2 Work Excluded

a. INL/BEA will not be charged for course(s) categorized as "hobby" or "physical education," as these courses are considered unallowable costs to BEA.

b. INL/BEA will not be charged for "audit" course(s).

c. INL/BEA will not be charged for costs to "transfer" former undergraduate credits to a current graduate program. However, UI may charge the individual student.

d. INL/BEA will not be charged for the costs of books for employee students, as individual employee students are expected to purchase their own books.

e. INL/BEA will not be charged for special request courses without preapproval from INL/BEA's Employee Education Program.

f. INL/BEA will not be charged tuition/related fees for employee students who successfully complete *Contract Courses* provided under this SOW.

g. INL/BEA will not be charged for software or software licenses' (including renewals) that is for use on non-INL/BEA equipment.

3.3 Requirements

None.

3.4 Place of Performance

Work to be performed at Contractor's place of business.

3.5 Interfaces

Contractor personnel will interact with INL/BEA personnel in the following capacities:

a. Idaho Falls Associate Vice President/Center Executive Officer, Academic Contractor Coordinator, and other appropriate university personnel will interact with INL/BEA Employee Education Program personnel to oversee this contract.

b. Academic professors will work with INL science and engineering researchers to determine INL/BEA needs and work in accordance with university and State Board of Education policies and approvals to develop applicable curricula in support of INL/BEA's strategic and mission related needs.

3.6 Miscellaneous

Support personnel as needed to administer the scope herein and/or address special INL/BEA requests such as presentation of video courses, etc., are also included in this Contract.

4. DELIVERABLES

See "Deliverables" Table (Appendix B).

5. SCHEDULE AND MILESTONES

See "Deliverables" Table (Appendix B).

6. COMPLETION CRITERIA AND FINAL ACCEPTANCE

EOS submitted as requested in EOS Template (Appendix C).

EOS Invoice Back-up provided as requested in Invoice Back-up Template (Appendix D).

Issues identified during the course of this SOW to be resolved in a reasonable and agreed upon time frame.

All tasks outlined in this Contract are either accomplished as outlined or as requested via authorized revisions.

7. APPENDICES

Appendix A, UI Contract Course Listings

Appendix B, Deliverables

Appendix C, UI End of Semester (EOS) Report Template

Appendix D, UI Invoice Back-up Invoice Template

8. ATTACHMENTS

None.

APPENDIX A, UI CONTRACT COURSE LISTING

The UI shall support INL by providing access to all contract, non-contract or Engineering Outreach courses necessary to complete the following degrees in Idaho Falls:

- * Biological and Agricultural Engineering (including Subsurface Science) (M.S., M.Engr., Ph.D.)
- Chemical Engineering (M.S., M. Engr., Ph.D.)
- Chemistry (M.S., Ph.D.)
- *Civil Engineering (M. Engr.)
- *Computer Engineering (M.S., M. Engr.)
- Computer Science (M.S., Ph.D.)
- *Electrical Engineering (M.S., M. Engr.)
- *Engineering Management (M.Engr.)
- Environmental Engineering (M.S., M. Engr.)
- Environmental Science (B.S. Env.S., M.S., Ph.D.)
- Geology (Ph.D.)
- Industrial Technology (B.S. Tech., planned M.S. Safety, & Ph.D.)
- Interdisciplinary Studies (M.S.)
  - Waste Management
  - Technical & Project Management
- Materials Science and Engineering (M.S., Ph.D.)
- Mechanical Engineering (M.S., M. Engr., Ph.D.)
- Nuclear Engineering (M.S., M. Engr., Ph.D.)
- Technology Management (M.S.)

* Programs marked with asterisk are available through Engineering Outreach (EO) only.
Only actual tuition and course fees are charged to the contract.

Idaho National Laboratory

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APPENDIX B, DELIVERABLES TABLE

Report Type	Due Date	To Whom	Format	Report Content
3-Year Course Plan	October 31, 2014	INL/BEA Employee Education (Julie Hart)	Word format via email transmittal	List of all courses anticipated to be offered in Idaho Falls during the next 3-year period beginning with FY-14
Confirmed *Contract Courses*	10 working days after semester start	INL/BEA Employee Education (Angie Good)	Word format via email transmittal	List identifying all *Contract Courses* and all employee students enrolled in *Contract Courses*, based on 5-day registration
End of Semester (EOS)	6 weeks after end of semester	INL/BEA Employee Education (Angie Good)	Excel format via email transmittal	Provide headings exactly as outlined below and in accord with attached EOS template and provide information reflecting employee student participation in all courses in accord with the attached EOS template Institution Company S Number Name Degree Major Subject Course Number Section Number Credits Grade Course Designation Withdrawal Date Forfeit Percent Forfeit Amount Course Cost Course Fee Instructional Material Total Cost Comment
Incomplete/ In Process Status	6 weeks after end of semester	INL/BEA Employee Education (Angie Good)	Excel format via email transmittal	Information supporting employee student participation in all courses in accord with the attached UI EOS Template
Completed Degrees	6 weeks after end of semester	INL/BEA Employee Education (Angie Good)	Excel format via email transmittal	Listing of all INL/BEA conferred graduation employee students in accordance with attached UI EOS Template

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Report Type	Due Date	To Whom	Format	Report Content
Monthly Invoice	Monthly on last day of following month. NOTE: Fall semester tuition/related fee charges must be invoiced by February 15, 2014	Accounts Payable	Excel format via email transmittal	Information identified below and in accord with the attached Invoice Back-up Template. a) Itemized Monthly Invoice. *Support Course* detail must be included as identified in attached Invoice Back-up Template b) Invoices including charges for tuition/related fees must include supporting back-up detail identified in attached Invoice Back-up Template c) UI will request INL/BEA employee students to meet with INL/BEA Employee Education Program personnel if/when another funding source (outside of INL/BEA) is identified which covers their tuition/related fees.
Grades	10 business days after UI grade reports are due	INL/BEA Employee Education (Angie Good)	Email	Listing of all INL/BEA employee students who received a grade lower than a B- including the following: Institution (UI), Company (BEA) , Employee Name, Course and Grade
Upload Files	Daily	INL/BEA Employee Education (Angie Good)	In current format	As currently provided to include CRN/Institution Course Status Dept/Course/Section Description

Form 412.09 (Rev. 10)

Idaho National Laboratory

IDAHO NATIONAL LABORATORY/UNIVERSITY OF IDAHO EMPLOYEE EDUCATION PROGRAM (FY-2014)	Identifier:	SOW-11133
	Revision:	0
	Effective Date:	10/01/2013
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APPENDIX C, UI END OF SEMESTER (EOS) REPORT TEMPLATE

Required Headings:	Institution	Company	S Number	Name	Degree	Major	Subject	Course Number	Section	Credits	Grade	Designation	Withdrawal Date	Forfeit Percent	Forfeit Amount	Course Cost	Course Fee	Instruction Material	Total Cost	Comment
Cell Format:	Text or General	Text or General	Text	Text or General	Text or General	Text or General	Text or General	Text	Number	Number	Text or General	Text or General	Text or General	Percentage	Accounting	Accounting	Accounting	Accounting	Accounting	Text or General
Required Data:	UI	BEA	BEA Employee S Number	Last, First Middle	Expanded Degree (ALL CAPS) Please list as B-BA, B-BS, M-MS, etc. For Non-degree seeking or Other Institution, please list as NOND	List major sought	Course	Course Number	Section #	Course Credits	Acceptable Grades: A, B, C, D, F, (with + or -), W, U, S, P, IP, AU,	C, S, O, CEO, SEO, CSI	Enter date withdrew or dropped, explain in comments if no withdrawal put N/A	Percentage of total Employee cost, cannot be blank, 100% or 0	Amount employee owes to INL	Cost INL will be charged	Cost INL will be charged	Cost INL will be charged (from Emp. Auth. Form)	Total Cost INL will be charged	Information to clarify any cost differences between original and INL charged costs, any additional information, comments on differences and resolution, etc.
					A=Associates C=Certificate B=Bachelors M=Masters D=Doctorate	If pursuing a degree from a different institution, but taking a course from ISU, please list university if known, if not list as NOND					W=Withdraw, WD=Withdraw Drop, U=Unsatisfactory, S=Satisfactory, P=Pass, IP=In Progress, AU=Audit	C=Contract, S=Support, O=Other Institution, CEO=Contract Engineering Outreach, SEO=Support Engineering Outreach, CSI=College of Southern Idaho		100% or 0				Beginning Fall 2013 Student will cover all Instructional Material Cost		
											Beginning Fall 2013 Audits will no longer be allowed									

Form 412.09 (Rev. 10)

Idaho National Laboratory

IDAHO NATIONAL LABORATORY/UNIVERSITY OF IDAHO EMPLOYEE EDUCATION PROGRAM (FY-2014)	Identifier:	SOW-11133
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APPENDIX D, UI INVOICE BACK-UP INVOICE TEMPLATE

Student ID	Last Name	First Name	Course Type	Subject	Course	Section	Credits	Total Credits	INL Waiver	3rd Party Pay Total	3rd Party Pay Web Fee	3rd Party Pay Tuition	3rd Party Pay EO Tuition	3rd Party Pay EO Fee	Books	Notes	
									INL Waiver	3rd Party Pay Total	3rd Party Pay Web Fee	3rd Party Pay Tuition	3rd Party Pay EO Tuition	3rd Party Pay EO Fee	Books		
																Course Fees	-
																Books	-
																Total	-

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MEMORANDUM OF UNDERSTANDING
BETWEEN
BRIGHAM YOUNG UNIVERSITY – IDAHO
AND
UNIVERSITY OF IDAHO

1. PARTIES: (1) Brigham Young University – Idaho, 190 Kimball Building, Rexburg, Idaho 83460-1640 (BYUI). (2) Board of Regents of the University of Idaho (Idaho), 1776 Science Center Drive, Suite 306, Idaho Falls, ID 83402.

2. TERM: This Memorandum of Understanding (Memorandum) will be in force on the date signed by both parties. The Memorandum will be reviewed annually and will remain in force for five (5) years from the date last signed. Renewal, extension, or discontinuation will be at the option of both parties with a written notice of no less than one year.

3. PURPOSE: This Memorandum describes how the Parties will work together to allow full-time students at University of Idaho or BYUI to take one course at the opposite institution.

4. GENERAL TERMS

4.1 CONDITIONS OF USE: The University of Idaho through its Idaho Falls Center and BYUI agree to cooperate in extending to each other an opportunity for full-time registered students to take one additional class from the other institution each semester. In doing so, the student will not be assessed general registration fees beyond the amount capped for full-time students however, if a course fee is assessed the student will be responsible to pay the course fee to the institution providing the course. Further, the parties to this memorandum agree to remit to each other the amount per-credit incurred for the single class registration. The parties also agree to provide information regarding the full-time status of the cross-registered students and other informational exchanges relevant to this agreement.

4.2. ADMITANCE PROCEDURES: Idaho students taking classes on the BYUI campus must go through the BYUI admittance procedures. BYUI students taking Idaho classes may register as Non-Degree seeking students.

4.2 REGISTRATION PROCEDURES: BYUI full-time students taking an additional class from Idaho will pay all general registration fees to BYUI and will inform the BYUI Registrar of the intent to register with Idaho. Students will then register with Idaho Falls Student Services and inform Idaho of their full-time status with BYUI. Students will pay Idaho Falls Student Services all class, parking or other fees associated with the Idaho Class. Idaho full-time students taking an additional class from BYUI will pay all general registration fees to Idaho student Services and inform BYUI of their full-time status with Idaho. Students will pay BYUI all class, parking or other fees associated with the BYUI class. To inform the respective institution of the status of students seeking to use this agreement a form has been created to convey the appropriate information. This form should accompany the student's registration form and be processed within the applicable semester registration window of the institution supplying the course. That form is attached hereto and incorporated herein.

4.3 FEE REMITTANCE PROCEDURES: BYUI and Idaho agree to remit general registration fees to each other for the single classes. This exchange will occur at the four-week period after the start of classes for each semester. The fee amount is equal to the part-time registration fee assessed by BYUI. Remittances will include all pertinent registration information such that the receiving university may corroborate remittance data. No deduction for any purpose will be imposed on fee remittances.

4.4 COURSE AND CREDIT ACCEPTANCE: The Associate Registrar at the Idaho Falls Center and the Registrar at BYUI will review and inform each other of courses that may be excluded from this agreement. These may be courses, which, because of the delivery method, enrollment demand, or subject matter may not be offered through this exchange. Idaho and BYUI will inform students taking classes from the other university when a class taken for credit is not transferable or accepted by the students' matriculating university. This agreement covers only University of Idaho courses that are generated through the Idaho Falls Center.

4.5 RESPECT FOR POLICIES: Idaho students taking classes from BYUI will comply with policies and procedures established by BYUI. BYUI students taking classes from Idaho will comply with policies and procedures established by the University of Idaho and the Idaho Falls Center.

4.6 COMMUNICATION: The Parties agree to cooperate in communicating with each other and with their common and respective publics concerning the established relationship between the two institutions. Communication may include the development of various kinds of publications to inform those who might benefit personally or professionally from the opportunities provided by this Memorandum. Faculty and staff at both institutions may share the information in this Memorandum with interested and qualified students and both institutions will provide counseling and advising to students and prospective students.

The Idaho Falls Associate Registrar will be responsible for oversight of this Memorandum and for the implementation of this Memorandum. The Associate Registrar will be the contact for each institution and will communicate changes to respective faculty members, advisors, counselors, and others to whom the information is pertinent. The Parties agree to communicate annually any changes in their respective programs that may affect this Agreement.

4.7 SEVERABILITY: Occasionally conditions will arise and cause an agreement, or certain sections of an agreement, to be inoperative. These conditions could include, but are not limited to, changes in state law, changes in governing board policy, changes in accreditation policy, changes in programs or other changes taking place at either institution. In the event that one or more sections of this Memorandum are determined by either party or a court of competent jurisdiction to be inoperative or invalid, the remainder of this Memorandum shall not be affected, and each term and provision of this Memorandum shall be valid and be enforceable to the fullest extent permitted by law. It is the intention of the parties to this Memorandum that if any provision of this Memorandum is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, the provision shall have the meaning which renders it valid. This Memorandum shall be interpreted under Idaho law and venue for any related action shall be in Idaho state courts.

4.8 NO ASSIGNMENT: No assignment of this Memorandum or of any right accruing under this Memorandum shall be made, in part or in whole, by any signatory without the prior written consent of the other party.

4.8 UNADDRESSED ISSUES QUESTIONS AND DISPUTES: Unaddressed issues, questions concerning policies and procedures and disputes will be resolved between the Associate Registrar at the Idaho Falls Center, and the Registrar at BYUI.

Robert W. Smith, Ph.D., Associate Vice President,
University of Idaho - Idaho Falls
Associate Director for Research
Center for Advanced Energy Studies

06-19-09
Date

Fenton Broadhead, Ph.D., Academic Vice President
Brigham Young University – Idaho

6/17/09
Date

ADDENDUM #1 TO

MEMORANDUM OF UNDERSTANDING
BETWEEN
BRIGHAM YOUNG UNIVERSITY – IDAHO
AND
UNIVERSITY OF IDAHO (Idaho)

NUCLEAR ENGINEERING

PROCEDURE: Students interested in pursuing the opportunity of earning a graduate Nuclear Engineering Degree from University of Idaho should meet early with an advisor from University of Idaho to ensure that they have the preparation needed for the program, and to ensure that they meet application deadlines. Students are expected to have a GPA > 3.0 from their undergraduate program for admission into the University of Idaho Nuclear Engineering Program.

REQUIRED PRE-ADMISSION COURSES: Prior to applying to the Nuclear Engineering Master's degree at University of Idaho, as a part of their undergraduate degree, students need to have taken Chem 111 and 112, or equivalent along with the corresponding labs as well as courses in thermodynamics and mathematics through calculus.

While an undergrad at BYUI students should take the following courses at BYUI or University of Idaho setting them aside and not using them toward their undergraduate degree;

NE 450 Principles of Nuclear Engineering

And, one of the following courses;

NE 404/504 Intermediate Nuclear Engineering
Or an advanced mathematics course, beyond Ordinary Differential Equations
Other NE courses approved by an Idaho advisor

More information on the University of Idaho Nuclear Engineering Program is available at the following website;

http://www.if.uidaho.edu/ne/

POST-ADMISSION COURSES: When students arrive on the Idaho Falls University of Idaho campus as admitted Graduate Students they should meet with an advisor and prepare a Study Plan. The intent of this agreement is that in order to complete in one year, students will take 12 credits each of the two semesters they are enrolled at Idaho. If a student wishes to take a lighter credit load, some courses are available during the summer semester. Idaho has a limited summer schedule; the intent of this agreement is that students will be enrolled during the Fall and Spring Semesters. To complete the degree, students must chose from the following courses, completing a total of 30 credits. Not all courses will be available in every semester, and other applicable special topics courses may be appropriate. Students should meet with a University of Idaho advisor to plan their program of study. Areas of specialization within the Nuclear Engineering field are available; Idaho advisors will help students make those decisions.

Core Requirements 12 credits

NE 450	Principles of Nuclear Engineering
NE 404/504	Intermediate Nuclear Engineering
NE 501	Seminar (1 cr., 2 cr. are required)
NE 544	Reactor Analysis (statics and kinetics)
NE 554/Phys 506	Radiation Detection and Shielding
NE 565	Reactor Engineering
NE 585	Nuclear Fuel Cycles

Elective Requirements 18 credits

CHE/ME 527	Thermodynamics
ChE/ME 541	Advanced Engineering Analysis
CS 430	System Modeling and Simulation
ME 435	Thermal Energy System Design
ME 520/CHE 537	Fluid Dynamics
ME 546	Convective Heat Transfer
ME/ChE 525	Advanced Heat Transfer
NE 462	Nuclear Reactor Codes and Standards
NE 525	Neutron Transport Theory
NE 530	Two Phase Flow
NE 535	Nuclear Criticality Safety I
NE 537	Radiation Effects on Materials
NE 555	Nuclear Criticality Safety II
NE 554	Radiation Detection and Shielding
NE 575	Advanced Nuclear Power Engineering
ChE 480/580	Engineering Risk Assessment Hazardous/Radioactive Waste
ChE 529	Chemical Engineering Kinetics
ChE/ME 515	Transport Phenomena
ChE/Me 528	Advanced Thermodynamics
MSE 550	Nuclear Reactor Fuels
NE 570	Nuclear Chemical Engineering
NE 580	Waste Management and Nuclear Fuel Reprocessing
NE 581	Treatment of Radioactive Wastes
NE 582	Spent Nuclear Fuel Management and Disposition

Other Special Topics courses as approved

COURSE SCHEDULING: University of Idaho maintains a Three Year Plan that details which courses will be taught and which semester. This Plan is updated annually and can be found at the following website;

http://www.if.uidaho.edu/docs/Three_Yr_Plan-2008.html

Students may use this Plan to create their individual Study Plans.

ADMISSIONS PROCEDURES: Students will go through the normal University of Idaho Graduate Admission procedure to be considered for graduate admission.

FEES: Other than fees incurred through the course exchange agreement, students are responsible for all fees.

Donald M. Blackketter

Donald M. Blackketter, Ph.D., Dean,
University of Idaho
College of Engineering

3/29/2011
Date

Bruce C. Kusch

Bruce C. Kusch, Associate Academic Vice President
For Curriculum
Brigham Young University – Idaho

3-9-11
Date

Kendall D Peck

Kendall D. Peck, Ph.D., Dean,
Brigham Young University – Idaho
College of Physical Sciences and Engineering

9 Mar 2011
Date

ADDENDUM #2 TO

MEMORANDUM OF UNDERSTANDING
BETWEEN
BRIGHAM YOUNG UNIVERSITY – IDAHO
AND
UNIVERSITY OF IDAHO (Idaho)

COMPUTER SCIENCE

PURPOSE: The purpose of this addendum is to define a program that enable students completing a Bachelor of Science Degree in Computer Science or other disciplines at Brigham Young University – Idaho to complete a non-thesis Master of Science degree in Computer Science at the University of Idaho in Idaho Falls with one additional year of study.

REQUIRED PRE-ADMISSION PROCEDURE: Students interested in pursuing the opportunity of earning a graduate Computer Science degree from the University of Idaho should meet with an advisor from University of Idaho to identify their graduate advisor, initiate a formal application, and gain acceptance into the program prior to the beginning of their fourth year. Students are expected to have a GPA of at least 3.0 from their undergraduate program for admission into the University of Idaho Computer Science Program.

POST-ADMISSION COURSES: When students arrive on the University of Idaho, Idaho Falls campus as admitted Graduate Students, they will work with an advisor to select an area of specialization and develop a study plan. A typical course load schedule to complete the Master's degree in one year will require students to take 6 credits during their fourth year and 12 credits during the two semesters of their fifth and last year, while they are enrolled at Idaho.

Students completing a Bachelor of Science Degree in disciplines not in Computer Science may require an additional semester to complete this program. These students will be required to take CS 306 Algorithms and Complexity, and CS 480 Computational Theory (or equivalent courses at the U of I) with a grade of B (3.0) or higher. These "supporting" courses for BYU-I non Computer Science students must be completed before or during the student's fourth year.

The student must successfully complete at least 18 credit hours of 500-level courses and at least 18 credit hours of CS courses that includes at least one semester of CS Graduate Seminar, CS 501 (1 cr). To complete the degree, students must complete a total of 30 credits..

The student must acquire depth in at least one major area by developing a focused plan of study in consultation with the major advisor. The student must demonstrate a mastery of the theory underlying one's discipline, and satisfy a graduate breadth requirement. This is the foundation on which further professional advancement should be based.

At the end of the program, non-thesis students must pass a comprehensive examination that covers their graduate studies.

COURSE OFFERING: University of Idaho Computer Science department offers courses related to faculty interests. These offerings are updated annually and can be found at the following website;

http://www.uiweb.uidaho.edu:80/schedule/

The areas of faculty expertise are:

Advanced Architectures, Design, and Development
Artificial Intelligence and Optimization Techniques
Embedded System Design
Fault-Tolerant and Survivable Networks and Systems
Gaming and Visualization
High Performance Computational Algorithms, Languages, and Systems
Intelligent Control Systems
Secure Systems
Wireless Network Systems, Protocols, and Security

ADMISSIONS PROCEDURES: Students will go through the normal University of Idaho Graduate Admission procedure to be considered for graduate admission.

FEES: Other than fees covered by the Course Exchange Agreement, students are responsible for all fees.

Donald M. Blackketter

6/10/11

Donald M. Blackketter, Ph.D., Dean,
University of Idaho
College of Engineering

Date

Bruce C. Kusch

6-30-11

Bruce C. Kusch, Academic Vice President
For Curriculum
Brigham Young University – Idaho

Date

Kendall D Peck

6/28/2011

Kendall D. Peck, Ph.D., Dean,
Brigham Young University – Idaho
College of Physical Sciences and Engineering

Date

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SUBJECT
Board policy V.X. – Intercollegiate Athletics – first reading

REFERENCE

April 2014	The Idaho State Board of Education approved FY 2015 Athletics Limits

APPLICABLE STATUTES, RULE OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.X.

BACKGROUND / DISCUSSION
At its April meeting, the Board determined it would no longer need to approve the athletics limits but instead let the formulas set out in policy calculate the annual change to the limits.

IMPACT
The Board would review but no longer approve the annual athletics limits. The Board would still be able to increase the limits at its discretion.

ATTACHMENTS
Attachment 1 – Board policy V.X. – First reading Page 3

STAFF COMMENTS AND RECOMMENDATIONS
The revisions to Board policy as outlined in Attachment 1 would make the calculation of the athletics limits automatic unless the Board took affirmative action to approve limits other than those derived from the formulas.

BOARD ACTION
I move to approve the first reading of proposed amendments to Board policy V.X. Intercollegiate Athletics, with all revisions as presented in Attachment 1.

Moved by____________ Seconded by_____________ Carried Yes____ No____

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1. Philosophy

The Board reaffirms the role of intercollegiate athletics as a legitimate and significant component of institutional activity. The responsibility for and control of institutional activities in this area rest with the Board.

In the area of intercollegiate athletics, the Board seeks to establish programs which:

a. provide opportunities for student athletes to attend college and participate in athletic programs while pursuing and completing academic degrees;

b. reflect accurately the priorities and academic character of its institutions;

c. fuel school spirit and community involvement;

d. serve the needs of the institutions as they seek, through their athletic programs, to establish fruitful and sustaining relationships with their constituencies throughout the state and nation; and

e. actively and strategically progress toward compliance with Title IX of the Higher Education Amendments Act of 1972.

Given these goals, the Board has a continuing ~~concern and~~ interest in the academic success of student athletes, the scope and level of competition, and the cost of athletic programs administered by its institutions. Consequently, the Board will, from time to time in the context of this policy statement, promulgate, as necessary, policies governing the conduct of athletic programs at its institutions.

2. Policies

The day-to-day conduct of athletic programs is vested in the institutions and in their chief executive officers. Decision making at the institutional level must be consistent with the policies established by the Board and by those national organizations and conferences with which the institutions are associated. In the event that conflicts arise among the policies of these governance groups, it is the responsibility of the institution's chief executive officer to notify the Board in a timely manner. Likewise, any knowledge of NCAA or conference rule infractions involving an institution should be communicated by the athletic department to the chief executive officer of the institution.

The Board recognizes that the financing of intercollegiate athletics, while controlled at the institutional level, is ultimately the responsibility of the Board itself. In assuming that responsibility, the sources of funds for intercollegiate athletics shall be defined in the following categories:

a. State General Funds – means state General Funds (as defined in section 67-1205, Idaho Code) appropriated to the institutions.

b. Student Athletic Fee Revenue – means revenue generated from the full-time and part-time student activity fee that is dedicated to the intercollegiate athletics program pursuant to policy V.R.3.b.ii.

c. Program Funds – means revenue generated directly related to the athletic programs, including but not limited to ticket sales/event revenue, tournament/ bowl/conference receipts, media/broadcast receipts, concessions/parking/ advertisement, game guarantees and foundation/booster donations.

d. Institutional Funds – means any funds generated by the institution outside the funds listed in a., b. and c. above. Institutional Funds do not include tuition and fee revenue collected under policy V.R.3. Examples of Institutional Funds include, but are not limited to, auxiliaries, investment income, interest income, vending, indirect cost recovery funds on federal grants and contracts, and administrative overhead charged to revenue-generating accounts across campus.

3. Funds allocated and used by athletics from the above sources are limited as follows:

a. State General Funds –

i. The limit for State General Funds shall be allocated in two categories: General Funds used for athletics and General Funds used to comply with Title IX.

ii. The Board set the following FY 2013 General Fund limits:

1) General Funds for Athletics:

a) Universities	$2,424,400
b) Lewis-Clark State College	$ 901,300

2) General Funds for Gender Equity:

a) Boise State University	$1,069,372
b) Idaho State University	$ 707,700
c) University of Idaho	$ 926,660
d) Lewis-Clark State College	$ 0

iii. The methodology for computing the limits for both categories of State General Funds shall be to calculate the rate of change for the next fiscal year ongoing State General Funds compared to the ongoing State General Funds in the current fiscal year, and then apply the rate of change to both limits approved by the Board in the previous year. ~~Such limits shall be approved annually by the Board.~~

b. Institutional funds –
   i. The Board set the following FY 2013 limits:

1)	Boise State University	$ 386,100
2)	Idaho State University	$ 540,400
3)	University of Idaho	$ 772,100
4)	Lewis-Clark State College	$ 154,300

   ii. The methodology for computing the limits for Institutional Funds shall be to calculate the rate of change for the next fiscal year ongoing Appropriated Funds compared to the ongoing Appropriated Funds in the current fiscal year, and then apply the rate of change to the limit approved by the Board in the previous year. ~~Such limits shall be approved annually by the Board.~~ For purposes of this paragraph, "Appropriated Funds" means all funds appropriated by the Legislature to the institutions, including but not limited to, State General Funds, endowment funds, and appropriated tuition and fees.

c. Student Activity Fee Revenue – shall not exceed revenue generated from student activity fee dedicated for the athletic program. Institutions may increase the student fee for the athletic program at a rate not more than the rate of change of the total student activity fees.

d. Program funds – the institutions can use the program funds generated, without restriction.

The president of each institution is accountable for balancing the budget of the athletic department on an annual basis. In accounting for the athletic programs, a fund balance for the total athletic program must be maintained. In the event that revenue within a fiscal year exceeds expenses, the surplus would increase the fund balance and would be available for future fiscal years. In the event that expenses within a fiscal year exceeds revenue, the deficit would reduce the fund balance. If the fund balance becomes negative, the institutions shall submit a plan for Board approval that eliminates the deficit within two fiscal years. Reduction in program expenditures and/or increase revenue (program funds only) can be used in an institutional plan to eliminate a negative fund balance. If substantial changes in the budget occur during the year resulting in a deficit for that year, the president shall advise the Board of the situation at the earliest opportunity.

Donations to athletics at an institution must be made and reported according to policy V.E. The amount of booster money donated to and used by the athletic department shall be budgeted in the athletic department budget.

It is the intent of the Board that increases in program revenues should be maximized before increases to the athletic limits under subsection 3 will be considered.

4. Gender Equity

   a. Gender equity means compliance with Title IX of the Higher Education Amendments Act of 1972 which prohibits discrimination on the basis of gender in any education program or activity receiving federal financial assistance, including athletics. Congress delegated authority to promulgate regulations (34 C.F.R. §106.41) for determining whether an athletics program complies with Title IX. The U.S. Department of Education, through its Office of Civil Rights (OCR) is responsible for enforcing Title IX.

   b. Title IX measures gender equity in athletics in three distinct areas: participation, scholarships, and equivalence in other athletics benefits and opportunities.

   c. The chief executive officer of each institution shall prepare a gender equity report for review and formal approval by the Board in a format and time to be determined by the Executive Director. The gender equity report will show the status of an institution's compliance with Title IX. The gender equity report will show the changes to the athletics programs necessary to comply with Title IX over time.

5. Financial Reporting.

   The Board requires that the institutions adopt certain reporting requirements and common accounting practices in the area of intercollegiate athletic financing. The athletic reports shall contain revenues, and expenditures, in the detail prescribed by the Board office, including all revenue earned during a fiscal year. A secondary breakdown of expenditures by sport and the number of participants will also be required. The fund balances as of June 30 shall be included in the report. The general format of the report will be consistent with the format established by the Executive Director. The revenue and expenditures reported on these reports must reconcile to the NCAA Agreed Upon Procedures Reports that are prepared annually and reviewed by the external auditors. The institutions will submit the following reports to the Board:

   a. The institutions shall submit an operating budget for the upcoming fiscal year beginning July 1 in a format and time to be determined by the Executive Director.
      i. Actual revenues and expenditures for the fiscal year most recently completed.

      ii. Estimated revenues and expenditures for the current fiscal year.

      iii. Proposed operating budget for the next budget year beginning July 1.

   b. The following fiscal year's financial information will be reported by each institution in a format and time to be determined by the Executive Director:
      i. Actual revenues and expenditures for the prior four (4) fiscal years
      ii. Estimated revenues and expenditures for the current fiscal year.

SUBJECT

Board Policy V.I. – Real and Personal Property and Services – second reading

REFERENCE

April 2014	Board approved first reading of proposed amendments to policy.

APPLICABLE STATUTES, RULE OR POLICY

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

BACKGROUND / DISCUSSION

The Business Affairs and Human Resources Committee has been working with staff and the institutions to align authorization thresholds in several policy sections, namely Board policy V.I. Real and Personal Property and Services and V.K. Construction Projects.

IMPACT

Proposed amendments to Board Policy V.I. increases the thresholds for the purchase of real property, personal property and services to be consistent with the thresholds outlined in Board Policy V.K. which provide authorization by the executive director between $500,000 and $1,000,000 for capital projects. This increases the authorization of the institutions from $250,000 to $500,000. The thresholds for the purchase of personal property and services are outlined in the table on page 5.

This revision also clarifies authorization thresholds when the project budget for a purchase or the renewal cost for a service agreement increases above the originally approved amount.

ATTACHMENTS

Attachment 1 – Board policy V.I. – second reading Page 3

STAFF COMMENTS AND RECOMMENDATIONS

There were no changes between first and second reading. Staff recommends approval.

BOARD ACTION

I move to approve the second reading of proposed amendments to Board Policy V.I. Real and Personal Property and Services.

Moved by____________ Seconded by_____________ Carried Yes____ No____

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1. Authority

a. The Board may acquire, hold, and dispose of real and personal property pursuant to Article IX, Section 2 and Article IX, Section 10, Idaho Constitution, pursuant to various sections of Idaho Code.

b. Leases of office space or classroom space by any institution, school or agency except the University of Idaho are acquired by and through the Department of Administration pursuant to Section 67-5708, Idaho Code.

c. All property that is not real property must be purchased consistent with Sections 67-5715 through 67-5737, Idaho Code, except that the University of Idaho may acquire such property directly and not through the Department of Administration. Each institution, school and agency must designate an officer with overall responsibility for all purchasing procedures.

d. Sale, surplus disposal, trade-in, or exchange of property must be consistent with Section 67-5722, Idaho Code, except that the University of Idaho may dispose of such property directly and not through the Department of Administration.

e. If the Executive Director finds or is informed that an emergency exists, he or she may consider and approve a purchase or disposal of equipment or services otherwise requiring prior Board approval. The institution, school or agency must report the transaction in the Business Affairs and Human Resources agenda at the next regular Board meeting together with a justification for the emergency action.

2. Acquisition of Real Property

a. Acquisition of a real property interest, other than a leasehold interest, with a purchase price between ~~two~~ five hundred ~~fifty~~ thousand dollars ($~~2~~500,000) and ~~five hundred thousand~~one million dollars ($~~500~~1,000,000) requires prior approval by the Executive Director. A purchase exceeding ~~five hundred thousand~~one million dollars ($~~500~~1,000,000) requires prior Board approval.

b. Any interest in real property acquired for the University of Idaho must be taken in the name of the Board of Regents of the University of Idaho.

c. Any interest in real property acquired for any other institution, school or agency under the governance of the Board must be taken in the name of the State of Idaho by and through the State Board of Education.

d. This does not preclude a foundation or other legal entity separate and apart from an institution, school or agency under Board governance from taking title to real property in the name of the foundation or other organization for the present or future benefit of the institution, school or agency. (See Section V.E.)

e. Acquisition of a leasehold interest in real property by or on behalf of an institution, school or agency requires prior Executive Director approval if the cost exceeds five hundred thousand dollars ($500,000) over the term, or by the Board if the term of the lease exceeds five (5) years or if the cost exceeds one million dollars ($1,000,000) over the term.

f. Appraisal.

An independent appraiser must be hired to give an opinion of fair market value before an institution, school or agency acquires fee simple title to real property.

g. Method of sale - exchange of property.

The Board will provide for the manner of selling real property under its control, giving due consideration to Section 33-601(4), applied to the Board through Section 33- 2211(5), and to Chapter 3, Title 58, Idaho Code. The Board may exchange real property under the terms, conditions, and procedures deemed appropriate by the Board.

h. Execution.

All easements, deeds, and leases excluding easements, deeds, and leases delegated authority granted to the institutions and agencies must be executed and acknowledged by the president of the Board or another officer designated by the Board and attested to and sealed by the secretary of the Board as being consistent with Board action.

3. Acquisition of Personal Property and Services

a. Purchases of equipment, data processing software and equipment, and all contracts for consulting or professional services either in total or through time purchase or other financing agreements, between ~~two~~ five hundred ~~fifty~~ thousand dollars ($~~2~~500,000) and ~~five hundred thousand~~one million dollars ($~~5~~1,000,000) require prior approval by the executive director. The executive director must be expressly advised when the recommended bid is other than the lowest qualified bid. Purchases exceeding ~~five hundred thousand~~one million dollars dollars ($~~5~~1,000,000) require prior Board approval. If the project budget for a purchase or the renewal cost for a service agreement increases above the approved amount, then the institution or agency may be required to seek further authorization, as follows:

Project or Service Agreement Originally Authorized By	Original Project Cost or Total Obligation for Service Agreement	Cumulative Value of Change(s)	Aggregate Revised Project Cost or Total Obligation for Renewal to Service Agreement	Change Authorized By
Local Agency	< $~~2~~500,000	Any	< $~~2~~500,000	Local Agency
Local Agency	< $~~2~~500,000	Any	$~~2~~500,000-$~~5~~1,000,000	Executive Director
Local Agency	<$~~2~~500,000	Any	> $~~5~~1,000,000	SBOE
Executive Director	$~~2~~500,000-$~~5~~1,000,000	<= $~~2~~500,000	<= $~~5~~1,000,000	Local Agency
Executive Director	$~~2~~500,000-$~~5~~1,000,000	Any	>$~~5~~1,000,000	SBOE
SBOE	> $~~5~~1,000,000	< $~~2~~500,000	Any	Local Agency
SBOE	> $~~5~~1,000,000	$~~2~~500,000-$~~5~~1,000,000	Any	Executive Director
SBOE	> $~~5~~1,000,000	>$~~5~~1,000,000	Any	SBOE

~~All modifications approved by the Executive Director shall be reported quarterly to the Board.~~

b. Acquisition or development of new administrative software or systems that materially affect the administrative operations of the institution by adding new services must be reviewed with the executive director before beginning development. When feasible, such development will be undertaken as a joint endeavor by the four institutions and with overall coordination by the Office of the State Board of Education.

4. Hold of Personal Property

a. Inventory

An inventory of all items of chattel property valued at two thousand dollars ($2,000) or limits established by Department of Administration owned or leased by any agency or institution must be maintained in cooperation with the Department of Administration as required by Section 67-5746, Idaho Code.

b. Insurance

Each agency and institution must ensure that all insurable real and personal property under its control is insured against physical loss or damage and that its employees are included under any outstanding policy of public liability insurance maintained by the state of Idaho. All insurance must be acquired through the State Department of Administration or any successor entity.

c. Vehicle Use

Vehicles owned or leased by an institution or agency must be used solely for institutional or agency purposes. Employees may not, with certain exceptions, keep institutional vehicles at their personal residences. Exceptions to this policy include the chief executive officers and other employees who have received specific written approval from the chief executive officer of the institution or agency.

5. Disposal of Real Property

a. Temporary Permits

Permits to make a temporary and limited use of real property under the control of an institution or agency may be issued by the institution or agency without prior Board approval.

b. Board approval of other transfers

i. Leases to use real property under the control of an institution, school or agency require prior Board approval - if the term of the lease exceeds five (5) years or if the lease revenue exceeds two hundred fifty thousand dollars ($250,000).

ii. Easements to make a permanent use of real property under the control of an institution, school or agency require prior Board approval - unless easements are to public entities for utilities.

iii. The transfer by an institution, school or agency of any other interest in real property requires prior Board approval.

6. Disposal of Personal Property

Sale, surplus disposal, trade-in, or exchange of property with a value greater than ~~two~~ five hundred ~~fifty~~ thousand dollars ($~~2~~500,000) and less than ~~five hundred thousand~~one million dollars ($~~5~~1,000,000) requires prior approval by the Executive Director. Sale, surplus disposal, trade-in, or exchange of property with a value greater than ~~five hundred thousand~~one million dollars ($~~5~~1,000,000) requires prior Board approval. All disposals approved by the Executive Director shall be reported quarterly to the Board.

a. First Refusal

When the property has a value greater than five thousand dollars ($5,000), the institution, school or agency must first make a good faith effort to give other institutions, school and agencies under Board governance the opportunity of first refusal to the property before it turns the property over to the Department of Administration or otherwise disposes of the property.

b. Sale of Services

The sale of any services or rights (broadcast or other) of any institution, school or agency requires prior approval of the Board when it is reasonably expected that the proceeds of such action may exceed two hundred fifty thousand dollars ($250,000). Any sale of such services or rights must be conducted via an open bidding process or other means that maximizes the returns in revenues, assets, or benefits to the institution, school or agency.

c. Inter-agency Transfer

Transfer of property from one Board institution, school or agency to another institution, school or agency under Board governance may be made without participation by the State Board of Examiners or the Department of Administration, but such transfers of property with a value greater than two hundred fifty thousand dollars ($250,000) require prior Board approval.

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SUBJECT

Board Policy V.K. – Construction Projects – second reading

REFERENCE

April 2014	Board approved first reading of proposed amendments to policy.

APPLICABLE STATUTES, RULE OR POLICY

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

BACKGROUND / DISCUSSION

The Business Affairs and Human Resources Committee has been working with staff and the institutions to determine the authorization thresholds required when a capital project increases above the original Board-approved amount.

IMPACT

Proposed amendments to Board policy V.K. would require an institution to seek further approval when the budget for a major capital project increases above the total authorized amount by more than 5% (up to a maximum of $499,999).

Regardless of the authorization level required (i.e. institution, executive director, or Board), the institution must provide the Board with the amount and reason(s) for the cost overruns and the source of funds. The authorization levels are shown in the table on page 3.

ATTACHMENTS

Attachment 1 – Board policy V.K. – second reading Page 3

STAFF COMMENTS AND RECOMMENDATIONS

There were no changes between first and second reading. Staff recommends approval.

BOARD ACTION

I move to approve the second reading of proposed amendments to Board policy V.K. Real and Personal Property and Services as presented.

Moved by____________ Seconded by_____________ Carried Yes____ No____

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1. Authorization Limits

Without regard to the source of funding, before any institution or agency under the governance of the Board begins to make capital improvements, either in the form of alteration and repair to existing facilities or construction of new facilities, it must be authorized based on the limits listed below. Projects requiring executive director or Board approval must include a separate budget line for architects, engineers, or construction managers and engineering services for the project cost.

Project Originally Authorized By	Original Project Cost	Cumulative Value of Change(s)	Aggregate Revised Project Cost	Change Authorized By
Local Agency	< $500,000	Any	< $500,000	Local Agency
Local Agency	< $500,000	Any	$500,000-$1,000,000	Executive Director
Local Agency	<$500,000	Any	> $1,000,000	SBOE
Executive Director	$500,000-$1,000,000	<= $500,000	<= $1,000,000	Local Agency
Executive Director	$500,000-$1,000,000	Any	>$1,000,000	SBOE
SBOE	> $1,000,000	<$500,000	Any	Local Agency
SBOE	> $1,000,000	$500,000-$1,000,000	Any	Executive Director
SBOE	> $1,000,000	>$1,000,000	Any	SBOE

2. Major Projects - Capital Construction Plans

a. Institutions and agencies under the governance of the Board wishing to undertake capital construction projects shall submit to the Board for its approval a six-year capital construction plan (the "Plan"). The Plan shall span six fiscal years going forward starting at the fiscal year next. The Plan shall include only capital construction projects for which the total cost is estimated to exceed one million dollars ($1,000,000) without regard to the source of funding (hereinafter, "major projects"). A Plan shall constitute notice to the Board that an institution or agency may bring a request at a later date for Board approval of one or more of the projects included in its approved Plan. Board approval of a Plan shall not constitute approval of a project included in the Plan.

b. Before any institution or agency under the governance of the Board solicits, accepts or commits a gift or grant in support of a specific major project, such project must first be included on the institution's or agency's Board-approved six-year Plan.

c. If a major project is not included in a Plan and an institution or agency under the governance of the Board desires to obtain approval of the major project, before seeking approval, it shall first bring an amended plan to the Board for approval at a regularly scheduled meeting of the Board. If a potential donor offers an unsolicited gift to an institution or its affiliated foundation in support of a major project which is not in an institution's or agency's Plan, prior to acceptance of the gift, the institution or agency shall notify the Board's executive director in writing of the offer, which notice shall include an explanation and justification for the exigency; a detailed statement of purpose and fiscal impact; and a summary of the terms and conditions of the gift. This notice shall also certify to the executive director that the donor understands and acknowledges that construction of the major project is subject to the review and approval of the Board.

3. Major Projects Approval Process - Design-Bid-Build Projects

a. Planning and Design

Board approval is required before any institution or agency begins planning and design on a major project carried out under the traditional "design-bid-build" method. For design-bid-build projects, planning and design encompasses the preparation of architectural and engineering documents and associated budget and schedule information through the completion of the construction documents for bidding. This approval may not be requested concurrently with any other step in the major project approval process. As part of the Board's approval process for planning and design, the Board may request the institution or agency to submit a preliminary project budget and financing plan (including pro forma financials, debt/operating expenses ratios, pledges, strategic facilities fees, and other material financial information).

b. Major Project Approval Process – Project Budget and Financing Plan

Board approval of a project budget and financing plan (including pro forma financials, debt/operating expenses ratios, pledges, strategic facilities fees, and other material financial information) is required for a major project. This approval may be requested only after completion of the design and planning process and may be requested concurrently with approval for construction.

c. Major Project Approval Process –Construction

Board approval is required to proceed with the construction of a major project. In order to obtain Board approval for construction of a major project, the Board must approve the project budget and financing plan. This approval may be requested concurrently with approval of the project's budget and financing plan.

d. Major Project Approval Process – Final Approval – Financing and Incurrence of Debt

Board approval for financing capital projects via the issuance of bonds, or incurrence of any other indebtedness, is required pursuant to Board policy V.F. for a project that has previously received approval for construction. (All other projects financed entirely without indebtedness do not need separate approval for financing.) The Board will not consider concurrent requests for approval for construction and debt financing for the same project. Therefore, institutions seeking approval for project debt financing must bring a request for said approval to a Board meeting subsequent to the meeting at which project construction is approved.

4. Design-Build Projects

Although design and build projects are performed by one team, design-build contracts can also allow a series of options to proceed (or not) at the design phase and at the construction phase. The approval process for major projects using a design-build contract shall be the same as the approval process required for a design-bid-build contract. Board approval shall first be required to undertake the design and planning phase, including selection of the design-build team. For purposes of such approval, the Board may request a preliminary project budget and financing plan. This approval may not be obtained concurrently with subsequent required approvals. Once the design-build team completes the design and construction cost estimates, the institution or agency must then obtain Board approval of the project budget and financing plan and of construction of the project. If debt financing is needed, the institution or agency must submit a request for approval at a subsequent meeting of the Board in the manner set forth in paragraph 3.d., above.

5. Fiscal Revisions to Previously Approved Projects

If a project budget increases above the total Board-authorized~~approved~~ amount by the lesser of 5% or $500,000, then the institution or agency shall be required to seek further authorization based on the limits established in paragraph 1, above. Regardless of the authorization level required, the institution shall provide the Board with the amount and reason(s) for the cost overruns and the source of funds.

6. Project Acceptance

Projects under the supervision of the Department of Administration are accepted by the Department on behalf of the Board and the state of Idaho. Projects under the supervision of an institution or agency are accepted by the institution or agency and the project architect. Projects under the supervision of the University of Idaho are accepted by the University on behalf of the Board of Regents.

7. Statute and Code Compliance

   a. All projects must be in compliance with Section 504 of the Rehabilitation Act of 1973 and must provide access to all persons. All projects must be in compliance with applicable state and local building and life-safety codes and applicable local land-use regulations as provided in Chapter 41, Title 39, and Section 67-6528, Idaho Code.

   b. In designing and implementing construction projects, due consideration must be given to energy conservation and long-term maintenance and operation savings versus short-term capital costs.

SUBJECT

Board Policy V.W. Litigation – Second Reading

REFERENCE

December 2009	Board approved 1st Reading of amendments delegating authority to the CEO to initiate litigation up to specific limits.
February 2010	Board approved 2nd Reading of proposed amendments to policy.
April 2014	Board approved 1st Reading of proposed amendments to policy.

APPLICABLE STATUTE, RULE, OR POLICY

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

BACKGROUND / DISCUSSION

Proposed changes will clarify for the institutions that the limits and reporting requirements contained within Board Policy V.W. pertains to all settlements, not just settlements after initiation of litigation.

IMPACT

Proposed changes will allow for more consistent reporting and oversight of legal settlements entered into by the institutions.

ATTACHMENTS

Attachment 1 - Governing Policy Section V.W – second Reading Page 3

STAFF COMMENTS AND RECOMMENDATIONS

There were no changes between first and second reading. Staff recommends approval.

BOARD ACTION

I move to approve the second reading of Idaho State Board of Education Governing Policies & Procedures V.W. – Litigation as submitted.

Moved ____________ Seconded___________ Carried Yes ______ No ______

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ATTACHMENT 1

Idaho State Board of Education
GOVERNING POLICIES AND PROCEDURES
SECTION: V. FINANCIAL AFFAIRS
Subsection: W. Litigation **June, 2014**

1. General

   When a lawsuit, legal document, or other official notice is instituted against an institution and/or the Board, an institution's president or its general counsel, or the executive director of the Board, is authorized to accept service of process of such matter on behalf of the institution and/or Board. This authority to accept service pertains only to attempted service upon the institution and/or Board, and not to any attempt to serve the Idaho secretary of state or the Idaho attorney general. An institution president or general counsel who accepts service of any matter on behalf of such institution and/or the Board pursuant to this authority must promptly forward a copy of any such matter to the Board office, and in appropriate circumstances, should also forward a copy of such matter to the State of Idaho Department of Administration, Division of Internal Management Systems, Risk Management Program.

2. Initiation of Litigation

   An institution or agency under the governance of the Board may initiate a legal action with respect to any matter in which the amount in controversy does not exceed one hundred thousand dollars ($100,000). With the prior approval of the executive director, an institution, agency, or school under the governance of the Board may initiate a legal action with respect to any matter in which the amount in controversy does not exceed two hundred thousand dollars ($200,000). Any other proposed legal action may not be instituted without the prior approval and authorization of the Board.

   a. Notwithstanding the authority to initiate litigation provided above, any legal action involving the exercise of the right of eminent domain must have the prior approval of the Board.

   b. Pursuant to Idaho Code §33-3804, an institution is permitted to initiate legal action in its own name.

3. Settlement ~~of Litigation~~

   The chief executive officer has authority to settle a legal matter involving the payment or receipt of up to one hundred thousand dollars ($100,000) of institution or agency funds. The executive director may authorize the settlement of a legal matter involving the payment or receipt of up to two hundred thousand dollars ($200,000) of institution, agency, or school funds. Any settlement of a legal matter that is in excess of two hundred thousand dollars ($200,000) in institution or agency funds must be approved by the Board prior to any binding settlement commitment.

~~3~~4. Litigation Reporting by Institutions

Legal counsel for the institutions shall provide monthly attorney–client privileged litigation reports ~~to the members of the Board, with a copy~~ to the Board office (to the attention of the Board's legal counsel) for distribution to members of the Board. Such reports should include a description of all claims and legal actions filed against the institution since the date of the last report (and identify legal counsel for the parties involved, for conflict analysis purposes); a summary of the current status of all claims and pending litigation; risk analysis pertaining to all such claims and pending litigation; and the settlement of any ~~legal claims or actions~~ matters since the date of the last report, including settlements of matters handled by the State of Idaho Department of Administration, Division of Internal Management Systems, Risk Management Program. With respect to the reporting of a legal settlement, such report shall describe the amount of institution funds that were used, and the amount and source of any other funds that were provided in connection with such settlement, including funds from the Office of Insurance Management or from any other parties. Legal counsel for the institutions should also include in the report any significant incident occurring since the last report that is reasonably expected to give rise to a claim, as well as probable claims or legal actions the institution is aware of which have been threatened but not yet instituted.

BOISE STATE UNIVERSITY

SUBJECT

Football Stadium Naming Rights Agreement

REFERENCE

October 2009	The Idaho State Board of Education approved multimedia and sports marketing agreement with Learfield Sports Marketing (Learfield)
December 2009	The Board approved changes to the Learfield multimedia and sports marketing agreement

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies and Procedures, Section I.K.

BACKGROUND/DISCUSSION

In 2009, Boise State University (BSU) entered into a multimedia and sports marketing agreement with Learfield. At that time, a naming rights agreement for the football stadium was contemplated as part of the contract awarded to Learfield.

The University has since entered into negotiations with Albertsons for the naming rights to the football stadium. Under the proposed agreement, Bronco Stadium would be renamed “Albertsons Stadium.”

Terms of the agreement include:

- Fifteen year term
- Annual payments to the University totaling $12.5 million over the term of the agreement
- Sponsorship opportunities including signage and travel on the team charter for up to four guests to one football game per year
- Albertsons will receive one suite for each home football game with no rental fee, but will be responsible for additional expenses related to such use
- Albertsons may utilize Albertsons Stadium for non-revenue generating company events subject to prior agreement with the University

IMPACT

In exchange for stadium naming rights, Albertsons will make annual payments to the University totaling $12.5 million over the fifteen year term. Of the $12.5 million, $100,000 will support the new Alumni Center.

ATTACHMENTS

Attachment 1 – Proposed Naming Agreement Page 5

STAFF COMMENTS AND RECOMMENDATIONS

The major deal points of the Albertsons naming rights agreement for BSU's football stadium are as follows:

- The name of the stadium will be Albertsons Stadium. This name may only be changed if Albertsons engages in a merger, name change, or other corporate restructuring, and only with University consent, which must not be unreasonably withheld.
- The agreement is for an overall payment to BSU of $12.5M over a contract life of fifteen years. However, Albertsons can provide a two year notice as early as Year 5 and exit after Year 7.
- BSU and Albertsons must agree upon the stadium logo. The preferred form of the stadium logo will include both the Albertsons logo and BSU's Athletic Mark (the Bronco head).
- BSU and Albertsons will split the cost of the four largest signs to be placed on the stadium itself, the stitching of the Albertsons name into the blue turf and the replacement of the four large football player banners that currently hang from the stadium.
- BSU will pay for all of the other costs associated with the change, such as directional signage, stadium entry gate signage, and all glasses, plates, napkins and related items for use within Stueckle.
- Albertsons will be the exclusive partner of BSU in its retail category, which includes groceries and pharmacies.
- Albertsons will be the most prominent sponsor at the stadium and the surrounding environs.
- BSU will retain the right to approve any of Albertsons strategic marketing partners, if the stadium logo is involved, in order to prevent conflicts with BSU's existing sponsors. Albertsons Stadium logo merchandise must be manufactured by a University licensed vendor, and must be approved by BSU's Office of Trademark Licensing.
- Albertsons does have certain special termination rights, including the right to terminate if: BSU's football team incurs NCAA or MWC sanctions that prohibit the team from participating in conference championship games or post season conference tournaments, NCAA, or playoff/bowl games during any Contract Year.

The Agreement includes an indemnity provision in which it appears BSU agrees to indemnify Albertsons without any limitation (see Article X).

Board policy I.K. does not specifically contemplate the sale and naming of an institution-owned building or facility to an entity. If the Board desires to approve the transaction, policy I.K. should be waived.

The net revenue to be paid to BSU under this Agreement (in concert with the Learfield agreement) remains uncertain to staff. This issue along with additional questions about the Agreement remain to be addressed at the Board meeting. Staff reserves judgment pending resolution of these matters.

BOARD ACTION

I move to approve Boise State University's request to name the football stadium "Albertsons Stadium" and to approve the agreement as presented.

Moved by __________ Seconded by __________ Carried Yes _____ No ____

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Execution Original

NAMING RIGHTS AGREEMENT

BY AND BETWEEN

ALBERTSON'S LLC

AND

BOISE STATE UNIVERSITY

MAY 19, 2014

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NAMING RIGHTS AGREEMENT

THIS NAMING RIGHTS AGREEMENT (this "Agreement") is entered into as of May 19, 2014 (the "Execution Date"), by and between (i) Albertson's LLC, a Delaware limited liability company (acting for itself and on behalf of its Affiliates, "Albertsons"), and (ii) Boise State University (the "University"), with offices at 1910 University Drive, Boise, Idaho 83725-1285. (Each of Albertsons and the University are referred to herein individually as a "Party," and collectively referred to herein as the "Parties").

RECITALS

A. The University is the owner and operator of Bronco Stadium, an approximately 36,387 seat multi-purpose stadium initially constructed in 1970 on the campus of the University in Boise, Idaho (the "Stadium").

B. The Stadium is currently used for the home games of the University's varsity football team (the "Team") which is currently a National Collegiate Athletic Association ("NCAA") Division I Football Bowl Subdivision program ("Division I FBS"), and a member of the Mountain West Conference ("MWC). The Stadium is also used for other sporting and non-sporting events.

C. Albertsons owns and operates retail grocery stores throughout the United States and has been operating Albertsons-bannered grocery stores in Boise, Idaho since 1939.

D. The University wishes to provide Albertsons with naming rights to the Stadium and Albertsons wishes to acquire such naming rights from the University.

AGREEMENT

NOW THEREFORE, in consideration of the premises and the mutual covenants herein set forth, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I
DEFINITIONS

The following capitalized terms shall have the meanings set forth below when used in this Agreement.

"Advertising Copy" shall mean any words, slogans, logos, designs, visual and audio content or comparable creative effort with respect to the advertising, marketing and promotion of Albertsons and its Affiliates, including, without limitation, the use of Albertsons Marks in connection with the advertising, marketing and promotion of Albertsons and its Affiliates.

"Affiliate" means, when used with reference to a specified Person, any Person who directly or indirectly controls, is controlled by or is under common control with the specified

Person. The term "control" (including the terms "controlled," "controlled by," and "under common control with") shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity.

"Agreement" is defined in the Preamble.

"Albertsons" is defined in the Preamble.

"Albertsons Competitor" shall mean any entity that offers or sells retail grocery products or services in the Category, including by way of example only and without limitation, 7-11, Amazon, Costco, CVS, Fred Meyer, Grocery Outlet, Rosauers, Sam's Club, Target, Trader Joe's, Walgreens, Walmart, Whole Foods, WinCo, and any other retail grocery stores or providers; but excluding fuel center convenience stores operated by Jacksons and Maverik.

"Albertsons Default" is defined in Section 13.1(a).

"Albertsons Indemnitees" is defined in Section 10.1(a).

"Albertsons Marks" is defined in Section 2.2(a).

"Annual Meeting" is defined in Section 3.5.

"Athletic Program" means the University's athletic programs, including the Team, and such programs' products and services.

"Athletic Program Marks" means all Marks associated only with the Athletic Program and, for the avoidance of doubt shall not mean Marks associated with the University, including the University's signature mark.

"BSP" means Bronco Sports Properties, LLC, a Missouri limited liability company qualified to do business in the State of Idaho and the exclusive multi-media marketing and sponsorship rights holder for University athletic events and athletic venues, including the Stadium.

"Category" means any and all retail grocery and/or pharmacy products and services.

"Claims" is defined in Section 10.1(a).

"Contract Year" means each twelve month period of the Term commencing on February 1 and ending on January 31, except that the first Contract Year shall begin on the Execution Date and shall end on January 31, 2015.

"Division I FBS" is defined in Recital B.

"Early Termination Payment" is defined in Section 5.2.

"Equivalent Extension Offer" is defined in Section 5.3(c).

"Execution Date" is defined in the Preamble.

"Existing Suite License" is defined in Section 3.4.

"Extension Agreement" is defined in Section 5.3(c).

"Force Majeure Event" is defined in Section 9.1.

"Home Games" is defined in Section 7.1(h).

"Letter Agreement" is defined in Section 6.1.

"Marks" means designs, logos, service marks, corporate or trade names, trademarks or other identification marks.

"MWC" is defined in Recital B.

"Name Change Notice" is defined in Section 2.3(b).

"NCAA" is defined in Recital B.

"NCAA Agreements" shall mean all constituent documents, rules, regulations, requirements and resolutions of, or issued by, the NCAA, as they currently exist and as they may from time to time, be entered into, created or amended.

"Negotiation Period" is defined in Section 5.3(a).

"Objection Notice" is defined in Section 2.3(c).

"Parking Areas" means the parking areas and lots adjacent to the Stadium, including the parking deck, which are operated or controlled by the University or its Affiliates.

"Party" and "Parties" is defined in the Preamble.

"Person" means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, unincorporated association, corporation or other entity or any governmental authority or agency.

"Playing Field" is defined in Section 4.2(b).

"Replacement Agreement" is defined in Section 5.3(a).

"Rights Fees" is defined in Section 6.1.

"SBOE" is defined in Section 14.17(d).

"Signs" is defined in Section 3.2(a).

"Stadium" is defined in Recital A.

"Stadium Grounds" shall mean and include (i) the Stadium and (ii) all areas outside of the Stadium adjacent thereto, or in close physical proximity thereto that would be viewed by the public as part of the overall Stadium complex, in all cases, to the extent the University, or any of its Affiliates, have the right to control and operate such areas.

"Stadium Lender" means any one or more lenders that provide public or private financing, in the form of a loan, a private placement or public offering of debt securities or otherwise, to the University or any of its Affiliate(s) with respect to the Stadium. If Stadium Lender consists of holders of securities, references in this Agreement to Stadium Lender shall be construed as references to the trustee for such securities holders where appropriate.

"Stadium Logo" is defined in Section 2.2(a).

"Stadium Logo Placements" is defined in Section 2.2(a).

"Stadium Logo Usage Guidelines" is defined in Section 2.2(a).

"Stadium Name" is defined in Section 2.1.

"University Default" is defined in Section 13.2(a).

"University" is defined in the Preamble.

"University Indemnitees" is defined in Section 10.1(b).

"Suite" is defined in Section 3.4.

"Team" is defined in Recital B.

"Term" is defined in Section 5.1.

"University" is defined in the Preamble.

"University Intellectual Property" is defined in Section 8.2.

"University Licensed Product" is defined in Section 4.2(d).

ARTICLE II

NAMING RIGHTS

Section 2.1 Naming Rights License. The University hereby grants to Albertsons the exclusive right and license to name the Stadium during the Term (defined below), and the Parties hereby agree that the Stadium shall be known as "Albertsons Stadium" (the "Stadium Name") during the Term in accordance with the terms and conditions of this Agreement. From the date hereof until the end of the Term, the University shall (i) use the Stadium Name when referring to the Stadium; and (ii) use commercially reasonable efforts (including the placement of appropriate provisions in agreements) to cause all advertisers, sponsors and media rights holders with which the University has agreements (and for which reference to the Stadium is relevant) to use the Stadium Name when referring to the Stadium. As soon as practicable after the date hereof, the University will use commercially reasonable efforts to cause the applicable public entities to (A) provide adequate directional and informational road signs to be located in the primary public rights-of-way, streets or highways in the vicinity of the University's main campus, and (B) cause such signage to refer to the Stadium using the Stadium Name. The University shall keep Albertsons informed of the progress of such directional and informational road signs.

Section 2.2 Development of Stadium Logo; Use of Stadium Name and Stadium Logo.

(a) As soon as reasonably practicable after the date hereof, the University and Albertsons shall work together to create and develop the stylized version(s) of the Stadium Name and accompanying decorative elements (collectively, the "Stadium Logo") as set forth below. The Parties acknowledge that (1) the Stadium Logo will include elements of Marks owned by Albertsons and its Affiliates (collectively, but not including the Stadium Name or Stadium Logo, the "Albertsons Marks") and may also include elements of certain Athletic Marks owned by the University, (2) the Stadium Logo shall be displayed in a manner that is aesthetically consistent with the overall context in which it appears, and (3) the Stadium Name and/or the Stadium Logo shall appear on the signs and in mutually agreed upon locations on the Stadium Grounds (collectively, the "Stadium Logo Placements"). Albertsons will be responsible for the reasonable costs and expense of creating and developing the Stadium Logo (provided Albertsons shall not be responsible for costs and expenses of, or incurred by, the University and its advisors and consultants) based on prompt, significant and meaningful input from the University, and shall provide the University with reasonable updates as to the progress of such creation and development. Should the Stadium Logo include elements of Athletic Marks such as the Bronco logo, Albertsons will comply with all University identity, logo usage guidelines, and color and font restrictions relating to the Athletics Marks. Such guidelines may be found online at http://brandstandards.boisestate.edu/. Only the primary Athletic Marks may be used in the Stadium Logo. The final design of the Stadium Logo and all variations of it shall be subject to the mutual approval of Albertsons and the University, such approval to include the Office of Trademark Licensing of the University. Following mutual approval of the Stadium Logo, Albertsons shall prepare and provide to the University Stadium Logo guidelines that shall set forth all mutually approved variations of the Stadium Logo and mutually approved appropriate usages for each such variation (the "Stadium Logo Usage Guidelines"). The Parties shall use the Stadium Logo in compliance with Stadium Logo Usage Guidelines. In the event that a Party does not use the Stadium Logo in compliance with Stadium Logo Usage Guidelines, the other Party shall provide the offending Party with written notice requesting correction and the offending Party shall use best commercial efforts to correct such use within thirty (30) days of receipt of such written notice.

(b) The University acknowledges and agrees that Albertsons or one of its Affiliates shall at all times be the sole and exclusive owner of all rights in and to the Stadium Name and the Stadium Logo, subject to the terms and conditions of this Agreement and the ownership by University of any incorporated Athletic Marks. Except for the University's rights in and to any incorporated Athletic Marks, all rights, title, and interests in intellectual property rights in the Stadium Name and Stadium Logo shall immediately upon creation vest in and be owned exclusively by Albertsons or one of its Affiliates, whether designed or developed by Albertsons and its Affiliates individually or in concert with the University, or at its direction. In the event that any or all rights, title, and/or interests in and to the Stadium Name and/or Stadium Logo are deemed not to vest in Albertsons or one of its Affiliates for any reason, the University agrees to assign, transfer and convey, and hereby does assign, transfer, and convey to Albertsons or one of its Affiliates, all such rights, title, and interests, including all economic rights and moral rights of authorship other than University's rights in and to the Athletics Marks and any other University Intellectual Property as described in Section 8.2. Notwithstanding anything to the contrary herein, in the event the University terminates this Agreement as set out in Section 13.1 herein, all rights, title and interest in the same intellectual property rights shall immediately revert to and vest wholly in University; provided, however, such rights will not include rights to the Albertsons Marks. Albertsons hereby grants to the University the non-exclusive, royalty-free right and license: (1) during the Term to use (and/or to license others to use or license) the Stadium Name and the Stadium Logo for any lawful purpose of the University in connection with the marketing, operation and promotion of the University, including but not limited to the production and sale of merchandise; and (2) if the Agreement expires or terminates other than due to default, after the Term, to use (and/or to license others to use or license) the Stadium Name and the Stadium Logo solely in accordance with this Section 2.2. All such uses, and all goodwill in the Stadium Name and the Stadium Logo resulting therefrom, shall inure to the benefit of Albertsons and its Affiliates, subject to Section 8.2. The University agrees that it will require that any and all uses of the Stadium Name and Stadium Logo by any of its sublicensees (including, without limitation, on merchandise) shall conform to the Stadium Logo Usage Guidelines, and it will not grant a sublicense that exceeds the scope of the license to the Stadium Name and Stadium Logo granted to the University herein. Subject to the restrictions set forth herein, Albertsons or its Affiliates shall retain the right during the Term to use the Stadium Name and the Stadium Logo, including the right to reference and display in Advertising Copy the names and Marks of the entities or businesses with whom Albertsons or its Affiliates maintain strategic relationships or jointly develop or offer grocery and/or pharmacy related products or services. Albertsons or its affiliates must first seek and receive University approval, which will not be unreasonably withheld, to use the Stadium Name or Stadium Logo in concert with the names and/or marks of any third party entities, as the University must ensure that no conflicts exist with its then current third party University partners. Strategic relationship partners of Albertsons or its affiliates do not receive pass through rights on the use of the Stadium Name, Stadium Logo, Athletic Marks or other University Intellectual Property.

(c) Both Albertsons and the University shall provide that all merchandise and consumer products displaying or sold under the Stadium Name and/or Stadium Logo pursuant to the license granted hereunder to the respective parties shall be of good quality in design, material, and workmanship and be suitable for their intended purpose; that no injurious, deleterious, or toxic substances shall be used in or on the merchandise or products; that the merchandise and products shall not cause harm when used as instructed and with ordinary care for their intended purpose; that the merchandise and products shall be sold, and distributed in material compliance with all applicable laws and regulations (including, but not limited to, local labor laws, U.S.

Customs requirements, applicable rules and regulations of the U.S. Consumer Product Safety Commission, and garment labeling regulations). Albertsons and its Affiliates shall not be responsible for any costs associated with a product recall, initiated either voluntarily or at the request of a state or federal agency, for any merchandise or consumer products sold pursuant to the license granted to the University hereunder. Any and all merchandise, whether for promotional use or retail, that includes the Stadium Logo and/or University Athletics Marks shall be manufactured by a vendor who is licensed with the University to produce such merchandise. Such licensee shall comply with all licensing requirements including without limitation, fair labor and insurance requirements. All artwork, merchandise and products bearing the Stadium Name, Stadium Logo, Athletics Marks or other University Intellectual Property must be approved by University's Office of Trademark Licensing.

(d) Albertsons shall have the primary right and be solely responsible for controlling and protecting the Stadium Name and the Stadium Logo, but not the Athletic Marks or University Intellectual Property, (including, without limitation, initiating, prosecuting, defending and controlling litigation and prosecuting and maintaining trademark and copyright applications and registrations), solely at Albertsons' cost and expense (provided Albertsons shall not be responsible for costs and expenses of, or incurred by, the University and its advisors and consultants) in its own name, including, without limitation, to prevent and stop any and all potential infringements and unauthorized uses of the Stadium Name or the Stadium Logo, but not the Athletic Marks or University Intellectual Property in jurisdictions in which Albertsons may claim senior trademark rights. The University agrees to cooperate and provide support, specimens, and all information required to prosecute, defend, and maintain any trademark and copyright applications and registrations for the Stadium Name and the Stadium Logo, at Albertsons' request. The University further agrees to cooperate as requested by Albertsons in any legal actions or proceedings to stop third party infringements and/or unauthorized uses of the Stadium Name or Stadium Logo. If Albertsons notifies the University in writing that it elects not to initiate or pursue legal action in connection with a potential or actual infringement or unauthorized use of the Stadium Name or Stadium Logo, and the University, has viable legal claims in connection with such potential or actual infringement or unauthorized use, the University may take such legal action as deemed appropriate, and Albertsons agrees to support such legal action through active consultation with the University; provided that the University shall share equally with Albertsons any amounts that the University recovers as a result of such legal action that exceed the sum of (1) the University's direct damages from such potential or actual infringement or unauthorized use, plus (2) the University's costs and expenses of such legal action (including, without limitation, reasonable attorneys' fees and expenses); and, provided further that the University shall not settle or compromise any such legal action, or consent to the entry of any judgment, without Albertsons' prior written consent, which shall not be unreasonably withheld.

(e) Notwithstanding anything contained in this Agreement to the contrary and throughout the Term of this Agreement, Albertsons agrees that neither it nor its sublicensees: shall use the Stadium Name and/or Stadium Logo in direct association with any of the following prohibited products or classes of services; sell any advertising right to any company that engages in the management of any of the following businesses; or include a reference to any of the following prohibited products or classes of services on the Advertising Copy directly above, below, next to or in immediate proximity to the Stadium Name and/or Stadium Logo, unless otherwise agreed to by University, which approval may be withheld in University's sole discretion; provided, however, that such prohibitions do not prohibit Albertsons from otherwise promoting or selling the products or classes of services set forth in (i)-(ix) below:

(i) Gambling (except the State authorized lottery)

(ii) Alcoholic Beverages

(iii) Prophylactics

(iv) Feminine Hygiene Products

(v) Tobacco products

(vi) Sexually explicit materials

(vii) Adult entertainment

(viii) Religious and/or political materials

(ix) Ammunition, camouflage, and/or firearms

(x) Material that is reasonably likely to be considered objectively defamatory, obscene, profane, vulgar or otherwise socially unacceptable or offensive to the general public.

(xi) Advertising that is reasonably likely to materially discredit the purposes, values, principles or mission of the NCAA or University or is reasonably likely to have a materially adverse effect on the interests of intercollegiate athletics or higher education.

(f) Albertsons agrees that in exercise of its rights granted hereunder, it shall ensure that any use of the Stadium Name and/or Stadium Logo or any other representation of the University as permitted hereunder shall be mindful of and consistent with the good image, message and reputation of the University and that such promotion or recognition will not materially distort or impair the presentation and image of the University, its Athletics program and the respective teams.

Section 2.3 <u>Change in Stadium Name and Stadium Logo</u>.

(a) Albertsons shall not be entitled to change the Stadium Name unless changing the name is (1) requested: (i) as a result of a change of control of Albertsons, including, without limitation, by way of a merger, corporate restructuring, reorganization, consolidation, divestiture, recapitalization, combination, exchange of shares, spin-off or sale of all or substantially all of Albertsons' outstanding voting securities, sale or other transfer of all or substantially all of Albertsons assets, or (ii) for a reasonable business purpose in connection with a strategic marketing objective, including, but not limited to a change in Albertsons' name (other than pursuant to clause (i)) and (2) is approved by the University, which approval shall not be unreasonably withheld, delayed, conditioned or denied.

(b) If Albertsons desires to and provides notice to change the Stadium Name in accordance with the terms and conditions of this Section 2.3, Albertsons shall provide at least sixty (60) days prior written notice to the University of the desired name change, which notice shall describe the reasons for the name change, including, to the extent applicable, an explanation of the "reasonable business purpose" and "strategic marketing objective" (the "Name Change Notice").

(c) If the University, in its discretion, objects to any such proposed name change, the University shall provide Albertsons with written notice thereof within thirty (30) days from the receipt of the Name Change Notice (the "Objection Notice"), which Objection Notice shall describe with particularity the reasons for the objection. In the event the University delivers an Objection Notice to Albertsons within such thirty (30) day period, Albertsons and the University shall discuss, in good faith, the name change and the reasons for the request and objections.

(d) If, as a result of a change in the Stadium Name in accordance with Section 2.3(a), or for any other reason, Albertsons wishes to change the Stadium Logo, it shall serve written notice upon the University, which notice shall provide the proposed Stadium Logo and the reason for the proposed change. The proposed Stadium Logo shall be subject to the prior written approval of the University, which shall not be unreasonably withheld, delayed or conditioned.

(e) Albertsons shall bear all direct, out-of-pocket, unaffiliated third-party costs and expenses incurred and associated with any University approved change in the Stadium Name and the Stadium Logo, including, without limitation, (1) creation and development of the new Stadium Name and Stadium Logo; (2) producing and installing new Stadium Logo Placements and Signs bearing the Stadium Name and/or the Stadium Logo; (3) reprinting current publications, stationery and other written materials bearing the Stadium Name and/or the Stadium Logo; and (4) creating and producing Advertising Copy to replace the Stadium Name and/or the Stadium Logo in Albertsons' and its Affiliates' advertising. Such new Stadium Name and new Stadium Logo shall be subject to the terms and conditions of this Agreement, and upon such University approved change, all references herein to Stadium Name and Stadium Logo shall be deemed to be to such new Stadium Name and new Stadium Logo, respectively.

(f) In the event of a University approved change in the Stadium Name and/or the Stadium Logo, the Parties shall cooperate to effect a smooth and orderly transition to the new Stadium Name and/or new Stadium Logo, including, without limitation, notifying advertisers, sponsors and media partners of the change and minimizing the disruption to the operation of the Stadium and of events held at the Stadium and Albertsons shall in good faith take into consideration the transition and any disruption caused thereby in determining when to make such change effective.

(g) In the event either party wishes to change the Stadium Logo due to a significant change in the branding of its corporation or institution, then the Parties shall work in good faith together to develop a new Stadium Logo. Unless otherwise agreed to by the Parties, the Party that initiates the change in the Stadium Logo under this provision shall be responsible for all costs and expenses associated with the fabrication, construction and installation of the Signs bearing the new Stadium Logo.

Section 2.4 End of Term. Upon expiration or earlier termination of this Agreement other than for default as set out in Section 13.1 herein, the University shall have the right to continue to use (i) the Stadium Name in ordinary typeface and (ii) the then-current Stadium Logo, in each case for up to one hundred eighty (180) days after such expiration or termination, and subject to the Usage Guidelines and the quality control provisions set forth in this Agreement. The University shall also be permitted to market and sell or otherwise dispose of then-existing inventory containing the Stadium Name and the Stadium Logo until such inventory has been depleted but no later than one hundred eighty (180) days after such expiration or earlier termination.

ARTICLE III

SPONSORSHIP ELEMENTS

Section 3.1 Rights and Benefits. Subject to the terms and conditions set forth herein, in consideration for the payments of the Rights Fees (defined below) during the Term, the University shall grant and provide to Albertsons, and Albertsons shall receive, the rights and benefits set forth herein, including the rights and benefits set forth in Sections 2.1 and 2.2 and on Exhibit A attached hereto. Albertsons shall have the right to execute any of its rights and benefits under this Agreement in the name of its Affiliates including New Albertson's, Inc., subject to the reasonable consent of the University, such consent not to be unreasonably withheld.

Section 3.2 Signs.

(a) Subject to the terms and conditions set forth herein, the University grants to Albertsons the right to have the Stadium Name and Stadium Logo displayed at the Stadium, the Stadium Grounds and in the Parking Areas on fixtures designed for advertising space located as described on Exhibit A (such fixtures are referred to as the "Signs" and do not include the Advertising Copy). The University shall, subject to the written approval of Albertsons, determine placement of the Signs. The University shall maintain the Signs in good repair and condition shall secure them from vandalism and theft and shall be solely responsible for obtaining any permits for the installation, maintenance and use of the Signs. Albertsons and the University shall be jointly and equally responsible for all costs and expenses associated with the fabrication, construction and installation of the Signs containing the Stadium Name, the Stadium Logo or the names "Albertsons," as described or depicted on Schedule I to Exhibit A; provided, however, the University shall be responsible for all costs and expenses of fabricating, constructing and installing all other Signs located at the Stadium, Stadium Grounds and University Grounds containing the Stadium Name, the Stadium Logo or the names "Albertsons" and shall also be responsible for all costs and expenses of operating and maintaining all Signs, including any Sign replacements, updates or refurbishments due to vandalism, theft, and wear and tear. Albertsons shall have the right at any time (and from time to time) to request that the University change or remove any of the Signs with the University's consent, not to be unreasonably withheld, delayed or conditioned. Any such change and/or removal shall be at Albertsons' sole cost and expense without any mark-up by the University. Albertsons shall have approval rights, in its sole discretion, in the design and execution of all Stadium Signs and logos involving Albertsons, the Albertsons Marks or the Stadium Name. The University shall execute any such installation, change and/or removal in a reasonable amount of time.

(b) Through delivery of Stadium Logo Placements and other Albertsons elements set forth in this Agreement, the University shall: (i) cause Albertsons and its Affiliates to be the most prominent sponsor and advertiser within and on the exterior of the Stadium, on the Stadium Grounds and in the Parking Areas during all Team home games and all other events; and (ii) not authorize any other sponsor or its brands to have a presence within, or on the exterior of the Stadium, on the Stadium Grounds or in the Parking Areas, the prominence of which is greater than or equal to that of Albertsons and its Affiliates' presence. The University's obligations regarding prominence of Albertsons and its Affiliates as set forth in this Section 3. 2(b) shall apply regardless of whether the University develops or creates additional sponsorship inventory at the Stadium, Stadium Grounds or in the Parking Areas that is not contemplated on Exhibit A, that is not utilized by another Person or that is to be utilized by another Person but cannot be replicated for, or is of a nature that cannot be provided to, Albertsons and its Affiliates (e.g., due to space limitations).

(c) The University shall use commercially reasonable efforts to prevent any Person from displaying signage or other advertising or promotional materials, or taking other actions, in the areas at the Stadium, on the Stadium Grounds or in the Parking Areas that the University controls, which signage, advertising, promotional materials or actions are intended to, or for which it is reasonably foreseeable will result in, attack on, harm to, or embarrassment or disparagement of Albertsons, its Affiliates or their products or services, or otherwise place in an unfavorable light Albertsons' or its Affiliates' products or services, or otherwise undermine, encroach, compromise or infringe Albertsons' rights and benefits pursuant to Articles II and III of this Agreement. Such commercially reasonable measures shall include, without limitation, using good faith efforts to prevent third parties from (i) engaging in the promotion, without the permission of the University, of any products or services in the Category within the Stadium, on the Stadium Grounds or in the Parking Areas; (ii) associating themselves with the Stadium in the promotion of any products or services in the Category, such as, for example, by allowing third parties to film commercials on the Stadium Grounds for products or services in the Category, unless, in each instance, with the prior written consent of Albertsons in its sole discretion; and (iii) obstructing any Signs or Stadium Logo Placements in or on the interior or exterior of the Stadium, on the Stadium Grounds or in the Parking Areas, including, in the case of this clause (iii) via "virtual" advertising in telecasts of events held at the Stadium if and to the extent the University has the authority and right to prevent any such advertising.

(d) In the event the Stadium's seating is enhanced or remodeling or expansion of the Stadium is undertaken, University will cooperate with Albertsons and the parties will agree to use commercially reasonable efforts to ensure that the prominence of the Stadium Logo Placements are not diminished by the Stadium enhancement, remodeling or expansion.

Section 3.3 Advertising Copy. Subject to the limitations of paragraph 2.2(e) above, the design, layout and visual and audio content of all Advertising Copy used by Albertsons which displays the Stadium Name and/or Stadium Logo in connection with the advertising, marketing and promotion of Albertsons' or its Affiliates' products and services in the Category and Albertsons' general corporate identity pursuant hereto shall be determined by Albertsons, in its sole discretion; provided, however, that no Advertising Copy shall contain any materials that are lewd, vulgar, sexually explicit, offensive, discriminatory against a protected class or offensive to the sensibilities of the community at large. All such Advertising Copy and other signage shall be subject to the approval of the University. Albertsons shall submit all such Advertising Copy to the University a reasonable time prior to the game or other event at which such Advertising Copy is to be displayed or prior to the time such Advertising Copy must be submitted for production, as applicable.

Section 3.4 University Suite License Agreement. The Parties acknowledge that the University and Albertsons have previously entered into a Bronco Stadium Suite License Agreement dated as of August 20, 2013 (the "Existing Suite License"). Pursuant to this Agreement, the Existing Suite License is superseded and replaced by the Suite License Agreement attached hereto as Exhibit B, whereby Albertsons will be provided with a luxury suite (the "Suite") during the Term and shall have exclusive use of the Suite during all events at the Stadium. The Suite shall be the best suite in the Stadium when taking into account the size, location and features. If the Suite is not immediately available, the University will provide the Suite at the earliest date it becomes available, but no later than February 1, 2016. The license fees for the Suite are included in the Rights Fees and Albertsons shall have no obligation to pay any additional license, rental, use or similar fee for the Suite; provided that the cost of food and beverages consumed in the Suite will be the responsibility of Albertsons. The University shall keep and maintain the Suite consistent with that of its other luxury suites at the Stadium.

Section 3.5 Annual Review Meeting. Commencing with the initial Contract Year, each Contract Year, within forty-five (45) days after the completion of the Team's then-current Division I FSB season, the Parties shall meet in person at a location mutually agreed upon by the Parties, to discuss and review each Party's performance of its obligations hereunder, identify opportunities to maximize the benefits and value of this Agreement to Albertsons and the University and to review ways to improve the administration of this Agreement (such meeting referred to herein as, the "Annual Meeting"). Further, during each Annual Meeting:

(a) The Parties will discuss in good faith the prominence criteria as set forth in Section 3.2(b), and ways in which such criteria may be fulfilled; and

(b) The University shall use good faith efforts to cause its multi-media rights partner to notify Albertsons of any advertising, sponsorship or promotional benefits or opportunities with respect to the Athletic Program or the Stadium that are expected to become available during the upcoming Contract Year (either through new initiatives by the University or as a result of the expiration or termination of any then-current agreements with third parties that are expected to terminate or expire during the upcoming Contract Year) that are of a nature that can be provided to Albertsons and its Affiliates and, if Albertsons expresses interest in such advertising, sponsorship or promotional opportunities, the Parties shall enter into good faith discussions regarding Albertsons' acquisition of such advertising, sponsorship or promotional benefits for additional consideration or as a substitute for other benefits to be provided hereunder.

Section 3.6 Delivery of Event Schedules. Commencing with the initial Contract Year, within five business days after the commencement of each Contract Year, the University shall provide Albertsons with a schedule of all confirmed events scheduled to be held at the Stadium during such Contract Year and shall periodically update such schedule from time to time during each Contract Year but no less frequently than every three months. The University acknowledges and agrees that they will not schedule any events at the Stadium that would (a) violate any law, (b) be patently or morally offensive or obscene, or (c) pose a danger to the Stadium Grounds or the surrounding community.

Section 3.7 Audit Rights. From time to time during the Term, Albertsons shall have the right, upon reasonable notice and at its expense, to access the Stadium (and surrounding areas) to examine and inspect the Signs, Stadium Logo Placements and other promotional elements located at the Stadium to verify that such items conform to the terms and conditions of this Agreement. In the event that Albertsons discovers that any such item does not conform in all material respects with the terms and conditions of this Agreement, the University shall promptly, but in no event later than ten (10) business days after receipt of notice of such non-conformity, correct the non-conformity, or if such nonconformity requires a longer period of time to correct, demonstrate good-faith and diligent efforts to initiate such correction. In addition, the University shall maintain complete, accurate and detailed records regarding all such items, benefits, entitlements and exclusivities. The University shall retain such records and make them available for inspection and audit by Albertsons and its authorized representatives during normal working hours with reasonable advance written notice, during the Term and for a period of three (3) years thereafter to verify that the University's provision thereof to Albertsons and its Affiliates complies with the terms and conditions of this Agreement.

ARTICLE IV

EXCLUSIVITY

Section 4.1 Exclusivity. Subject to the other provisions of this Agreement, the University will not, and will not cause or authorize any third party, with respect to the promotion or advertisement of any products or services in the Category, or any Albertsons Competitors, to (i) use the Athletic Program Marks, Stadium Name, or Stadium Logo in the Stadium, on the Stadium Grounds, in the Parking Areas, or on the outdoor marquees of the Stadium, (ii) exhibit or display signage or otherwise engage in any sponsorship, advertising or other promotional activities in the Stadium, on the Stadium Grounds, in the Parking Areas, on the outdoor marquees of the Stadium, or (iii) advertise, market or promote in publications of the Stadium, or on radio, television, internet or other live audio or video broadcast of events held at the Stadium to the extent the University exercises authority to control the content of such advertising, marketing or promotion. The University shall use good faith efforts to cause its multi-media rights partner to provide to Albertsons from time to time, but no less than once per month, a copy of its sponsors' and advertiser's forecast/pipeline report. If Albertsons has any objections to the University or its multi-media rights partner entering into a sponsorship or advertising agreement with any entities appearing on such report, Albertsons shall notify the University within three business days of its receipt of such report, and shall in good faith identify any such prospective sponsor or advertiser that is an Albertsons Competitor.

Section 4.2 Limitations on Exclusivity. The benefits provided by Article III and exclusivity provided by Section 4.1 may be limited as set forth in this Section 4.2.

(a) Albertsons acknowledges and agrees that the University shall have the right to solicit and enter into sponsorships for its Athletic Program and its facilities with other parties that are not Albertsons Competitors provided that (A) such sponsorships do not promote or advertise products in the Category and (B) such sponsorships comply with Section 3.2(b), this Article IV and all other provisions of this Agreement, in all respects.

(b) The Parties acknowledge that the playing field at the Stadium (the "Playing Field") is currently named "Lyle Smith Field" and the Parties agree that the University shall have the continued right to retain such name. However in the event that, at any time during the Term, the University chooses to rename the Playing Field, then the University shall negotiate exclusively with Albertsons with respect to the purchase by Albertsons of the naming rights for the Playing Field for a thirty (30) day period after the University notifies Albertsons in writing of such change in circumstances. If the Parties are unable to reach an agreement during such period, then, the University shall be free to grant one or more third party sponsors the right to name the Playing Field; provided that (A) such sponsorships do not promote or advertise products in the Category and (B) such sponsorships comply with Section 3.2(b), this Article IV and all other provisions of this Agreement, in all respects; and provided further that, prior to entering into such an agreement with a third party, the University shall provide Albertsons with the opportunity to acquire such rights on substantially the same terms and conditions as such third party has offered.

(c) Broadcast Advertising. The University's broadcast and publication partners may sell advertising inventory during broadcasts of Team games and in Team publications to another Person (including an Albertsons Competitor) for marketing, promoting or advertising its products and services in the Category if and to the extent the University does not have the authority to control the sale of such inventory. Notwithstanding the fact that they may not have the authority to exercise control over such inventory, the University agrees to use its good faith efforts to seek broadcast and publication partners' cooperation in respecting Albertsons' exclusivity, including where practicable, designating the Category as a "blocked" or "exclusive" category for broadcast or publication advertising.

(d) Albertsons acknowledges and agrees that the University has over 400 licensees who make and sell Boise State related goods and products that feature the University name and Athletics Marks ("University Licensed Product"). Furthermore Albertsons acknowledges and agrees that Albertsons Competitors as defined herein now sell and will continue to sell such University Licensed Product. Albertsons acknowledges and agrees that nothing herein shall prevent the sale and/or advertising of such University Licensed Product by Albertsons Competitors provided that such advertising and sale shall relate solely to the sale of University Licensed Product. Furthermore, Albertsons acknowledges and agrees that nothing in this Agreement shall prevent University from granting similar licenses in the future for goods and products in the Category as defined hereunder.

ARTICLE V

TERM; EXCLUSIVE RIGHT OF FIRST NEGOTIATION

Section 5.1 Term. The term of this Agreement (the "Term") will commence on the Effective Date and, unless sooner terminated or extended pursuant to the provisions hereof, or in the Letter Agreement, will terminate after the expiration of the fifteenth (15^{th}) Contract Year.

Section 5.2 Early Termination Right. Commencing upon the expiration of the fifth (5^{th}) Contract Year, Albertsons shall have the right, in its sole discretion, to terminate this Agreement for any reason (or no reason) upon providing not less than two (2) years prior written notice to the University. As a pre-condition to the effectiveness of such termination, Albertsons must pay an early termination payment as set forth in the Letter Agreement (the "Early Termination Payment").

Section 5.3 Right of First Negotiation.

(a) The University agrees that the University will not directly or indirectly, solicit indications of interest for, or negotiate with any Person regarding, or enter into any agreement or understanding with respect to (A) naming rights for the Stadium for any period following the Term, (B) a similar scope of sponsorship or promotional rights as those granted to Albertsons under this Agreement for any period following the Term, or (C) any portion of the rights granted to Albertsons under this Agreement such that if such rights were granted to another party, the University would not be able to make available to Albertsons substantially similar rights after the Term as are currently granted to Albertsons under this Agreement (a "Replacement Agreement"), without the University having first engaged in good faith exclusive negotiations with Albertsons during the time period beginning February 1, 2028, and ending July 31, 2028 (such period as may be adjusted hereunder, the "Negotiation Period"), for an extension of this Agreement beyond the initial Term. Albertsons understands that, at any time after the Negotiation Period (but not before) the University shall be free to negotiate with any third party regarding a Replacement Agreement for the period commencing immediately following the expiration of the Term; provided, however, the University shall not enter into any Replacement Agreement except as permitted by this Section 5.3.

(b) If the Parties are not able to agree on terms and conditions under which the Term shall be extended and to execute a new naming rights agreement (or an extension or amendment of this Agreement) during the Negotiation Period, then upon the expiration of the Negotiation Period, the University shall thereafter be free to solicit indications of interest for, or negotiate with any Person regarding, or enter into a Replacement Agreement; provided, however, that the University shall not enter into such proposed Replacement Agreement unless and until the University complies with the requirements of Section 5.3(c) below (or if the University enters into such a proposed Replacement Agreement, the effectiveness of such Replacement Agreement shall be conditioned upon Albertsons not exercising its rights hereunder).

(c) The University shall deliver to Albertsons a term sheet or memorandum setting forth all material terms and conditions of any proposed Replacement Agreement described in Section 5.3(b). Albertsons shall have until 5:00 p.m. Boise, Idaho time on the thirtieth (30th) day following receipt of such term sheet or memorandum to agree to renew this Agreement on substantially similar terms and conditions as the proposed Replacement Agreement, except as may be necessary to reflect the difference of the naming rights partner (an "Equivalent Extension Offer"). If Albertsons makes an Equivalent Extension Offer, the University shall accept it and the University shall decline the proposed Replacement Agreement (or if the Replacement Agreement was conditioned upon Albertsons not exercising its rights hereunder, the University shall immediately terminate the Replacement Agreement). Thereafter the Parties shall immediately enter into a definitive naming rights agreement (or an extension or amendment of this Agreement) reflecting the terms and conditions of the Equivalent Extension Offer (such agreement, extension or amendment of this Agreement being an "Extension Agreement"). This Section 5.3 shall survive the expiration of this Agreement.

ARTICLE VI

CONSIDERATION

Section 6.1 Rights Fees. In consideration for the rights and benefits to be granted by the University hereunder, Albertsons will pay to BSP the amounts set forth, collectively, the "Rights Fees" in that certain letter agreement of even date herewith, the "Letter Agreement," between Albertson's and BSP. University acknowledges and agrees that payment to BSP of the Rights Fees under the Letter Agreement is authorized and approved by University and satisfies Albertson's obligation to pay the Rights Fees under this Agreement. University agrees to look solely to BSP and not Albertson's for all or any portion of the Rights Fees to which University may be entitled pursuant to University's agreements with BSP.

Section 6.2 Payment Terms. All Rights Fees shall be paid by Albertsons by wire transfer of immediately available funds to such account(s) as designated by BSP.

Section 6.3 Reduction of Rights Fees and Other Rights. If for any reason other than Force Majeure, including as the result of NCAA Agreements, (a) the Team does not play all of its home games in the Stadium during any Contract Year, (b) the Team plays fewer than six (6) home games in the Stadium during any Contract Year for any reason, or (c) the Team incurs sanctions which prevent the team from appearing in conference championship games or post season conference tournaments, NCAA, or playoff/bowl games during any Contract Year, then Albertsons shall be entitled to (i) a mutually agreeable equitable adjustment, and/or (but without double recovery), (ii) a corresponding equitable extension at the end of the Term, with no payment obligation for the duration of such extension, or (iii) if applicable, the termination rights provided in Section 13.4.

ARTICLE VII

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.1 Representations, and Warranties and Covenants of the University. The University hereby represents and warrants to Albertsons that:

(a) The University has all requisite power and authority to conduct its business as currently conducted.

(b) The University has the requisite right and legal authority to execute, deliver and fully perform its obligations under this Agreement, including, without limitation, the right to grant naming rights for the Stadium.

(c) The University has taken all necessary action to authorize its execution, delivery and performance of this Agreement. The University has taken all necessary action to approve of BSP entering into the Letter Agreement with Albertson's. This Agreement, when executed and delivered by the University shall constitute a legal, valid and binding obligation of the University, enforceable against the University in accordance with its terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally or by general principles of equity.

(d) The execution, delivery and performance of this Agreement by the University does not and will not constitute a violation or a breach of, or constitute a default under (1) organizational documents of the University, (2) any applicable law, rule or regulation of a governmental authority binding upon or applicable to the University, (3) any material agreements to which the University is a party, or (4) any NCAA Agreement. No approval or other action by any governmental authority or agency is required in connection herewith.

(e) There is no pending or, to the University's knowledge, threatened objection or claim being asserted against the University in any administrative or judicial proceeding or by any person or entity with respect to the ownership, validity, registerability, enforceability or use of any of the Athletic Program Marks or challenging or questioning the validity or effectiveness of any such ownership or license and, to the University's knowledge, there is no basis for any such objection or claim.

(f) The University will, at no cost or expense to Albertsons, cause the Stadium to be maintained and operated in material compliance with the standards of operation and maintenance of other Stadiums which are used by Division 1 FSB programs for varsity home football games, keep the Stadium in a good, clean and safe condition fit for the hosting of Team home games and other events held at the Stadium and be responsible for the compliance with the obligations of the University under this Agreement and with all applicable laws, rules and regulations, including, without limitation, the requirements of all safety, health and environmental laws, regulations and rules, and NCAA Agreements.

(g) Nothing contained within the NCAA Agreements or any rules, requirements or agreement with or of the MWC will prevent the University from providing to Albertsons the rights and benefits set forth in this Agreement and on Exhibit A.

(h) The University shall cause the Team to play all pre-season, regular season, playoff, and championship "home" games in the Stadium ("Home Games").

(i) There are no claims, demands, actions or proceedings pending or, to the University's knowledge, threatened against the University that could either individually or in the aggregate reasonably be expected to have a material adverse effect on the University's ability to perform its obligations.

Section 7.2 Representations, Warranties and Covenants of Albertsons. Albertsons hereby represents and warrants to the University that:

(a) Albertsons has all requisite power and authority to conduct its business as presently conducted.

(b) Albertsons has the requisite right and legal authority to execute, deliver and fully perform its obligations under this Agreement including, without limitation, to grant the rights and licenses set forth in Section 2.2(b) and Section 8.1.

(c) Albertsons has taken all necessary action to authorize its execution, delivery and performance of this Agreement. This Agreement, when executed and delivered by it, shall constitute a legal, valid and binding obligation of such Person, enforceable against it in accordance with its terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally or by general principles of equity.

(d) The execution, delivery and performance of this Agreement by Albertsons does not and will not constitute a violation or a breach of, or constitute a default under (1) its organizational documents, (2) any applicable law, rule or regulation of a governmental authority binding upon or applicable to it, or (3) any material agreements to which it is a party. No approval or other action by any governmental authority or agency is required in connection herewith.

(e) There is no pending or, to such Person's knowledge, threatened objection or claim being asserted against it in any administrative or judicial proceeding or by any Person with respect to the ownership, validity, registerability, enforceability or use of any of the Albertsons Marks or challenging or questioning the validity or effectiveness of any such ownership or license and, to such Person's knowledge, there is no basis for any such objection or claim.

(f) There are no claims, demands, actions or proceedings pending or, to Albertsons' knowledge, threatened against Albertsons that could either individually or in the aggregate reasonably be expected to have a material adverse effect on its ability to perform its obligations.

ARTICLE VIII

USE OF MARKS

Section 8.1 The University's Use of Albertsons Marks. In addition to the license granted in Section 2.2(b) relating to the Stadium Name and Stadium Logo, Albertsons hereby grants to the University, during the Term, at no charge, the non-exclusive right and license to use the Albertsons Marks in conjunction with acknowledging Albertsons and its Affiliates' status as an official sponsor of the University. Albertsons shall have the right to approve in advance any materials to be used by the University in displaying the Albertsons Marks. Except as expressly provided herein and subject to the terms and conditions hereof, the University shall not have any rights whatsoever to utilize any Albertsons Marks. The University acknowledges and agrees that Albertsons Marks shall be and remain the sole property of Albertsons. Any and all rights under trademark or copyright law or otherwise relating to Albertsons Marks and the goodwill associated therewith shall inure to the benefit of Albertsons. The University shall not infringe upon, harm or contest the rights of Albertsons in its Marks. Any use of Albertsons Marks, except as specifically authorized herein, shall require, in each instance, the prior written consent of Albertsons.

Section 8.2 University Intellectual Property: Subject to the superseding rights of the MWC, Albertsons acknowledges and agrees that University owns the intellectual property rights associated with the University, its athletic teams, its facilities and the associated events and broadcasts ("University Intellectual Property"). Notwithstanding anything herein to the contrary, including without limitation the provisions of Section 2.2., Albertsons acknowledges University's exclusive right, title and interest in and to the Athletics Marks and other University Intellectual Property and will not in any manner represent that Albertsons has any ownership therein, or in any registration thereof and will not knowingly in any way do or cause to be done any act or thing contesting or any way impairing any part of such right, title and interest.

ARTICLE IX

FORCE MAJEURE

Section 9.1 Force Majeure. In the event that any Party hereunder is unable to perform or is precluded from performing its obligations under this Agreement due to any unforeseen circumstances beyond the reasonable control of such Party, including, but not limited to, fire, earthquake, explosion or other casualty, riot, or civil commotion, act of government or governmental instrumentality (whether federal, state or local), war, act of terrorism, failure of performance by a common carrier, failure in whole or in part of third party technical facilities (e.g., an Internet hosting company), or act of God (a "Force Majeure Event"), then such inability to perform shall not be deemed to be an Albertsons Default (defined below) or University Default (defined below) hereunder, as the case may be; provided, however, that such Party shall make all reasonable efforts to continue to meet its obligations throughout the duration of the Force Majeure Event and the suspension of any obligations of such Party shall only last during the time the Force Majeure Event continues (and such reasonable time thereafter to allow such Party to respond to such condition). Notwithstanding the foregoing, if during any Contract Year, any Home Games are cancelled at the Stadium due to a Force Majeure Event and is not rescheduled at the Stadium during the Term and as a result, the University fails to provide rights and benefits granted to Albertsons hereunder for such Contract Year, then Albertsons will have the right to receive (a) a mutually agreeable equitable adjustment to the Rights Fees, and/or (but without double recovery) (b) a corresponding equitable extension at the end of the Term; and (c) if applicable, the termination rights provided in Section 13.4.

ARTICLE X
INDEMNIFICATION

Section 10.1 Indemnification.

(a) The University shall defend, indemnify and hold harmless Albertsons, its Affiliates, officers, directors, managers, owners, agents and employees of the foregoing ("Albertsons Indemnitees") from and against any and all claims, damages, demands, suits, actions, complaints, liabilities, judgments, losses, costs and expenses, of any nature whatsoever, including reasonable attorneys' fees and all costs of investigation (collectively, "Claims"), alleged to have arisen out of or relating to (i) any breach by the University of its covenants or obligations hereunder, (ii) any inaccuracy of the representations and warranties of the University hereunder, (iii) any infringing use, or allegation of such use, by Albertsons of Athletic Program Marks (provided that Albertsons' use of Athletic Program Marks is in accordance with and as permitted under the terms of this Agreement) and/or any copyright claim for materials created or distributed by or on behalf of one or more the University that include any Athletic Program Mark, (iv) any unfair or fraudulent advertising charges or claims related to advertisements of the University or its Affiliates, (v) any negligence or willful misconduct by the University or its respective officers, directors, managers, owners, agents and employees relating to the rights and benefits granted hereunder to Albertsons, (vi) the Stadium, including, without limitation, the operation, management or administration of the Stadium and any personal injury (including death) or property damage suffered at or on the Stadium premises or relating to any environmental claims in or about the Stadium, or (vii) a Stadium event, except, in each case, to the extent attributable to the negligence or willful misconduct of any Albertsons Indemnitee; provided, however, that Albertsons Indemnitees shall promptly notify the University of any Claim to which the indemnification set forth in this paragraph applies (it being understood that the failure to so notify shall not excuse the University from its obligations under this paragraph except to the extent that such failure increases the liability of the indemnifying Party hereunder) and shall tender to the University the defense thereof. If the University promptly assumes the defense of a Claim covered by this Section 10.1(a), no Albertsons Indemnitee may settle or compromise such Claim without the prior written approval of the University. If the University fails to assume the defense of such Claim, the Albertsons Indemnitees may settle or compromise such Claim on such terms as the Albertsons Indemnitees may reasonably deem appropriate, and the University shall reimburse the Albertsons Indemnitees for the cost of such settlement, in addition to the University's other obligations hereunder.

(b) Albertsons shall defend, indemnify and hold harmless the University, its respective Affiliates and the respective officers, directors, managers, owners, agents and employees of the foregoing ("University Indemnitees") from and against any and all Claims alleged to have arisen out of (i) any breach by Albertsons of its covenants or obligations hereunder, (ii) any inaccuracy of the representations and warranties of Albertsons hereunder, (iii) any infringing use, or allegation of such use, by the University of Albertsons Marks, the Stadium Name or Stadium Logo (provided that the University's use of Albertsons Marks, Stadium Name and Stadium Logo is in accordance with and as permitted under the terms of this Agreement) and/or any copyright claim for Advertising Copy created or distributed by or on behalf of Albertsons that include any Albertsons Mark, the Stadium Name or Stadium Logo, (iv) the content of any Advertising Copy or Signs, including unfair or fraudulent advertising charges or claims related thereto, or (v) any negligence and willful misconduct by Albertsons or its officers, directors, managers, owners, agents and employees relating to the exercise or utilization by Albertsons of the rights granted hereunder except, in each case, to the extent attributable to the negligence or willful misconduct of the University Indemnitee; provided, however, that University Indemnitees shall promptly notify Albertsons of any Claim to which the indemnification set forth in this paragraph applies (it being understood that the failure to so notify shall not excuse Albertsons from its obligations under this paragraph except to the extent that such failure increases the liability of Albertsons hereunder) and shall tender to Albertsons the defense thereof. If Albertsons promptly assumes the defense of a Claim covered by this Section 10.1(b), no University Indemnitee may settle or compromise such Claim without the prior written approval of Albertsons. If Albertsons fails to assume the defense of such Claim, the University Indemnitees may settle or compromise such Claim on such terms as the University Indemnitees may reasonably deem appropriate, and Albertsons shall reimburse the University Indemnitees for the cost of such settlement, in addition to the University's other obligations hereunder.

(c) With respect to the indemnitees enumerated in Section 10.1(a) and Section 10.1(b), the indemnifying Party(ies) shall, upon request by the indemnitee(s), allow the indemnitee(s), at its (their) own expense, to cooperate in the defense of any such Claim.

(d) An indemnifying Party's duty to pay any Claim hereunder shall, in each instance, be reduced by the amount the indemnified Party recovers from any third party in connection therewith, including, without limitation, as a result of, at its discretion, exercising its rights as a third party beneficiary under another contract or pursuing and receiving insurance proceeds in connection with such Claim. The intent of this provision is that the indemnified Party be made as whole as possible and not receive a windfall.

(e) Notwithstanding anything to the contrary herein, nothing herein shall be deemed to constitute a waiver by either Party of any privilege, protection, or immunity otherwise afforded it under any state or federal law.

ARTICLE XI

INSURANCE

Section 11.1 University Insurance Coverage. During the Term, the University agrees to maintain at its sole cost and expense, insurance coverage as follows:

University is a "governmental entity," as defined under the Idaho Tort Claims Act, specifically, Idaho Code section 6-902 as well as a "public employer," as defined under the Idaho Worker's Compensation law, specifically, Idaho Code section 72-205. As such, University shall maintain, at all times applicable hereto, comprehensive liability coverage in such amounts as are proscribed by Idaho Code section 6-924 (not less than $500,000) as well as worker's compensation coverage for its employees, as required under Idaho Code Section 72-301. University's liability coverage obligations shall be administered by the Administrator of the Division of Insurance Management in the Department of Administration for the State of Idaho, and may be covered, in whole or in part, by the State of Idaho's Retained Risk Account, as provided under Idaho Code Section 6-919. University shall insure its liability for worker's compensation through the State of Idaho's State Insurance Fund, as provided under Idaho Code section 72-301.

Section 11.2 Certificates and Policies of University's Insurance. Upon execution of this Agreement, the University shall provide Albertsons with evidence of insurance indicating all coverage required by Section 11.1. SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH POLICY PROVISIONS. Evidence of insurance and notices shall be sent to: Albertson's LLC, Attn: Records Center-COI, 250 E. Parkcenter Blvd., Boise, ID 83706.

Section 11.3 Albertsons Insurance Coverage. During the Term, Albertsons agrees to maintain at its sole cost and expense, insurance coverage as follows:

(a) Commercial general liability insurance with coverage equal to that provided by the University in Section 11.1 above.

(b) Workers' compensation insurance affording statutory coverage and statutory limits with a minimum in employer liability limits not less than the minimum provided by the University in Section 11.1 above.

Section 11.4 Certificates and Policies of Albertsons' Insurance. Upon execution of this Agreement, Albertsons shall provide the University with evidence of insurance indicating all coverage required by Section 11.3. SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH POLICY PROVISIONS. Evidence of insurance and notices shall be sent to University at the Notice address contained in Section 14.5.

ARTICLE XII
PROTECTION OF RIGHTS

Section 12.1 Protection of Albertsons Rights. The Parties acknowledge that this Agreement may be subordinate to any liens of a Stadium Lender or to certain other parties providing financing or other rights. Accordingly, the University shall, upon Albertsons' request, obtain such enforceable written confirmation as Albertsons deems reasonably necessary to ensure that Albertsons' rights shall not be adversely affected by the exercise of any Stadium Lender's rights under the applicable loan documentation, including following a foreclosure upon (or delivery of a deed-in-lieu-of-foreclosure) or other similar process or by any other party with rights in the Stadium that are senior to Albertsons' rights under this Agreement.

ARTICLE XIII

DEFAULT; TERMINATION

Section 13.1 Default by Albertsons.

(a) Events of Default. The occurrence of one or more of the following matters shall constitute a default by Albertsons (an "Albertsons Default"):

(i) Albertsons' failure to pay any of the Rights Fees or other amounts when due to BSP under the Letter Agreement, if such failure shall continue for a period of thirty (30) days after written notice from BSP to Albertsons, specifying the failure and demanding that it be cured.

(ii) Albertsons' failure to perform or comply with any other material term or condition of this Agreement, or its material breach of any representation or warranty made herein, and such failure or breach shall continue for a period of thirty (30) days after written notice from the University to Albertsons, specifying the failure or breach and demanding that it be corrected.

(iii) Albertsons (I) applies for or consents to the appointment of a custodian of any kind, whether in bankruptcy, common law or equity proceedings, with respect to all or any substantial portion of its assets, (II) becomes insolvent or is unable, or admits in writing its inability, to pay its debts generally as they become due, (III) makes a general assignment for the benefit of its creditors, or (IV) (x) files a petition seeking relief under the United States Bankruptcy Code or (y) if such a petition is filed by any of its creditors, such petition is approved by a court of competent jurisdiction and such approval is not vacated within 120 days.

(b) Rights and Remedies of the University upon Albertsons Default. Upon the occurrence of an Albertsons Default, the University shall have the right to do any one or more of the following: (i) enforce the specific remedies provided for herein; (ii) recover all damages provided by law or in equity; (iii) exercise any other right or remedy at law or in equity, including seeking an injunction or order of specific performance and (iv) terminate this Agreement.

Section 13.2 Default by the University.

(a) Events of Default. The occurrence of one or more of the following events shall constitute a default by the University (a "University Default"):

(i) The University's failure to pay any amounts when due to Albertsons hereunder, if such failure shall continue for a period of thirty (30) days after written notice by Albertsons specifying the failure and demanding that it be cured.

(ii) The Team ceases to play all of its Home Games in the Stadium in accordance with Section 7.1(h).

(iii) The University's failure to perform or comply with any other material term or condition of this Agreement, or its material breach of any representation or warranty made herein, and such failure or breach shall continue for a period of thirty (30) days after written notice by Albertsons to the University, specifying the failure or breach and demanding that it be cured.

(iv) If the University (I) applies for or consents to the appointment of a custodian of any kind, whether in Bankruptcy, common law or equity proceedings, with respect to all or any substantial portion of its assets, (II) becomes insolvent or is unable, or admits in writing its inability, to pay its debts generally as they become due, (III) makes a general assignment for the benefit of its creditors, or (IV) (x) files a petition seeking relief under the United States Bankruptcy Code or (y) if such a petition is filed by any of its creditors, such petition is approved by a court of competent jurisdiction and such approval is not vacated within one hundred twenty (120) days.

(b) Rights and Remedies of Albertsons upon University Default. Upon the occurrence of a University Default, Albertsons shall have the right to do any one or more of the following: (i) enforce the specific remedies provided for herein; (ii) recover all damages provided by law or in equity; (iii) exercise any other right or remedy at law or in equity, including seeking an injunction or order of specific performance, and (iv) terminate this Agreement and the Letter Agreement.

Section 13.3 Cumulative Rights and Remedies. All rights and remedies of the Parties herein specified are cumulative and are in addition to, and not in limitation of, any rights and remedies the Parties may have at law, in equity or otherwise, and all such rights and remedies may be exercised singularly or concurrently.

Section 13.4 Albertsons' Special Termination Rights.

In addition to the rights and remedies set forth in Section 13.2(b) and the Early Termination Right set forth in Section 5.2, Albertsons may terminate this Agreement by providing written notice thereof to the University if (i) the Team ceases to use the Stadium as the location for its Home Games; (ii) the Team ceases to be a Division I FBS program; (iii) a Force Majeure Event results in no regular season Team home games being played at the Stadium for more than twelve (12) months as set forth in Article IX; or (iv) the Team incurs sanctions which prevent the Team from appearing in conference championship games or post season conference tournaments, NCAA, or playoff/bowl games during any Contract Year. Upon a termination by Albertsons of this Agreement in accordance with this Section 13.4 or Section 13.2, Albertsons shall be entitled to a refund from BSP of a pro-rata portion of the Rights Fees previously paid by Albertsons to BSP for the months remaining in the Contract Year after the termination occurs. Such refund shall be paid to Albertsons no later than thirty (30) days after the effective date of termination of this Agreement by Albertsons.

ARTICLE XIV
MISCELLANEOUS

Section 14.1 Independent Contractor. Each of the Parties is an independent contractor and no Party is empowered to bind another with respect to any contracts, arrangements or understandings with any outside party.

Section 14.2 Headings. The descriptive heading of the Articles and Sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 14.3 Entire Agreement. This Agreement, including the schedules and exhibits attached hereto, which are incorporated herein, constitutes the entire agreement between and among the Parties, and supersedes any previous oral or written agreements, representations and covenants, regarding the subject matter hereof and shall become a binding and enforceable Agreement between and among the Parties hereto and their respective successors (including successors to the Stadium and the Team) and permitted assigns upon the full and complete execution and unconditional delivery of this Agreement by all Parties hereto. This Agreement may not be amended, modified or supplemented unless executed by the University and Albertsons.

Section 14.4 Assignment. This Agreement and the rights and obligations of any Party hereunder may not be assigned without the prior written consent of the other Parties, which written consent shall not be unreasonably withheld; provided, however, that neither Albertsons nor the University, as applicable, shall be required to obtain the written consent of the University or Albertsons, as applicable, for (a) any transfer by such transferor of this Agreement to a transferee in connection with a change of control of transferor, including, without limitation by way of merger, corporate restructuring, reorganization, consolidation, divestiture, recapitalization, combination, exchange of shares, spin-off, sale of such transferor's outstanding voting securities, (b) the sale or other transfer of all or substantially all of such transferor's assets or (c) any transfer of this Agreement or any rights and benefits hereunder to an Affiliate of such transferee. If BSP's Multi-Media Rights Agreement with University terminates or expires before the Term of this Agreement, then all rights and obligations of BSP under the Letter Agreement shall automatically be assigned by BSP and vest in University or University's then Multi Media Rights partner as designated by University with no further documentation necessary or required to give effect to such assignment.

Section 14.5 Notices. All notices and other communications hereunder will be in writing and will be deemed to be given upon receipt if delivered personally, by registered or certified mail (return receipt requested) or by overnight courier to the Parties at the following addresses (or at such other address for a Party as will be specified by like notice):

If to Albertsons, to:

Albertson's LLC
250 E. Parkcenter Boulevard
Boise, ID 83706
Attention: Bob Butler, Chief Operating Officer

with copies to:

Office of the General Counsel
Albertson's LLC
250 E. Parkcenter Boulevard
Boise, ID 83706
Attention: Paul Rowan

If to the University, to:

Boise State University
1910 University Drive
Boise, ID 83725
Attention: Stacy Pearson, Vice President
for Finance and Administration

with a copy to:

Office of the General Counsel
Boise State University
1910 University Drive
Boise, ID 83725

And with a copy to:

Bronco Sports Properties, LLC
1910 University Drive
Boise, ID 83725-1022
Attention: General Manager

Section 14.6 Governing Law. This Agreement will be governed by the laws of the State of Idaho without reference to principles of conflicts of laws.

Section 14.7 Confidentiality. The Parties will keep confidential the specific material terms and conditions of the transaction contemplated hereby, provided that disclosure may be made (a) to their respective counsel, financial advisors, and consultants who require such information to advise their clients in connection with the transaction contemplated hereby, (b) if disclosure is required by Court order, or applicable law or regulation and (c) if disclosure is required to comply with a request or requirement of a governmental or administrative entity or agent thereof. Each of the Parties will direct their respective counsel, financial advisors and consultants to maintain such information in the strictest confidence. No Party will make any public announcement with respect to this Agreement or the transactions contemplated hereby or disclose the specific terms of this Agreement or the transaction contemplated hereby to any third party without the prior written consent of the other.

Section 14.8 Choice of Venue. Any and all disputes arising under this Agreement shall be initiated and adjudicated exclusively in state courts located in Ada County, Idaho. Each Party waives any objection it has to venue based on forum non conveniens or similar grounds with respect to an action brought in such jurisdiction.

Section 14.9 Waiver of Jury Trial. The Parties waive any rights to a trial by jury in any action, proceeding, or counterclaim brought by any of the Parties against any other Party on, or in respect of, any matter whatsoever arising out of or in any way connected with this Agreement or any document or instrument delivered in connection with this Agreement, the relationship of Parties hereunder, and/or any claim of injury or damage.

Section 14.10 Sovereign Immunity and Standing to Enforce Covenants. The University acknowledges that the ability of Albertsons to enforce the terms of this Agreement and, if necessary, to have the right to pursue injunctive relief is of critical importance to Albertsons and without such rights, Albertsons would not agree to enter into this Agreement. To the fullest extent permitted by law, the University irrevocably waives and forever relinquishes any and all rights it may have to assert a defense of sovereign immunity or similar theory in connection with any action, proceeding, suit, arbitration or other matter before any court, tribunal, arbitrator(s) or other adjudicative body or otherwise in connection with the transaction contemplated by this Agreement, and/or any other agreements or covenants contemplated in connection with this Agreement, and, in connection therewith, agrees to the granting to Albertsons of injunctive relief and to the entry of a judgment for damages in the event of a default or breach by the University. The University agrees to execute such additional waivers and take any and all additional actions reasonably necessary or reasonably requested by Albertsons to ensure that this waiver of sovereign immunity is binding and enforceable.

Section 14.11 Expenses. Each Party shall bear its own expenses in connection with this Agreement, and the transactions contemplated hereby. Without limiting the generality of the foregoing, Albertsons shall be solely responsible for any commissions owing to third parties (e.g., advertising agencies) in connection with the rights and benefits obtained by Albertsons hereunder as a result of any brokers or finders procured by it and the University shall be solely responsible for any commissions owing to third parties (e.g., advertising agencies) in connection with the rights and benefits granted by the University hereunder as a result of any brokers or finders procured by them.

Section 14.12 Drafting. Each Party warrants, represents, and agrees that in executing and delivering this Agreement it does so freely and voluntarily, that such party has consulted with or has had the opportunity to consult with independent counsel of such Party's own choice concerning this Agreement, and that each Party has read and understands this Agreement, is fully aware of its legal effect and has entered into it freely based on such Party's own judgment.

Hence, this Agreement shall not be construed against any Party on the basis that such Party was the drafter.

Section 14.13 No Third Party Beneficiaries. Except for BSP's rights under the Letter Agreement, this Agreement is not intended, and shall not be construed, to create any interests or rights for any third party beneficiaries.

Section 14.14 Severability. If any term, covenant, condition or restriction hereof is held invalid or unenforceable by any court of competent jurisdiction, such provision shall be deemed severed from this Agreement to the extent of such invalidity or unenforceability, and the remainder of the terms, covenants, conditions and restrictions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 14.15 Waiver. No waiver of any right, obligation or default shall be implied, but must be in writing, signed by the Party against whom the waiver is sought to be enforced. Any particular waiver of any right, obligation or default shall not be construed as a waiver of any subsequent or other right, obligation or default.

Section 14.16 Counterparts. This Agreement may be executed in two or more counterparts all of which together shall constitute one and the same agreement. Delivery of a copy of this Agreement by facsimile transmission, by electronic mail in "portable document format" ("pdf") form or by any other electronic means that preserves the original graphic and pictorial appearance of a document shall have the same effect as physical delivery of the paper document bearing the original signature.

Section 14.17 Approvals.

(a) Government Approvals. The Parties acknowledge and agree that certain signage is subject to the requirements of state and local governments and the Federal Highway Administration. Accordingly, all signage shall comply with all applicable governmental rules and regulations.

(b) NCAA and MWC Rules. The Parties also acknowledge and agree that this Agreement is subject to Idaho law and any NCAA and MWC (or any other athletic conference of which University may become a member during the term) rules and regulations applicable to signage, marketing and promotional materials effective as of the date such regulation shall take effect.

(c) University Obligation. It shall be the University's obligation to assure that all signage shall comply with all applicable state and local laws and NCAA and MWC rules and regulations.

(d) State Board of Education. This Agreement is subject to the approval of the State Board of Education ("SBOE"). The University shall seek approval from the SBOE of this Agreement and such naming at the first available regularly scheduled meeting of the SBOE following the Parties' execution of this Agreement. This Agreement shall be of no force or effect until the SBOE approval is obtained. If this Agreement is not approved by the SBOE, then this Agreement and all terms and conditions contained herein will be null and void.

Section 14.18 Liabilities and Obligations of the Parties. Any and all obligations and liabilities of the University, including the obligation to pay any amounts under this Agreement from and after the time such amounts are due and payable (including, without limitation, arising from a breach hereof) are joint and several.

Section 14.19 Survival. Sections 2.2(b), 2.4, 3.7, Article V, 8.1, 10.1, 11.1, 12.1 and this Article XIV shall survive the expiration or earlier termination of this Agreement, together with any other provision which by its terms or nature is intended to survive such expiration or termination.

Section 14.20 Non-discrimination. The University and Albertsons agree that in fulfilling the terms of this Agreement, neither Party will discriminate against any employee or applicant for employment on the basis of race, color, national origin, ancestry, religion, sex, disability, or Veteran status.

Section 14.21 Limitations of Liability. No claim may be made by any Party hereunder against any other Party or any affiliate, director, member, manager, officer, employee, attorney or agent thereof for any special, indirect, consequential, incidental or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions or relationships contemplated by this Agreement or any other transaction, relationship, act, omission or event arising or occurring in connection therewith. Each Party waives, releases and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor. Nothing in this Section 14.21 shall limit the liability of any party to indemnify another party under Article X for Claims made by third parties.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the day and year first above written.

ALBERTSONS:

ALBERTSON'S LLC

By: Robert G. Miller
Name: ROBERT G. MILLER
Title: CHIEF EXECUTIVE OFFICER

UNIVERSITY:

BOISE STATE UNIVERSITY

By: Robert W. Kustra
Name: Robert W. Kustra
Title: President

S-1

ACKNOWLEDGED AND AGREED:

BRONCO SPORTS PROPERTIES, LLC

By: ______________________

Name: Daniel Hawley

Title: General Manager

EXHIBIT A

ADVERTISING/SPONSORSHIP RIGHTS AND BENEFITS

(Capitalized Terms are as defined in the Agreement)

a. Naming

The lobby in the Alumni and Friends building shall be named "Albertsons Lobby."

b. Signage

i. Stadium Logo on exterior of Stadium over all four spectator gate entrances
ii. Directional Signage throughout stadium concourse
iii. "Albertsons' Stadium" included in campus directional signage

c. Print Advertising

Stadium Logo on all Stadium-related literature, including brochures

d. Additional Advertising

i. Stadium Logo placed on plates, napkins, cups, glassware, etc. as such of those that bear logos, subject to third party agreements or other sponsorships (*e.g.*, Agri Beef napkins are produced for use within the Stueckle Sky Center)
ii. Stadium Logo placed on Staff uniforms
iii. Stadium Logo placed on all Stadium event programs, tickets, passes and lanyards
iv. Dedicated Albertsons Stadium information page hosted within Broncosports.com

e. Travel

One football game trip for four people each season (not including post-season bowl). This trip will include flights to and from the game on the University charter flight, tickets to the game and hotel accommodations.

f. Facility Use

Albertsons can use the Stadium for its official company events, (e.g., Albertsons Stadium Day, company picnics and other family events, Executive meetings in Stueckle Sky Center and charity and philanthropic events),subject to official University events and previously scheduled uses of the Stadium

1. Albertsons will not have to pay a rental fee but will be responsible for all expenses of such use
2. Albertsons may not use the Stadium for revenue generating events
3. Details to be mutually agreed upon
4. Subject to Athletics Department Facility Use Policies and Procedures

g. Miscellaneous

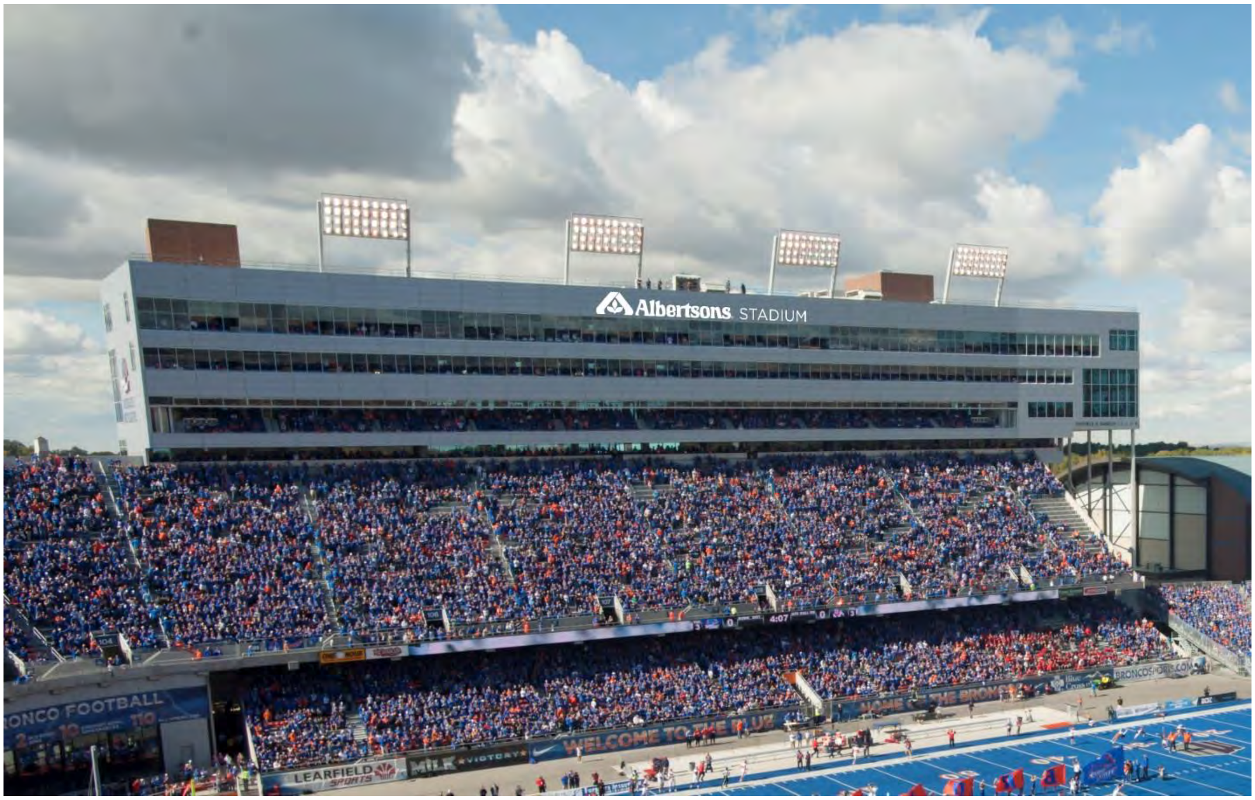
Inside access to Boise State Athletics – coaches' dinners and pregame VIP on field passes subject to escort by University.

SCHEDULE I TO EXHIBIT A

The parties will be jointly and equally responsible for all costs and expenses associated with the fabrication, construction and installation of the four major signs, as illustrated in the examples attached to this Schedule 1 to Exhibit A. Additionally, the parties will be jointly and equally responsible for all costs and expenses associated with the fabrication, construction and installation of stitching the Stadium Name into the stadium turf and the removal, reproduction, and installation of the large football player banners to include the Stadium Name or Stadium Logo as allowed by the NCAA.

However, the addition of the Stadium Logo on the football player banners and Albertsons' name on the Blue Turf (but not commercial logo) during regular season home games is subject to NCAA rules, policies, guidelines, and interpretations and existing name rights e.g. Lyle Smith Field. Should NCAA rules, policies, guidelines or interpretations preclude the addition of either of the Stadium Name, Stadium Logo, Albertsons name or Albertsons Marks on the football player banners, the banners shall not be changed for the purposes of this Agreement and Albertsons shall not be responsible for any costs associated with the banners.

Page 38:


Albertsons STADIUM
BRONCO FOOTBALL
WELCOME TO THE BLUE
LEARFIELD SPORTS

Page 39:

ATTACHMENT 1

Page 41:


Albertsons
STADIUM
HOME OF THE BLUE
NICHOLSON-YANKE ATHLETIC CENTER
GENERAL
PERMIT
REQUIRED

Page 42:


BOISE STATE
BRONCOS
Albertsons STADIUM
Albertsons STADIUM
10
20
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EXHIBIT B

SUITE LICENSE AGREEMENT

EXHIBIT B

BRONCO STADIUM SUITE LICENSE AGREEMENT

THIS BRONCO STADIUM SUITE LICENSE AGREEMENT ("License") is made and entered into as part of the attached Naming Rights Agreement between Albertsons ("Suite Holder") and University. To the extent any terms of the attached Naming Rights Agreement conflict with the terms in this License, the terms of the Naming Rights Agreement shall control.

1. DEFINITIONS:

a) "Additional Events" means events other than Included Events which occur at Bronco Stadium and which are sponsored by University or open to the general public (such as the Famous Idaho Potato Bowl) and for which University, in its sole and absolute discretion, notifies Suite Holder that the Suite and Suite Tickets are available to the Suite Holder; and

b) "Bronco Stadium" means that certain outdoor athletic stadium located on University's campus known as Bronco Stadium, including all seats and common areas within the stadium, the suites and common areas within the Stueckle Sky Center, and the surrounding University-owned parking lots.

c) "Code" means the Internal Revenue Code of 1986, as amended, and the U.S. Treasury Regulations promulgated thereunder.

d) "Events" means, collectively, Included Events and Additional Events.

e) "Included Events" means games of University's men's football team that are exhibition, regular season non-conference, and regular season conference home games that are included in the season ticket package and occur at Bronco Stadium.

f) "License Fee" means Suite Holder's payment to University for its License to be paid in accordance with Section 4(a).

g) "Parking Permits" means parking permits provided for Included Events.

h) "Renewal Term" means the term of any subsequent License entered into pursuant to Section 6.

i) "Suite" means the suite located in Stueckle Sky Center at Bronco Stadium that is assigned by University to Suite Holder.

j) "Suite Tickets" means tickets for individuals to access and use the Suite.

k) "Term" or "Original Term" means the term of this License, as set forth in Section 3.

2. LICENSE: University grants to Suite Holder and Suite Holder accepts, upon the terms and conditions set forth in this License, a non-transferable, revocable license to use Suite for viewing all Included Events occurring during the Term of this License. Suite Holder may also be eligible to purchase Suite Tickets for up to the maximum number of Additional Events per year set forth in the following table:

CHECK ONE	YEARS IN ORIGINAL TERM PLUS RENEWAL RIGHT*	MAXIMUM NUMBER OF ADDITIONAL EVENTS PER YEAR*
	3	20
	5	20
	7	20
	10	12
	12	8
	15	5

*As of the date of this License, the University estimates that Included Events will consist of approximately six (6) regular season football games. If the number of Included Events exceeds six (6) in one or more years, the parties agree that the maximum number of Additional Events for which the Suite Holder may use the Suite shall be reduced in one or more years to the extent necessary to ensure that the total number of days on which the Suite Holder has rights to use the Suite under the Original Term and any potential Renewal Term under this License does not exceed 200 within the meaning of the Code.

3. TERM: The Term of this License is coterminous with Naming Rights Agreement attached.

4. LICENSE FEE, TICKETS, FOOD AND PARKING:

   a) Suite Holder agrees to pay University a License Fee of $_______zero (0.00)_______ annually (referred to herein as "License Fee" or "License Fee installment") for use of the Suite during Included Events that occur during the Term of this License. Said payment shall be due on June 1st of each year of the License.

   b) The License Fee includes the cost of sixteen (16) Suite Tickets for each Included Event.

   c) University represents that the License Fee has not been negotiated by the parties hereto. The License Fee for the Suite is equal to the amount set forth in University's fee schedule for licenses of a similar term and for suites similar in size, as such fee schedule is in effect as of the date of this License.

   d) University may, in its sole and absolute discretion, notify Suite Holder of Additional Events. Additional Events may require a minimum number of Suite Tickets to be purchased in order to secure the Suite. The purchase price of Suite Tickets to each such Additional Event will be established by the University. In the event Suite Holder does not purchase the minimum number of Suite Tickets required for the Additional Event, University may license such Suite or sell Suite Tickets to members of the general public.

e) The License Fee includes the cost of four (4) Parking Permits for use at all Included Events. The License Fee does not include the cost of parking permits for Additional Events.

f) The License Fee does not include the cost of food or beverages. Food and beverages may be purchased separately from University. Such charges shall be made in accordance with Section 9 of this License. No other food or beverage may be carried in, delivered to, prepared, or consumed in the Suite.

g) The service of alcoholic beverages is subject to the continued approval of the Idaho State Board of Education (the "State Board"). The State Board has exclusive and complete discretion as to whether to allow alcohol on University property. As such, the State Board may revoke, modify, alter or limit the service of alcohol at any time. Thus, the allowance of alcohol is not a right or promise granted by this License and is not a part of the consideration upon which this License is based.

h) Suite Holder agrees to abide by University's policy and guidelines relating to alcohol, as are current in effect and as may be amended or updated from time-to-time in University's sole discretion. The current guidelines are attached as Appendix A.

i) The License Fee is payable in full, except as expressly provided otherwise herein, regardless of any cancellation or postponement of any Event scheduled at Bronco Stadium for any reason.

j) Charges for required and optional Suite Ticket purchases and optional Parking Permits shall be made according to Section 9.

k) It is Suite Holder's intention to make a charitable contribution to the University of the portion of each installment of the License Fee that exceeds the value of the Suite Tickets, Parking Permits, Suite License, food, and other benefits (collectively, the "License Benefits") provided by University to Suite Holder under this License (the "Excess Payment"). University encourages Suite Holder to obtain independent tax advice regarding any charitable contribution deduction, and University makes no representation or warranty regarding any possible tax deductibility of any portion of the License Fee or other amounts payable under this License. University has been advised that a significant percentage of the Excess Payment may be treated as a charitable contribution under Section 170(1) of the Code. University shall annually provide to Suite Holder a statement of payments to University and a good faith estimate of the fair market value of the license benefits received by Suite Holder under this License.

5. NO WARRANTY OF EVENTS: This License shall not operate as or constitute any warranty, representation, covenant, or guarantee by University that any particular Event, sports team, individual, or group shall occur, play, or appear at Bronco Stadium during the Term of this License. Failure by one or more of such teams, individuals, or groups to play or appear, cancellation or postponement of, or failure to schedule, any such Event, or the scheduling or

rescheduling of any Event at a venue other than Bronco Stadium, shall not entitle Suite Holder to any refund of the License Fee.

6. OPTION TO RENEW LICENSE: If Suite Holder is not in breach of the performance of its obligations under this License at the conclusion of the Term, Suite Holder and University may enter into negotiations to renew this License at the generally applicable, fair market value rates in effect at the time of the renewal (as determined by University's fee schedule, as in effect as of the date of such renewal), for a Renewal Term of up to but not exceeding ten (10) years, on such terms and conditions as University may offer. Renewal by Suite Holder is not a matter of right, but is at the sole option of University. University will determine the location of the Suite for the Renewal Term. Unless Suite Holder executes and returns the new agreement to University within the time period stated by the University at the time of submission of the form of the new license agreement, this option to renew shall expire and be of no further effect. Notwithstanding anything to the contrary in this Section or elsewhere in this License, the sum of the Original Term and any Renewal Term shall not exceed the total number of years set forth in the table contained in Section 2.

7. USE OF SUITE:

a) Subject to University's need to access the Suite for a valid University-purpose pursuant to Section 16 of this License, Suite Holder and Suite Holder's invitees shall be entitled to sole and exclusive use of the Suite during each Event for which they hold Suite Tickets, and for the time periods immediately before and after such Event when Bronco Stadium is open to all other ticket holders for such Event. Such time periods shall be designated by University in University's sole discretion. As of the date of this License, with respect to Included Events, the Suite shall be available to Suite Holder approximately two (2) hours prior to kickoff and Bronco Stadium shall be open approximately ninety (90) minutes prior to kickoff.

b) Suite Holder's and Suite Holder's officers, directors, employees, agents, or invitees use of the Suite shall be subject to all provisions, terms, and covenants of this License, all applicable federal and state laws, including any applicable health or safety standard, and the State Board and University policies, which the State Board and University may establish, modify, or amend from time to time in their sole discretion without prior notice to Suite Holder. If during an Event, any Suite Holder or any officer, director, employee, agent, or invitee of the Suite Holder fails to abide by such provisions, terms, covenants, laws, or State Board or University policies, the University, in its sole judgment, may remove Suite Holder or such officer, director, employee, agent, or invitee from the Suite and Bronco Stadium.

c) Suite Holder shall be solely responsible for, and shall promptly pay to University, all amounts due, including applicable taxes, for catering and all other services provided by University or any other vendor in connection with the use of the Suite, pursuant to Section 9 of this License.

d) Neither Suite Holder nor Suite Holder's invitees shall remove alcoholic beverages or food from the Stueckle Sky Center.

e) University reserves the right to prohibit use of alcoholic beverages in the Suite for any Event, including, but not limited to, University commencement and any championship event sponsored or administered by the National Collegiate Athletic Association.

8. FURNISHINGS AND UTILITIES:

a) University shall furnish the Suite as it deems appropriate. Suite Holder shall not make any additions or alterations in the interior or exterior of the Suite or the furniture, furnishings, and equipment therein without the prior written consent of University

b) Suite Holder or Suite Holder's invitees shall not place advertising signs or displays, including signs depicting Suite Holder's name, in or about the Suite without prior University approval.

c) University shall furnish water, heating, air conditioning, and electricity to the Suite without additional cost to Suite Holder. University shall not be liable for any damages suffered by Suite Holder for interruption of such service.

d) University will provide two televisions with local cable service and instant replay video in the Suite. University shall not be liable for any damages suffered by Suite Holder for interruption of such service.

9. PAYMENT FOR TICKETS, PARKING AND SERVICES:

a) Suite Holder must maintain on file with the University a valid Visa or MasterCard credit card number and a list of individuals whom Suite Holder authorizes ("Authorized Individuals") to make, on its behalf, those optional charges indicated in Subsection (b), below. Suite Holder may make changes to the credit card number or the list of Authorized Individuals by giving University written notice, and within five (5) business day after receipt, University will change the list as notified.

b) Suite Holder hereby authorizes University to charge payments for the following to the credit card on file with the University pursuant to paragraph (a), above, if such charges are authorized by Suite Holder or an Authorized Individual: (i) Suite Tickets for Additional Events purchased pursuant to Section 4(d); (ii) Parking Permits other than those included in the cost of the License Fee pursuant to Section 4(f); (iii) orders for catering; and (iv) orders for alcoholic beverages, food, and related services.

10. MAINTENANCE AND REPAIR:

a) University shall make or provide for such repairs as it deems necessary to the Suite and to furniture, fixtures, wall and floor coverings, and appliances provided by University. Such repairs shall be accomplished within a reasonable time, subject to availability of materials.

b) University shall be responsible for normal and customary cleaning of the Suite after each Event for which the Suite is used. Normal and customary cleaning shall include vacuuming the carpet, dusting surfaces, washing windows and glass doors, wiping counters, and removing refuse and waste. Additional or extraordinary services for cleaning will be billed to Suite Holder.

c) Suite Holder shall keep and maintain the Suite in good repair, order, and condition, except for normal wear and tear, and shall reimburse University for costs incurred to repair any damage caused by Suite Holder or Suite Holder's invitees to the Suite or the property of the University therein.

11. INSURANCE REQUIREMENTS:

a) University will not provide any insurance covering any personal property of the Suite Holder within the Suite. If Suite Holder desires to carry insurance on such personal property, Suite Holder shall be responsible for arranging for such coverage at Suite Holder's sole expense.

b) If Suite Holder consists of one or more corporate or similar business entities, Suite Holder shall provide to University, annually by July 1 of each year of this License, a copy of a certificate of insurance meeting the following insurance requirements to Suite Holder:

COMMERCIAL GENERAL LIABILITY (CGL)	LIMITS
General Aggregate	$2,000,000
Products and Completed Operations	$1,000,000
Personal Injury	$1,000,000
Each Occurrence	$1,000,000
Medical Expense per person	$50,000
Fire Legal Liability	$1,000,000
Liquor Liability	$1,000,000

The policy must (i) be signed by an authorized agent and issued by an insurance company licensed to do business in the State of Idaho; (ii) name as additional insured Boise State University and the State of Idaho; and (iii) Suite Holder will provide for a written notice to University at least sixty (60) days in advance of any reduction in coverage or cancellation of the policy. Suite Holder's liability under this License shall extend beyond the limits of this coverage. University accepts no liability under this Section 11. The certificates of insurance shall be mailed or delivered to University at the following address:

Boise State University
Attn: Risk Management
1910 University Drive
Boise, Idaho 83725-1245

12. DAMAGE:

a) In the event of any damage to the Suite or Bronco Stadium which renders the Suite or Bronco Stadium unusable and if such damage is the result of a cause beyond the control of Suite Holder or its invitees, then the University may, at its option, either repair or restore the Suite or Bronco Stadium or terminate this License.

b) If University elects to repair or restore the Suite or Bronco Stadium, this License shall remain in full force and effect. If seating is unavailable at another location in Bronco Stadium, University shall refund Suite Holder a portion, as determined by University in its reasonable business judgment, of Suite Holder's current License Fee installment. Any refunded portion of a License Fee installment shall, at Suite Holder's option, be either credited to the License Fee installment payment during the next Renewal Term or paid to Suite Holder at the termination of this License.

c) If University elects not to repair or restore the Suite or Bronco Stadium, upon written notice from University to Suite Holder to such effect, this License shall terminate as of the date of such damage, and University shall, after deducting any amounts which may be owed by Suite Holder under this License, refund to Suite Holder a proration, as determined by University in its reasonable business judgment, of Suite Holder's current License Fee installment. Payment of said refund by University shall constitute full and final settlement of all claims by Suite Holder for the early termination of this License, and Suite Holder hereby acknowledges that it shall have no further claim in respect of such termination of this License against University.

13. BREACH:

a) If Suite Holder fails to make in a timely manner any payments required by this License, including without limitation any scheduled payment of the License Fee, payments for optional Suite Tickets or optional Parking Permits, or payment for food, beverages and related services provided by University, or if Suite Holder otherwise breaches this License, University shall have the right to terminate this License by giving Suite Holder thirty (30) days' written notice, during which such 30-day period Suite Holder may cure the breach. In the event Suite Holder fails to cure such breach, then all rights of Suite Holder under this License shall terminate immediately upon conclusion of such thirty (30) day period, and University may immediately or at any time thereafter make available the Suite to any third party or otherwise make use of the Suite in any manner which University deems appropriate in its sole discretion.

b) In the event of any termination of the License resulting from Suite Holder's breach of its obligations under this License, (i) University may apply the amount of any current License Fee installment against any outstanding obligations of Suite Holder to the University under this License, including any loss of future fees relating to the use of the Suite, or to any obligation of Suite Holder to University or any other entity for food, liquor, beverages or services used in the Suite; and (ii) in the event University is able to relicense the Suite prior to the expiration of the stated Term, University shall return to Suite Holder that proration of any current License Fee installment relating to the unexpired portion of the Term, as measured from the date of such relicensing, less the aggregate of Suite Holder's outstanding obligations and all charges, costs and expenses attributable to Suite Holder's breach of this License, including all legal fees and costs incurred by the University in the enforcement of its rights. If the amounts collected by University upon any such relicensing are not sufficient to pay the full amount of all such obligations of Suite Holder, then Suite Holder shall pay any such deficiency upon University's demand.

c) Nothing hereinabove in Sections 13 (a) or (b) shall be construed to limit University's rights and remedies as set forth by this License or otherwise available to University in law or in equity, should the aggregate of Suite Holder's outstanding obligations and the charges, costs, and expenses attributable to Suite Holder's breach, including all legal fees and costs incurred by University in the enforcement of its rights, exceed the sum of that portion of any current License Fee installment relating to the unexpired portion to this License's Term.

d) No waiver by University of any breach by Suite Holder of its obligations under this License shall be construed to be a waiver or release of any other subsequent default or breach by Suite Holder, and no failure or delay by University in the exercise of any remedy provided for in this License shall be construed to constitute a forfeiture or waiver thereof or of any other right or remedy available to University.

14. TITLE: Title to the Suite remains at all times with University. Suite Holder acknowledges that all improvements now or hereafter in the Suite shall remain the sole and exclusive property of University.

15. TAXES: Suite Holder shall pay and hold University harmless from all taxes including sales tax, use tax, personal property tax, leisure or entertainment tax, or any tax of similar nature, levied upon this License, use of the Suite, tickets or personal property of Suite Holder located in the Suite.

16. ACCESS: University, its agents, and employees shall have access to, and the right to enter, the Suite at any time to examine the Suite's condition, to make any repairs, and to perform services required to be made or performed by the University, to show the Suite to prospective licensees, to use the Suite at times other than Included Events and other Events for which Suite Holder has the right to occupy the Suite, and for any other purpose deemed reasonable by University.

17. LIABILITY:

a) The University shall not be liable for any loss or damage to the persons or property of the Suite Holder or Suite Holder's invitees.

b) The Suite Holder agrees to indemnify and hold harmless the University, its officers, agents, and employees from any and all liability, including claims, demands, losses, costs, damages, and expenses of every kind and description, including, without limitation, reasonable attorney fees, for damages to persons or property arising out of or in connection with or occurring during the course of this License where such liability is founded upon and grows out of acts or omissions, neglect or wrongdoing of Suite Holder or any of Suite Holder's officers, employees, agents, or invitees, and Suite Holder shall, at its sole cost and expense, defend and protect the University against any and all such claims. Obligations under this Section 17(b) shall survive termination of this License.

c) Suite Holder agrees to use and occupy the Suite and other facilities of Bronco Stadium at its own risk and hereby releases University from all claims for damage or injury to the fullest extent permitted by law.

d) University shall further not be responsible for any theft , loss, or mysterious disappearance from the Suite of any property of Suite Holder or any of Suite Holder's officers, employees, agents, or invitees.

18. ASSIGNMENT:

a) Suite Holder shall not assign, sell, sublicense, hypothecate, or in any manner transfer any of its rights or interest arising under this License without University's prior written consent, which may be granted or withheld in University's sole discretion. Any attempted assignment, sale, sublicensing, hypothecation, or transfer shall be of no force or effect and shall constitute a breach of this License.

b) Suite Holder shall not sell via ticket brokers, agents, or in any other manner, Suite Tickets or Parking Permits that are made available to Suite Holder under this License.

19. TIME OF THE ESSENCE: Time is of the essence with respect to Suite Holder's payment of the License Fee installments and other charges, and with respect to Suite Holder's exercise of its option to renew as set forth in Section 6.

20. NOTICE: All notices given pursuant to this License shall be in writing and shall be delivered or mailed by registered or certified mail, postage prepaid, and shall be effectively given on the date of such delivery or mailing to the respective parties in the following addresses or to such other addresses either party shall specify to the other by notice given in writing in accordance with this Section 20:

If to the University:	Boise State University, Department of Athletics 1910 University Drive Boise, ID 83725-1022
If to Suite Holder:	as in attached Naming Rights Agreement

21. ENTIRE AGREEMENT: This License Agreement, together with the previously executed Memorandum of Understanding between University and Suite Holder, if any, constitutes the

entire agreement between University and Suite Holder, and no prior written or prior or contemporaneous oral promises or representations will be binding on either party. This License may not be modified or amended except by written instrument signed by both parties. In the event of a conflict between this License and the Memorandum of Understanding, if any, the terms of this License shall prevail.

22. SEVERABILITY: If any provision of this License shall be adjudged to be unlawful or contrary to public policy, then that provision shall be deemed to be null and separable from the remaining provisions and shall in no way affect the validity of this License.

23. BINDING ON HEIRS, SUCCESSORS AND ASSIGNS: This License shall be binding upon and inure to the benefit of the heirs, personal representatives, successors in interest, and assigns of Suite Holder and University.

24. GOVERNING LAW: This agreement shall be governed by and construed under the laws of the State of Idaho. Any actions to enforce the provisions of this Agreement shall be brought in state district court in Ada County, Boise, Idaho.

Appendix A

Re: Alcohol Rules and Intoxication Prohibition

Dear Bronco Patron,

This letter is an important reminder regarding alcohol service and consumption in the Stueckle Sky Center. Boise State has received permission from the State Board of Education to serve alcohol in the Stueckle Sky Center. We appreciate the State Board's support of our program and we need the involvement of all our patrons to demonstrate that we will not abuse this privilege. Please understand that this permission is a privilege and not a right and it can be removed at any time. With this privilege comes an expectation of responsibility and a duty to abide by the conduct expected of our fans and patrons. To continue to provide this service, we will need your help and cooperation.

All patrons of legal drinking age are required to drink responsibly. No person in the Stueckle Sky Center is allowed to be intoxicated or impaired to the extent that his or her behavior becomes unacceptable or interferes with other fans. The University will enforce a zero tolerance policy on our fans whose use of alcohol results in conduct that is deemed not compatible with the enjoyment of the game. We realize you have paid for the pleasure of attending our events in the Stueckle Sky Center. In order to preserve that enjoyment, the University will enforce a zero tolerance policy on alcohol abuse, public drunkenness, and underage drinking. Underage drinking is against the law and is not allowed anywhere within the Stueckle Sky Center. Regardless of an individual's payment to attend a game in the Stueckle Sky Center, a violation of the principles set forth in this letter will result in removal from the Stueckle Sky Center and revocation of game tickets.

The rules are posted in every suite and in several locations on each level of the Stueckle Sky Center. In addition to the above stated rules regarding alcohol consumption, please adhere to the following rules:

- Please keep all items away from open windows. Items dropped or thrown from the suites could seriously injure fans seated below.
- Ticket must be displayed on a lanyard at all times. If you do not have a lanyard, let an usher know so one can be provided to you.
- Service of alcoholic beverages will cease at the completion of the third quarter.
- Alcoholic beverages are not allowed in the elevators.
- Patrons may not enter or exit the Stueckle Sky Center with any food or beverage.

Your attendance and enjoyment of the game, and the privilege of alcohol service during the game, are responsibilities that the University takes very seriously. Everyone's adherence to the requirements will preserve these privileges in the future. We are very grateful for your loyalty and support and the support of the State Board of Education. Have a great game day. Go Broncos!

BOISE STATE UNIVERSITY

SUBJECT

Facility Lease with Acquisition Options

APPLICABLE STATUTE, RULE, OR POLICY

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

BACKGROUND/DISCUSSION

Gardner and Company ("Gardner"), a private developer, has approached Boise State University (BSU) with a proposal that provides BSU with an opportunity to own or lease space in its new downtown development at a reduced cost.

Urban universities such as University of Utah and Portland State University often operate satellite campuses in downtown locations. BSU has been invited to participate in several such developments proposed by both government and private entities. This particular location would serve to create collaborative partnerships with leading industries, allow local businesses and industry greater access to our programs, and provide our students with the opportunity to interact with local partners by working on projects of mutual interest.

Gardner recently completed construction of the Zion's Bank building. It has now acquired the US Bank building and proposes placing a mixed-use development on the adjacent surface parking lot. The development, consisting of two connected buildings, the Centre Building and the Clearwater Building, will be called City Center Plaza. Gardner has secured lease commitments from computer science industry partners and other public agencies. The goal is to build a computer science/software industry focused development in addition to a transportation and retail location.

Gardner's proposal calls for the University to co-locate portions of its Computer Science Department, including faculty, staff, and instructional areas related to upper division courses, in the new development to be located near technology firms in the downtown area.

Project Partners:

In 2013, Valley Regional Transit (VRT) issued a Request for Proposal for a downtown regional transit center. Gardner, the sole respondent to the RFP, proposed that the transit center be placed within its new development. VRT has announced its commitment to be part of the project and final approval from the Federal Transportation Administration is expected in June 2014. While Gardner will develop the transit center, VRT will hold final ownership as part of a condominium agreement for the project.

The Greater Boise Auditorium District (GBAD) recently announced its intention to partner with Gardner to develop additional auditorium and convention space at this site. GBAD has retained its own planners and designers and in advance of a final commitment to Gardner, GBAD will program and estimate the cost of the space.

Clearwater Analytics has signed a ten year lease with Gardner for five floors of the development. Gardner will own the Clearwater suites as part of a condominium agreement. In addition, Gardner has several lease commitments from retail tenants to occupy the ground floor of the development.

Project Description:
The two buildings will be approximately 370,000 gross square feet, of which the University will occupy 53,549 gross square feet comprised of two complete floors, the second and third floors of the Clearwater Building and a small portion of the Centre Building. Additional information follows:

Clearwater Building (250,000 gross square feet):

Ground Level: Building lobby, elevators, and retail
Second and Third Levels: Boise State University
Fourth through Ninth Levels: Clearwater Analytics

Centre Building (120,000 gross square feet):

Subterranean Level: Transit center
Ground Level: Lobby and retail
Second through Fifth Levels: Auditorium and convention spaces and a small space for University use

IMPACT

Gardner has offered to lease 53,549 gross square feet to BSU for $16 per square foot/per year, triple net ($856,784 in the first year). This lease rate will escalate annually by three percent, with a three percent discount if paid annually in advance. The triple net status requires that in addition to the base rent, the University will pay additional annual rent. The additional rent is detailed in the attached lease and represents common area services provided to the complex including landscaping, facility maintenance, trash services, and utilities as well as taxes and insurance. These expenses are estimated to be between five and six dollars per square foot, per year, approximately $294,000 in the first year.

The lease is a one-year lease with nineteen one-year renewal options. A landlord contribution of $50 per square foot for tenant improvements ($2,677,450) is included. The University holds the option to decline landlord funding of tenant improvements. Should the University self-fund tenant improvements, the initial lease rate extended to the University is reduced to $11.25 per square foot, triple net ($602,426 in the first year), with the same three percent annual escalations and prepayment discount.

The proposed lease also provides the University with an initial purchase option of $9.1 million, and subsequent annual purchase options which decline in cost through the twentieth year of the lease, at which time the University will have a one dollar purchase option.

At this time, the University requests only that the Board approve a facility lease. The proposed lease provides that final decisions about the University's investment may be delayed for approximately two years without penalty. The University will monitor the project's construction and costs, observe market conditions, and if warranted, return to the Board within two years for any investment proposal requiring Board approval.

Because the University would prefer to hold an annual lease and declining annual purchase options, the landlord's lender requires some unique conditions to secure financing:

1. Tenant improvements are generally considered sunk costs specific to an individual tenant. Therefore, the lender will not lend to the landlord for the cost of the University tenant improvements due to the annual lease status, unless:

   a. The University agrees to a minimum five year lease term; or
   b. The University agrees to pay a lease termination fee equal to the unamortized portion of the tenant improvement costs should the University not lease for five complete years; or
   c. The University agrees to self-fund the tenant improvements.

2. The landlord's financing will likely include a loan pre-payment penalty. Should the University exercise a purchase option, any applicable loan pre-payment penalty will be added to the University's purchase price. The exact amount of the prepayment penalty is not yet known and is subject to the final financing package at the conclusion of the landlord's construction loan. However, the landlord has agreed to allow some lease years without prepayment penalty to the University: lease years 0 (initial purchase option), 1, 2, 12 and 20 ($1 purchase option).

Should the University exercise any purchase option, the lease becomes null and void, thus activating the University's full ownership rights per the condominium association bylaws. The association bylaws are not yet agreed upon; however, the University's obligation to pay rent under the lease is conditioned on its approval of the association bylaws. The University is not required to pay rent under the lease until the bylaws have been approved by the University and recorded.

Over the next two years the University will work closely with the developer and their lender as the project and financing progresses, monitor how the financing structure will impact purchase option pricing, and monitor market conditions and University priorities. The University will then return to the Board with updates, analyses, and recommendations related to the funding of tenant improvements, the lease versus purchase decision, and the timing of those decisions. Approval of the proposed lease agreement allows the developer to secure construction loan financing and proceed with construction of the project which is expected to be completed in approximately two years.

ATTACHMENTS

STAFF COMMENTS AND RECOMMENDATIONS

The landlord anticipates substantial completion of construction and preparation of the premises (excluding tenant improvements) not later than 24 months after the execution of the lease. The term of the lease begins upon the “commencement date” which is either the date the tenant takes possession (other than for purposes of competing tenant improvements), or 120 days after landlord notifies tenant that the premises are ready for tenant improvements, whichever occurs first.

Funding for lease payments will come from budget reallocations or operating reserves. BSU has affirmed it does not anticipate seeking new appropriated funding in the form of a state budget request or tuition or fee increase request.

The "going rate" for lease space in downtown Boise is one figure which blends all buildings, so some new buildings leasing for $25 a square foot or more are averaged with old buildings leasing at $10 per square foot. That being said, the current office rate downtown is $18.20 per foot full service, which translates to about $13.20-$14.20 Triple Net. Brand new construction leases for a premium over the average blended rate. For example, at the new 8th and Main Tower, the current market rate is $26.50 or $21 triple net. As such, the $16/SF NNN negotiated by BSU is competitive for premium new construction.

Pursuant to Board policy V.B.10., only owner-occupied space is eligible for occupancy costs funding from the state. However, since there is an option to purchase, staff recommends notifying Legislative Services Office and Division of Financial Management staff within 30 days of Board approval to enter into the lease agreement.

BSU should be prepared to discuss plans for the use of space vacated on the main campus as the result of this relocation.

Staff recommends approval.

BOARD ACTION

I move to approve the request by Boise State University to enter into a lease agreement with Gardner and Company for the initial term plus all allowable extension periods per the terms of the lease, in substantial conformance with the lease agreement as presented in Attachment 1.

Moved by __________ Seconded by __________ Carried Yes _____ No _____

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LEASE AGREEMENT

LANDLORD: CITY CENTER PLAZA EDUCATION, LLC, AN IDAHO LIMITED LIABILITY COMPANY

TENANT: STATE OF IDAHO BY AND THROUGH IDAHO STATE BOARD OF EDUCATION BY AND THROUGH BOISE STATE UNIVERSITY

LEASE SUMMARY

Boise State Computer Science Department Leased Premises

1. "Landlord": City Center Plaza Education, LLC, an Idaho limited liability company

2. "Tenant": Idaho State Board of Education by and through Boise State University, a governmental subdivision of the State of Idaho and a body corporate with all the powers of a public or quasi-municipal corporation.

3. "Gross Rentable Area": 53,549 square feet.

4. "Leased Premises": Suites 200 and 300, consisting of three condominium units, two located entirely on the 2nd and 3rd floors of the Clearwater Building and one unit located partially on the 3rd floor of the Centre Building.

5. "Term": One (1) year with nineteen (19) automatic extensions pursuant to Section 2.2.

6. "Commencement Date": See Section 2.2.

7. "Basic Annual Rent": See Section 3.1.

8. "Escalations": Three percent (3%) per year compounded annually.

9. "Landlord's address for notice":

   City Center Plaza Education, LLC
   Attention: Christian Gardner
   90 South 400 West, Suite 360
   Salt Lake City, UT 84101

   With Copy To

   KC Gardner Company, L.C.
   Attention: General Counsel
   101 S. Capitol Boulevard, Suite 1200
   Boise, ID 83702

   or at such other place as Landlord may hereafter designate in writing.

10. "Tenant's address for notice (if other than the Leased Premises)":

    Boise State University

Real Estate Services
1910 University Drive
Boise, ID 83725

With Copy To

Boise State University
Office of General Counsel
1910 University Drive
Boise, ID 83725

11. "Broker(s)": Tenant's Broker: None

    Landlord's Broker: None

16. "Guarantor" or "Guarantors": None

ATTACHMENT 1

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LEASE AGREEMENT

Boise State Computer Science Department Leased Premises

THIS LEASE AGREEMENT (as amended, restated, supplemented or otherwise modified from time to time, this "Lease") is made and entered into as of this ___ day of ___________, 2014, by and between **CITY CENTER PLAZA EDUCATION, LLC** (the "Landlord"), and **IDAHO STATE BOARD OF EDUCATION BY AND THROUGH BOISE STATE UNIVERSITY** (the "Tenant").

For and in consideration of the rental to be paid and of the covenants and agreements set forth below to be kept and performed by Tenant, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Leased Premises (as hereafter defined) and certain other areas, rights and privileges for the term, at the rental and subject to and upon all of the terms, covenants and agreements hereinafter set forth.

I. LEASED PREMISES

1.1 Description of Leased Premises. The Leased Premises are part of a larger mixed-use condominium development, including additional structures and improvements located within the US Bank Plaza, the Multimodal Center, the Centre Building, and the Clearwater Building (collectively "City Center Plaza" or "Project") comprising condominium units, common areas, and elements referenced hereafter as "Units" or "Common Area," created by one or more condominium plats and declarations. The City Center Plaza consists of the existing US Bank Plaza; the transit facility constructed as a condominium below grade with additional above grade element, and additional building pads above, referenced herein as the "Multimodal Center"; together with additional condominiums containing units designated for retail, meeting, and office use located within the structure referenced herein as the "Clearwater Building" and for parking, retail, meeting, and office use adjoining the Clearwater Building in an attached structure referenced hereafter as the "Centre Building". The Leased Premises is comprised of two Units within the Clearwater Building and one Unit within the Centre Building. Landlord is solely the owner of the Units comprising the Leased Premises. Landlord's ownership of its Units and all other Units in either the Clearwater Building or the Centre Building are subject to the Condominium Documents. City Center Plaza consists of multiple condominiums creating units, common areas and limited common areas all of which will be depicted upon various recorded plats and described in detail in a master declarations creating such that will be recorded prior to or contemporaneously with the completion of construction of the Leased Premises ("Condominium Documents"). As set forth in Section 4.1 below, the Leased Premises shall be responsible for all expenses associated with, and allocable to, the Units comprising the Leased Premises, under any of the relevant Condominium Documents, in an amount equal to the interest allocable to any such Unit under the Condominium Documents establishing such allocation for the Unit within either the Project or any portion thereof pursuant to a declaration or a sub-declaration, in the same proportion that the Units comprising the Leased Premises would otherwise be responsible. Landlord does hereby demise, lease and let unto Tenant, and Tenant does hereby take and receive from Landlord the following:

(a) That certain floor area containing approximately a Gross Rentable Area of approximately 53,549 square feet (the "Leased Premises") on the 2nd and 3rd floors of the Clearwater Building and a portion of the 3rd Floor of the Centre Building. It is anticipated that the street address for the Centre Building, Clearwater Building and Multimodal Center within City Center will be 799 W. Main Street, Boise, Idaho, 83702, all of which is located within the real property more particularly described on Exhibit "A" attached hereto and by this reference incorporated herein (the "Property"). The Leased Premises consists of that certain area crosshatched on the floor plan shown on Exhibit "B" which is attached hereto and by this reference incorporated herein. At any time and from time to time during the term of the Lease, Landlord shall have the right to re-measure and re-determine the gross rentable square feet of the Leased Premises, the Centre Building and the Clearwater Building in accordance with BOMA Standard Methods of Measurement - English Version (ANSI/BOMA Z65.1—2010) – Method A. If the re-measured and re-determined rentable area of the Leased Premises is different than above stated, Landlord shall provide Tenant written notice of the change in square footage (the "Measurement Notice"). The re-measured and re-determined rentable square feet shall then become the Gross Rentable Area of the Leased Premises, effective as of the date of the Measurement Notice, in which case the Basic Annual Rent (as defined in Section 3.1 below), the Additional Rent (as defined in Section 4.1 below), shall be proportionately adjusted, provided that the Gross Rentable Area may be increased by no more than five percent (5%) of the original Gross Rentable Area of 53,549 square feet;

(b) A non-exclusive license to use the Common Areas (as defined in Section 20.1 below);

(c) A non-exclusive license to use such rights-of-way, easements and similar rights with respect to the Centre Building, the Clearwater Building, and Property as may be reasonably necessary for access to and egress from the Leased Premises.

1.2 Landlord and Tenant's Construction Obligations. The obligation of Landlord and Tenant to perform the work and supply the necessary materials and labor to prepare the Leased Premises for occupancy is described in detail on Exhibit "C", which is attached hereto and by reference incorporated herein. Landlord and Tenant shall expend all funds and do all acts required of them as described on Exhibit "C" and shall perform or have the work performed promptly and diligently in a first class and workmanlike manner. Landlord shall provide to Tenant a Tenant Finish Allowance pursuant to the procedure in Exhibit "C" in an amount equal to $50.00 per useable square foot (the "Tenant Finish Allowance"), the useable area of the Leased Premises shall be calculated and established upon the Commencement Date and memorialized in an amendment establishing such date.

1.3 Construction of the Centre Building and the Clearwater Building. The Leased Premises, as well as the Centre Building and the Clearwater Building in which the Leased Premises are located, are not currently in existence. Landlord shall, at its own cost and expense: (a) construct and substantially complete the Centre Building and the Clearwater Building consistent with generally accepted commercial standards for Class A office buildings; (b) cause all of the construction which is to be performed by Landlord as set forth on Exhibit "C" to the Lease to be substantially completed; and (c) cause the Leased Premises to be ready for Tenant to install its fixtures and equipment and to perform its other work as described on Exhibit "C" to the Lease, as soon as reasonably possible as set forth therein. Landlord anticipates that it will complete such construction and preparation not later than twenty four (24) months after the date of this Lease (the "Targeted Substantial Completion Date"). If the Landlord has not fulfilled its obligation to substantially construct the Centre Building and the Clearwater Building upon the expiration of the Targeted Substantial Completion Date and such additional time as may constitute permissible delay under Section 22.2 of the Lease, Tenant's sole remedy shall be to terminate this Lease, provided, however that Tenant may elect to waive this right in its sole and absolute discretion for any reason or cause of delay and provided, further, that, in the event Substantial Completion is delayed to the effect that Tenant is unable to commence classes in September 2016, Tenant's obligation to pay Rent, including Basic Annual Rent and Additional Rent, shall not commence until January 2017, if Substantial Completion has occurred by December 2016, or if Substantial Completion has not yet occurred, the first September or January following Substantial Completion, as applicable. Tenant may only exercise its right to terminate this Lease as set forth in the immediately preceding sentence after the Targeted Substantial Completion Date (as extended by events described in Section 22.2 of the Lease) and prior to the time that Landlord has notified Tenant that substantial completion of the construction of the Centre Building and the Clearwater Building will occur in less than one hundred eighty (180) days from the date of the notice. In no event shall Tenant be entitled to monetary damages or specific performance. Tenant hereby unconditionally and irrevocably waives any and all claims for actual, consequential, punitive or other damages, costs or expenses, which Tenant may incur as a result of Landlord's failure to substantially complete the Centre Building and the Clearwater Building on or before the Targeted Substantial Completion Date.

1.4 Changes to Project. Tenant acknowledges that other than the delivery of and its possession of the Leased Premises as set forth herein, that it has no interest in and no rights to any specific configuration, design, or construction of the Clearwater Building, the Centre Building, or the other condominiums previously created to facilitate development of the Project. Pursuant to the terms of the Condominium Documents, the developer and owner of any condominium within which the Leased Premises are Units has reserved to itself, its successors and assigns, the absolute right to develop the Project and other condominiums as it determines appropriate. Tenant shall not claim or be allowed any damages for injury, interference, eviction (constructive or actual) or inconvenience occasioned thereby and shall not be entitled to terminate this Lease or receive an abatement of any amounts payable under this Lease.

II. TERM

2.1 Length of Term. The term of this Lease shall be for a period of one (1) year plus the partial calendar month, if any, occurring after the Commencement Date (as hereinafter defined) if the Commencement Date occurs other than on the first day of a calendar month (the "Initial Term").

2.2 Extension Periods. Provided Tenant has not provided Landlord with a Termination Notice and Tenant is not in default under any term or covenant of this Lease beyond applicable notice and cure periods when it exercises its Extension Option (defined below) or when the Extension Period (as defined below) commences, the Initial Term shall automatically, and without additional action or notice by either party hereto, renew for successive one (1) year periods for up to a total of nineteen (19) years (each such period, an "Extension Period"). The Initial Term, as extended by an Extension Period, is referred to herein as the "Term." In the event Tenant wishes to terminate the Lease at the end of the Initial Term or any Extension Period, Tenant shall give Landlord notice that it wishes to terminate the Lease at least six (6) months prior to the expiration of the Initial Term, or each Extension Period, as applicable (each notice, a "Termination Notice"). Tenant shall endeavor to alert Landlord as soon as it determines that it will terminate the Lease so as to permit Landlord to begin the process of re-leasing the Leased Premises. In the event Tenant delivers a Termination Notice at any time before the expiration of the fifth (5^{th}) year of the Initial Term, Tenant shall pay to Landlord a termination fee equal to the sum of the Tenant Finish Allowance less the amount of $67,783.55 for each of the first five years of the Term (the "Termination Fee"). By way of example, in the event the Tenant Finish Allowance equals $2,677,450 and Tenant vacates after the first year of the Term, the Termination Fee shall be $2,609,666.45. However, should the Tenant exercise any of its purchase options, there shall be no Termination Fee incurred.

2.3 Commencement Date. The term of this Lease and Tenant's obligation to pay rent hereunder shall commence on the first to occur of the following dates (the "Commencement Date"):

(a) The date Tenant takes possession of the Leased Premises and conducts any business therein other than performance of the Tenant's Construction Obligations as outlined in Exhibit "C"; or

(b) The date which is one hundred twenty (120) days after Landlord notifies Tenant in writing that the Leased Premises are ready for Tenant's performance of Tenant's Construction Obligations as outlined in Exhibit "C".

2.4 Construction of Leased Premises. Tenant and Landlord acknowledge that Tenant may elect to perform and finance its own build out of the Leased Premises. Landlord shall give Tenant written notice six (6) months prior to completion of Landlord's Construction Obligations (as defined in Exhibit "C"). Ten (10) business days after receiving such notice, Tenant shall notify Landlord in writing whether it desires to finance Tenant's Construction Obligations (the "Tenant Build Out Notice"). In the event Tenant delivers the Tenant Build Out Notice, Landlord and Tenant shall enter into the amendment attached hereto as Annex A.

2.5 Amendment to Lease Recognizing the Commencement Date and Gross Rentable Area. At any time after the occurrence of the Commencement Date (if any), Landlord or Tenant may request that the other party enter into an amendment to this Lease in the form attached hereto as Exhibit "E", in which case each party shall execute and deliver an amendment to this Lease in the form Exhibit "E" within ten (10) business days after the request by the other party.

III. BASIC RENTAL PAYMENTS

3.1 Basic Annual Rent. Tenant agrees to pay to Landlord as basic annual rent (the "Basic Annual Rent") at such place as Landlord may designate, without prior demand therefore and without any deduction or set off whatsoever, in the amount of Eight Hundred Fifty-Six Thousand Seven Hundred Eighty Four Dollars ($856,784.00), which amount is equal to Sixteen Dollars ($16.00) per Rentable Square Foot. The Basic Annual Rent shall be due and payable in twelve (12) equal monthly installments to be paid in advance on or before the first day of each calendar month during the term of the Lease. In the event Tenant elects to pay Basic Annual Rent in one lump sum prior to the beginning of each lease year, Tenant shall receive a 3% discount in Basic Annual Rent. Commencing on the first anniversary of the Commencement Date and on each anniversary of the Commencement Date thereafter, Basic Annual Rent shall escalate at the beginning of the 2nd year and every year thereafter using a 3% annually compounded rate. Tenant shall pay the first month's Basic Annual Rent on or before the Commencement Date. In the event the Commencement Date occurs on a day other than the first day of a calendar month, then rent shall be paid on the Commencement Date for the initial fractional calendar month prorated on a per-diem basis (based upon a thirty (30) day month).

3.2 Additional Monetary Obligations. Tenant shall also pay as rent (in addition to the Basic Annual Rent) all other sums of money as shall become due and payable by Tenant to Landlord as Additional Rent under this Lease. Landlord shall have the same remedies in the case of a default in the payment of said other sums of money as are available in the case of a default in the payment of one or more installments of Basic Annual Rent.

IV. ADDITIONAL RENT

4.1 Definitions. It is the intent of both parties that all costs, expenses and obligations relating to the Centre Building or the Clearwater Building, the Common Areas, the Property and/or the Leased Premises which may arise or become due during the term shall be paid by Tenant in the manner hereafter provided. For purposes of this Lease, the terms set forth below shall mean the following:

(a) "Additional Rent" shall mean the sum of Tenant's Proportionate Share of Common Area Expenses, plus Tenant's Direct Costs, plus all other amounts due and payable by Tenant under this Lease.

(b) "Common Areas" is defined in Section 20.1.

(c) "Common Area Expenses" shall mean all actual costs and expenses incurred by Landlord in connection with the ownership, operation, management and maintenance of the Common Areas, the Centre Building or the Clearwater Building, Property, and related improvements located thereon (the "Improvements"). Common Area Expenses includes, but is not limited to, all expenses incurred by Landlord as a result of Landlord's compliance with any and all of its obligations under this Lease (or under similar leases with other tenants) other than the performance of its work under Section 2.3 of this Lease or similar provisions of leases with other tenants. In explanation of the foregoing, and not in limitation thereof, Common Area Expenses shall include:

(i) All expenses allocable to the Leased Premises under any of the Condominium Documents for its share, as one or more Units, or sub-Units, of taxes (if any), insurance, maintenance and operation of any common area so designated or defined thereunder, the allocated interest of such Units or sub-Units, of which the Leased Premises are a part, are anticipated to be as follows, but subject to adjustment upon recording of the final Condominium Documents: (Clearwater Building Condominiums: 23.56%; Centre Building Condominiums: 2.33%; Multimodal Center Condominiums: 15.73%: US Bank Plaza Condominiums: 6.92%).

(ii) All taxes, impact fees, local improvement rates, and other ad valorem assessments (whether general or special, known or unknown, foreseen or unforeseen) and any tax or assessment levied or charged in lieu thereof, whether assessed against Landlord and/or Tenant and whether collected from Landlord and/or Tenant, including, without limitation, any privilege or excise tax, Landlord acknowledges that Tenant is an agency of the State of Idaho that is currently exempt from the payment of property taxes on land, improvements, personal property pursuant to Idaho Code Section 63-602A, and certain other ad valorem assessments, including local improvement and business improvement district assessments. Tenant agrees to pay any expense arising under Subsection (i) above as a result of Tenant's proportionate use of and interest in the Common Areas. Tenant shall cooperate with Landlord to ensure that any tax upon the Leased Premises or the Common Areas appurtenant to the Leased Premises are not assessed any tax, provided, however, that if Tenant is unable to segregate its liability for any portion of the Leased Premises or the Common Area and effectuate its exemption, then it shall be liable for any cost associated therewith incurred by Landlord. Additionally, if in the future, the laws of the State of Idaho change and Tenant's tax exemption is modified, reduced, or eliminated, then Tenant shall be responsible for all taxes so levied. Notwithstanding the foregoing, in the event that Tenant makes any Transfer or Sublease as authorized and defined herein, and such Transfer or Sublease to a third party results in the modification, reduction, or elimination of Tenant's tax exemption, Tenant shall be solely responsible for all such property tax on the real property or personal property affected by such Transfer or Sublease. Additionally, Common Area Expenses shall include any assessment in connection with the Downtown Business Improvement District (City of Boise ordinances 5019 and 6212 and more particularly described in the disclosure on Exhibit "H" attached hereto), that are levied against the Leased Premises, to the extent Tenant is not exempt from payment of such assessments.

(iii) The cost of all insurance maintained by Landlord on or with respect to the Centre Building or the Clearwater Building, the Improvements, the Common Areas or the Property, including, without limitation, casualty insurance, liability insurance, rental interruption, workers compensation for any employee who works within the Project providing property management and engineering services (but solely in proportion to the time they actually spend working in the Centre Building or the Clearwater Building), any insurance required to be maintained by Landlord's lender, and any deductible applicable to any claims made by Landlord under such insurance, provided further that such deductible shall only be applicable to Tenant's Leased Premises and in proportion to Tenant's allocated interest in the Common Areas.

(iv) Snow removal, trash removal, cost of services of independent contractors, cost of compensation (including employment taxes and fringe benefits) of all persons who perform regular and recurring duties connected with day-to-day operation, maintenance, repair, and replacement of the Centre Building or the Clearwater Building, the Improvements, the Common Areas or the Property, its equipment and the adjacent walk and landscaped area (including, but not limited to janitorial, gardening, security, elevator, painting, plumbing, electrical, mechanical, carpentry, window washing, structural and roof repairs and reserves, signing and advertising), but excluding persons performing services not uniformly available to or performed for substantially all Clearwater Building tenants.

(v) Costs of all gas, water, sewer, electricity and other utilities used in the maintenance, operation or use of the Centre Building or the Clearwater Building, the Improvements, the Property and the Common Areas, cost of equipment or devices used to conserve or monitor energy consumption, supplies, licenses, permits and inspection fees.

(vi) Auditing, accounting and legal fees.

(vii) Payments required to be made in connection with the maintenance or operation of any easement or right of way or other instrument through which Landlord claims title in the Property or to which Landlord's title in the Property is subject.

(viii) Any amount assessed against the condominium unit within the Centre Building or the Clearwater Building where the Leased Premises are located pursuant to the Condominium Documents or otherwise assessed against Landlord pursuant to the Condominium Documents.

Common Area Expenses shall not include (1) leasing commissions; (2) repair costs to the extent paid by insurance proceeds or by any tenant or third party; (3) the initial construction cost of the Building and the Common Areas and any depreciation thereof; (4) debt service or costs related to the sale or financing of the Property or any portion thereof; (5) the cost of tenant improvements provided for any tenant within its leased premises or costs of services provided to any tenant which is not available to all tenants; (6) the cost of any alterations, legal fees, advertising or promotional expenses, or other costs incurred in preparing space for occupancy or developing the Building or Property; (7) amounts paid for professional services in connection with the leasing of space; (8) professional fees incurred in connection with the preparation of financial statements, tax returns and other documents and information for Landlord or its mortgagees or other costs associated with the operation of the business of the entity which constitutes Landlord, as the same are distinguished from the costs of operation of the Building, Property or Common Areas, such as but not limited to accounting and legal matters, costs of defending any lawsuits or arbitration with any mortgagee or any other building occupant, costs of selling, syndicating, financing, mortgaging, or hypothecating any of Landlord's interest in the Building or Property but not excluding such fees and costs in connection with preparing monthly or annual statements related to Additional Rent; (9) Landlord's income, estate, inheritance, transfer, gross receipts, or change-in-ownership taxes; (10) any expenses for adjacent buildings or parking facilities when such parking facilities are not available for Tenant's use or when such parking areas are used in conjunction with the payment of any fees; and (11) any taxes, impact fees, local improvement rates or other ad valorem assessments which Tenant is exempt from paying as described in subsection (ii) above.

(e) "Direct Costs" shall mean all actual costs and expenses incurred by Landlord in connection with the operation, management, maintenance, replacement, and repair of the Leased Premises, including but not limited to janitorial services, maintenance, repairs, supplies, utilities, heating, ventilation, and air conditioning. In the event any Direct Cost is a result of any service provided by Landlord to Tenant which is not generally provided to other tenant's within the Centre Building or the Clearwater Building, such Direct Cost shall be proportionately allocated to Tenant and any other tenants within the Centre Building or the Clearwater Building receiving such service, based on a pro rata portion determined by rentable square feet. Direct Costs will be charged to Tenant in an amount equal to the actual cost, subject only to the property management fee set forth above. In the event Tenant is not obtaining any utility service directly from a utility provider, Landlord may install, at Tenant's expense, sub-meters to measure Tenant's actual use of such utilities. If such sub-meters are installed, Tenant shall pay Landlord as a Direct Cost the actual kilowatt hourly rate billed to Landlord by the public utility companies for each respective period, including taxes. It is anticipated that Tenant will require use of the Leased Premises outside of "Standard Business Hours", defined herein as 7:00 a.m. to 6:00 p.m. Monday through Friday and 8:00 a.m. to 1:00 p.m. on Saturday. If it is not possible to sub-meter and segregate the cost associated with operating such heating, ventilation and air conditioning outside of Standard Business Hours, then the costs and expenses incurred in connection with such ventilation/air conditioning usage by Tenant during such after hours use shall be equitably apportioned among Tenant and all other tenants in the Centre Building or the Clearwater Building requiring such after hours ventilation/air conditioning use.

(f) "Estimated Costs" shall mean Landlord's estimate of Tenant's Direct Costs and Tenant's Proportionate Share of Common Area Expenses for a particular calendar year, excluding the costs of any utilities which are separately metered and paid directly by Tenant, and plus the Property Management Fee.

(g) "Property Management Fee" shall be equal to a percentage of the sum of Tenant's Basic Annual Rent and Estimated Costs, which percentage shall not exceed four percent (4%).

(h) "Tenant's Proportionate Share" shall mean the percentage derived from the fraction, the numerator of which is the gross rentable square footage of the Leased Premises, the denominator of which is the gross rentable square footage of the portions of the Building owned by Landlord; at any time or from time to time, less than eighty-five percent (85%) of the Centre Building or the Clearwater Building is occupied by tenants who are paying rent during a calendar year or fiscal year, the denominator, for purposes of calculating Tenant's Proportionate Share, shall be the square footage of the Centre Building or the Clearwater Building actually being leased by tenants who are in occupancy and paying rent. Initially, for the improvements owned by Landlord, the Tenant's Proportionate Share for the Leased Premises shall be 100% (Premises: 53,549 square feet of Gross Rentable Area/Landlord's Units 53,549 square feet of Rentable Area). It is anticipated that Tenant's Proportionate Share, based upon the interests in the Common Areas allocated to the Units comprising the Leased Premises, will be as follows, subject to adjustment upon recording of the final Condominium Documents: (Clearwater Building Condominiums: 23.56%; Centre Building Condominiums: 2.33%; Multimodal Center Condominiums: 15.73%: US Bank Plaza Condominiums: 6.92%)

4.2 Payment of Additional Rent. Additional Rent shall be paid as follows:

(a) Prior to the beginning of a calendar year, Landlord shall deliver to Tenant a statement showing the Estimated Costs for such calendar year. If Landlord fails to deliver such statement prior to January 1 of the applicable year, until the delivery of such statement, Tenant's Estimated Costs shall be deemed to be the same amount of the Estimated Costs for the prior year; provided, however, if Landlord subsequently furnishes to Tenant a statement of such Estimated Costs, to the extent such Estimated Costs are greater than or less than the Estimated Costs paid on a year to date basis, Tenant shall either receive a credit or make a payment, in the amount of such difference on the next date on which Tenant makes a rental payment hereunder.

(b) Concurrent with each monthly payment of Basic Annual Rent due pursuant to Section 3.1 above, Tenant shall pay to Landlord, without offset or deduction, one-twelfth (l/12th) of the Estimated Costs, plus all other amount due and owing by Tenant under this Lease which are not included as part of Estimated Costs (e.g., late payment charges).

4.3 Report of Common Area Expenses and Statement of Estimated Costs. Within one hundred twenty (120) days after each calendar year occurring during the term of this Lease, Landlord shall furnish Tenant with a written reconciliation statement comparing the actual amount of Tenant's Proportionate Share of Common Area Expenses and Tenant's Direct Costs payable during the previous calendar year against the amounts actually paid by Tenant during the previous calendar year pursuant to Section 4.2 above. If the annual reconciliation statement of costs indicates that the Estimated Costs paid by Tenant for any year exceeded the actual amounts of Tenant's Direct Costs and Tenant's

Proportionate Share of Common Area Expenses for the same year, Landlord, at its election, shall either (i) promptly pay the amount of such excess to Tenant, or (ii) apply such excess against the next installment of Basic Annual Rental or Additional Rent due hereunder. If the annual reconciliation statement of costs indicates that the Estimated Costs paid by Tenant for any year is less then Tenant's Direct Costs and Tenant's Proportionate Share paid by Tenant during such year, Tenant shall pay to Landlord any such deficiency within thirty (30) days of Tenant's receipt of such reconciliation statement.

4.4 Resolution of Disagreement. Every statement given by Landlord pursuant to Section 4.3 shall be conclusive and binding upon Tenant unless within sixty (60) days after the receipt of such statement Tenant shall notify Landlord that it disputes the correctness thereof, specifying the particular respects in which the statement is claimed to be incorrect. If such dispute shall not have been settled by agreement, the parties hereto shall initially seek mediation of the dispute. Pending the determination of such dispute by agreement or mediation as aforesaid, Tenant shall, within thirty (30) days after receipt of such statement, pay Additional Rent in accordance with Landlord's statement, and such payment shall be without prejudice to Tenant's position. If the dispute shall be determined in Tenant's favor, Landlord shall, within thirty (30) days of the resolution of such dispute, pay Tenant the amount of Tenant's overpayment of rents resulting from compliance with Landlord's statement. Landlord agrees to grant Tenant reasonable access to Landlord's books and records for the purpose of verifying operating expenses incurred by Landlord. Tenant has the right at Tenant's expense, to use an independent third-party auditing or accounting firm to audit such expenses and statements and Landlord will not unreasonably withhold access from Tenant's representatives to any such information required to provide a professional audit. Should the audit find that the Landlord overcharged Tenant by more than 10% of the Additional Rent paid, Landlord shall reimburse Tenant for Tenant's cost for the independent audit or Tenant's share of any mediation costs.

4.5 Limitations. Nothing contained in this Part IV shall be construed at any time so as to reduce the monthly installments of Basic Annual Rent payable hereunder below the amount set forth in Section 3.1 of this Lease

4.6 Allocations Pursuant to Master Declaration. The Parties acknowledge that the Leased Premises are comprised of multiple Units within the Clearwater Building Condominium and the Centre Building Condominium and sub-Units within the Multimodal Center Condominium and the US Bank Plaza Condominium. Pursuant to the Condominium Documents, Common Area Expenses will be incurred by the various condominium associations and allocated to the Units subject thereto. The Parties acknowledge that there are efficiencies in providing such services and incurring such Common Area Expenses in such manner, provided, however, that it is not intended that the Leased Premises will be allocated or incur duplicative expenses. The Parties acknowledge that upon occupancy of the Leased Premises, that Tenant shall execute as part of the amendment anticipated by Exhibit "E" a final calculation and confirmation of the percentage Unit interests allocable to the Leased Premises and described initially above in Section 4.1(b)(i). In the event of any recalculation of any allocated interest in a Unit under the Condominium Documents that affects the percentage Unit interests allocable to the Leased Premises, Tenant shall execute a subsequent amendment confirming the revised or amended percentage Unit interests allocable to the Leased Premises.

V. TENANT'S DUTIES AND RIGHTS UNDER CONDOMINIUM DOCUMENTS

5.1 Tenant's Duties Under Condominium Documents. Tenant acknowledges that the Leased Premises are subject to the Condominium Documents, pursuant to the terms of the Condominium Documents and to the relevant provisions of the Idaho Condominium Property Act, they may be amended from time to time, which may increase or decrease the unit allocations and the respective obligations thereunder. Tenant acknowledges that the Leased Premises and this Lease are subject to and subordinate to the Condominium Documents. Notwithstanding the foregoing, Landlord shall not consent to any amendment to the Condominium Documents, and Tenant shall not be subject to any amendment to the Condominium Documents that would materially limit Tenant's Permitted Use hereunder. Tenant shall have the right to approve the Condominium Documents as provided in Section 22.25(c) hereof.

5.2 Tenant's Rights Under Condominium Documents. So long as Tenant leases and occupies at least forty five thousand (45,000) square feet of rentable area, Landlord agrees that Tenant shall have the rights of a Designated Tenant under all of the Condominium Documents. This Lease constitutes written authorization by Landlord to Tenant to exercise the rights of a Designated Tenant under the Condominium Documents, including participation as a member of the Board of Directors of any of the Associations created by the Condominium Documents for the Units that include participation by Designated Tenants.

VI. USE

6.1 Use of Leased Premises. The Leased Premises shall be used and occupied by Tenant for general office, meeting space, classroom and educational purposes only, including business incubation. Tenant shall have the right to sublease the Leased Premises consistent with Article IX below. Should Tenant or any entity authorized to sublease the Leased Premises desire to utilize it for a purpose other than as set forth below, then such alternative use shall require the prior written consent of Landlord.

6.2 Prohibition of Certain Activities or Uses. Landlord agrees that during the term of the Lease, that no portion of City Center Plaza owned by Landlord or controlled by Landlord's managers or members will be utilized for any purpose inconsistent with the operation of a mixed use retail, transit, convention, and technology office complex. No part of City Center Plaza shall be used as: an adult book store, adult video store or other adult entertainment business, a direct competitor to Tenant, automotive maintenance or repair facility, warehouse, car wash, entertainment or recreational facility, or as a call center; for the renting, leasing or selling of or displaying for the purpose of renting, leasing or selling of any boat, motor vehicle or trailer; for industrial purposes, or for payday lending. For the purpose of this Lease, the phrase "entertainment or recreational facility" shall defined to include, without limitation, a theater, bowling alley, skating rink, gym, health spa or studio, dance hall, billiard or pool hall, massage parlor, game parlor or video arcade (which shall be defined as any store containing electronic games which are utilized for revenue); and the phrase "call center" shall be defined to include any office whose primary business is employing personnel to solicit or take orders by phone. Tenant acknowledges, however, that throughout the Project restaurants or bars will be permitted as part of the Project's retail element and will operate consistent with the requirements of local and state law. Additionally, Tenant shall not do or permit anything to be done in or about, or bring or keep anything in the Leased Premises or the Property which is prohibited by this Lease or will, in any way or to any extent:

(a) adversely affect any fire, liability, or other insurance policy carried with respect to the Centre Building and the Clearwater Building, the Improvements, the Common Areas, the Property, or any of the contents of the foregoing (except with Landlord's express written permission, which will not be unreasonably withheld, but which may be contingent upon Tenant's agreement to bear any additional costs, expenses or liability for risk that may be involved);

(b) obstruct, interfere with any right of, or injure or annoy any other tenant or occupant of the Centre Building and the Clearwater Building, the Common Areas, the Improvements, or the Property;

(c) conflict with or violate any law, statute, ordinance, rule, regulation or requirement of any governmental unit, agency, or authority (whether existing or enacted as promulgated in the future, known or unknown, foreseen or unforeseen);

(d) adversely overload the floors or otherwise damage the structural soundness of the Leased Premises or the Centre Building or the Clearwater Building, or any part thereof (except with Landlord's express written permission, which will not be unreasonably withheld, but which may be contingent upon Tenant's agreement to bear any additional costs, expenses, or liability for risk that may be involved); or

(e) take any action which causes a violation of any restrictive covenants or any other instrument of record applying to the Property.

6.3 <u>Affirmative Obligations with Respect to Use</u>.

(a) Tenant will (i) to the extent applicable, comply with all governmental laws, ordinances, regulations, and requirements, now in force or which hereafter may be in force, of any lawful governmental body or authorities having jurisdiction over the Leased Premises; (ii) will keep the Leased Premises and every part thereof in a clean, neat, and orderly condition, free of objectionable noise, odors, or nuisances; (iii) will in all respects and at all times fully comply with all health and policy regulations; and (iv) will not suffer, permit, or commit any waste.

(b) At all times during the term hereof, Tenant shall, at Tenant's sole cost and expense, comply with all statutes, ordinances, laws, orders, rules, regulations, and requirements of all applicable federal, state, county, municipal and other agencies or authorities, now in effect or which may hereafter become effective, which shall impose any duty upon Landlord or Tenant with respect to the use, occupation or alterations of the Leased Premises (including, without limitation, all applicable requirements of the Americans with Disabilities Act of 1990 and all other applicable laws relating to persons with disabilities, and all rules and regulations which may be promulgated thereunder from time to time and whether relating to barrier removal, providing auxiliary aids and services or otherwise) and upon request of Landlord shall deliver evidence thereof to Landlord.

6.4 Suitability. Tenant acknowledges that except as expressly set forth in this Lease, neither Landlord nor any other person has made any representation or warranty with respect to the Leased Premises or any other portion of the Centre Building and the Clearwater Building, the Common Areas, or the Improvements and that no representation has been made or relied on with respect to the suitability of the Leased Premises or any other portion of the Centre Building and the Clearwater Building, the Common Areas, or Improvements for the conduct of Tenant's business. The Leased Premises, the Centre Building and the Clearwater Building, and Improvements (and each and every part thereof) shall be deemed to be in satisfactory condition unless, within sixty (60) days after the Substantial Completion Date, Tenant shall give Landlord written notice specifying, in reasonable detail, the respects in which the Leased Premises, the Centre Building and the Clearwater Building, or Improvements are not in satisfactory condition.

6.5 Taxes and Assessments. Subject to the exemptions from taxation applicable to Tenant as described above in Section 4.1(c) above, Tenant shall pay all taxes, assessments, charges, and fees which during the term hereof may be lawfully imposed, assessed, or levied by any governmental or public authority against or upon Tenant's use of the Leased Premises or any personal property or fixture kept or installed therein by Tenant and on the value of leasehold improvements to the extent that the same exceeds the Centre Building and the Clearwater Building allowances.

VII. UTILITIES AND SERVICE

7.1 Obligation of Landlord. During the term of this Lease, Landlord agrees to cause to be furnished to the Leased Premises the following utilities and services, the cost and expense of which shall be included in Common Area Expenses and/or Direct Costs:

(a) Electricity, water, gas and sewer service.

(b) Telephone connection, but not including telephone stations and equipment (it being expressly understood and agreed that Tenant shall be responsible for the ordering and installation of telephone lines and equipment which pertain to the Leased Premises).

(c) Heat and air-conditioning to such extent and to such levels as, in Landlord's judgment, is reasonably required for the comfortable use and occupancy of the Leased Premises subject however to any limitations imposed by any government agency.

(d) Janitorial service.

(e) Security (including the lighting of common halls, stairways, entries and restrooms) to such extent as is usual and customary in similar buildings in Ada County, Idaho.

(f) Snow removal service.

(g) Landscaping and grounds keeping service.

(h) Elevator service.

7.2 Tenant's Obligations. Tenant shall arrange for and shall pay the entire cost and expense of all telephone stations, equipment and use charges, electric light bulbs (but not fluorescent bulbs used in fixtures originally installed in the Leased Premises) and all other materials and services not expressly required to be provided and paid for pursuant to the provisions of Section 7.1 above. Tenant shall be solely obligated for the cost of any service, including HVAC operation, required for the Leased Premises. Tenant shall not be responsible for any expense or cost directly attributed to any space which the Tenant does not occupy nor have a license for the use or access of including costs directly attributed to other building occupants, or any other facility or building which is owned by a separate entity or for which the use or access of is not provided for at no cost to the Tenant under the terms of this Lease

7.3 Additional Limitations.

(a) Tenant will not, without the written consent of Landlord, which shall not be unreasonably withheld, use any apparatus or device on the Leased Premises which will in any way or to any extent increase the amount of electricity or water usually furnished or supplied for use on the Leased Premises for the use designated in Section 6.1 above, nor connect with either electrical current (except through existing electrical outlets in the Leased Premises), water pipes, or any apparatus or device, for the purposes of using electric current or water. Notwithstanding the foregoing, Landlord acknowledges and permits that Tenant may use the Leased Premises for the purposes of computer science programs which may require additional electricity capacity or voltage in excess of 110v for the proper operation of a computer lab, server room, computer clusters or such technology devices that are now or will be in the future central to a proper technology based education or research. Tenant will cooperate with Landlord during construction of the facility and Tenant improvements to advise Landlord of utility capacity needs for the proper sizing of electrical panels and stubbed utilities to Tenant's Leased Premises.

(b) If Tenant shall require water or electric current in excess of that usually furnished or supplied for use of the Leased Premises, or for purposes other than those designated in Section 6.l above, Tenant shall first procure the consent of Landlord for the use thereof, which consent Landlord may refuse. Landlord may cause a water meter or electric current meter to be installed in the Leased Premises, so as to measure the amount of water and/or electric current consumed for any such use. Tenant shall pay for the cost of such meters and of installation maintenance and repair thereof. Tenant agrees to pay Landlord promptly upon demand for all such water and electric current consumed as shown by said meters at the rates charged for such service either by the city or county in which the Centre Building and the Clearwater Building is located or by the local public utility, as the case may be, together with any additional expense incurred in keeping account of the water and electric current so consumed. In the event any such sub-metering will occur within the Tenant's Leased Premises, such charges will be billed directly to Tenant at the exact cost of such service with no premiums, fees or charges added by Landlord. Provided, however, if such sub-metering does not occur entirely within the Tenant's Leased Premises, and Landlord is obligated to otherwise segregate, allocate, or manage any sub-metering for the benefit of Tenant's Leased Premises, then such will be subject to the property management fee provided for in Section 4.1.

(c) Landlord has been advised of the Tenant's expected use of the Leased Premises including the anticipated use of computer labs and a server room and it is expected and agreed the initial construction of the Leased Premises, as constructed in consultation with Landlord, will provide sufficient utility capacity and air conditioning capacity. If, in the future, additional heat generating machines and/or devices are used in the Leased Premises which affect the temperature otherwise maintained by the air conditioning system, Landlord reserves the right to request Tenant remove such devices or subsequently install additional or supplementary air conditioning units for the Leased Premises, and the entire cost of installing, operating, maintaining and repairing the same shall be paid by Tenant to Landlord promptly after demand by Landlord. Landlord shall not proceed with any such work without first providing Tenant with a written estimate of such costs and provide the Tenant with the opportunity to avoid such costs by removal of all or a portion of such devices.

7.4 Limitation on Landlord's Liability. Landlord shall not be liable for any failure to provide or furnish any of the foregoing utilities or services if such failure was reasonably beyond the control of Landlord and Tenant shall not be entitled to terminate this Lease or to effectuate any abatement or reduction of rent by reason of any such failure. In no event shall Landlord be liable for loss or injury to persons or property, however, arising or occurring in connection with or attributable to any failure to furnish such utilities or services even if within the control of Landlord. Landlord will cooperate with Tenant in pursuing such claims as Tenant may have under any insurance policy or against any third party in the event of such occurrence.

VIII. MAINTENANCE AND REPAIRS; ALTERATIONS; ACCESS

8.1 Maintenance and Repairs by Landlord. Landlord shall maintain in good order, condition, and repair the Centre Building and the Clearwater Building, the Common Areas, and the Improvements except the Leased Premises and those other portions of the Centre Building and the Clearwater Building leased, rented, or otherwise occupied by persons not affiliated with Landlord. Landlord shall supply normal janitorial and cleaning services reasonably required to keep the Leased Premises, the Centre Building and the Clearwater Building, and the Improvements in a clean, sanitary and orderly condition, the cost and expense of which shall be included in Direct and/or Common Area Expenses. Landlord shall have no duty to repair or replace any damage to the Centre Building and the Clearwater Building, the Common Areas, the Improvements, or the Leased Premises occasioned by the willful or negligent acts of Tenant or its agents, contractors, employees, servants invitees, subtenants, licensees, or concessionaries (the "Tenant Related Parties").

8.2 Maintenance and Repairs by Tenant. Tenant, at Tenant's sole cost and expense and without prior demand being made, shall maintain the Leased Premises in good order, condition and repair, and will be responsible for the painting, carpeting, or other interior design work of the Leased Premises beyond the initial construction phase as specified in Section 1.3 and Exhibit "C" of the Lease and shall maintain all equipment and fixtures installed by Tenant. Tenant will be responsible for the procurement or provision of all routine interior maintenance and the cost of such. Tenant shall in a good and workmanlike manner repair or replace any damage to the Centre Building and the Clearwater Building, the Common Areas, the Improvements, or the Leased Premises occasioned by the willful or negligent acts of Tenant or the Tenant Related Parties.

8.3 Alterations. Except as set forth on Exhibit "C" attached hereto, Tenant shall not without first obtaining Landlord's written approval: (a) make or cause to be made any alterations, additions, or improvements; (b) install or cause to be installed any fixtures, signs, floor coverings, interior or exterior lighting, plumbing fixtures, shades or awnings; or (c) make any other changes to the Leased Premises without first obtaining Landlord's written approval. The foregoing notwithstanding, if the proposed alteration, addition or improvement is, in Landlord's judgment, likely to affect the structure of the Centre Building and the Clearwater Building or the operation of the electrical, plumbing or HVAC systems (including the use of non-specified systems, components, or controls), or otherwise adversely impacts the value of the Centre Building and the Clearwater Building, such consent may be withheld at the sole and absolute discretion of the Landlord; except for the foregoing, Landlord's approval shall not be unreasonably withheld. Tenant shall present to Landlord plans and specifications for such work at the time approval is sought. In the event Landlord consents to the making of any alterations, additions, or improvements to the Leased Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense. All such work shall be done only by contractors or mechanics approved by Landlord, which approval shall not be unreasonably withheld. All such work with respect to any alterations, additions, and changes shall be done in a good and workmanlike manner and diligently prosecuted to completion such that, except as absolutely necessary during the course of such work, the Leased Premises shall at all times be a complete operating unit. Any such alterations, additions, or changes shall be performed and done strictly in accordance with all laws and ordinances relating thereto and applicable to Tenant. In performing the work or any such alterations, additions, or changes, Tenant shall have the same performed in such a manner as not to obstruct access to any portion of the Centre Building and the Clearwater Building. Any alterations, additions, or improvements to or of the Leased Premises, including, but not limited to, wallcovering, paneling, and built-in cabinet work, but excepting movable furniture and equipment, shall at once become a part of the realty and shall be surrendered with the Leased Premises unless Landlord otherwise elects at the end of the term hereof. Similarly, Landlord will not perform or approve others to perform any work or modification to the Centre Building or the Clearwater Building that would unreasonably obstruct or impair access to the Tenant's Leased Premises or prevent Tenant's use and enjoyment of the Leased Premises.

8.4 Landlord's Access to Leased Premises. Landlord shall have the right to place, maintain, and repair all utility equipment of any kind in, upon, and under the Leased Premises as may be necessary for the servicing of the Leased Premises and other portions of the Centre Building and the Clearwater Building. Upon providing adequate notice to Tenant, Landlord shall also have the right to enter the Leased Premises at all times to inspect or to exhibit the same to prospective purchasers, mortgagees, tenants, and lessees, and to make such repairs, additions, alterations, or improvements as Landlord may deem desirable, such work to proceed in a diligent, professional and workmanlike manner, so as to minimize the interruption of Tenant's operations. Landlord shall be allowed to take all material upon said Leased Premises that may be required therefor without the same constituting an actual or constructive eviction of Tenant in whole or in part, the rents reserved herein shall in no wise abate while said work is in progress by reason of loss or interruption of Tenant's business or otherwise, and Tenant shall have no claim for damages. During the three (3) months prior to expiration of this Lease or of any renewal term, Landlord may place upon the Leased Premises "For Lease" or "For Sale" signs which Tenant shall permit to remain thereon.

IX. ASSIGNMENT

9.1 Definitions. As used in this Lease:

(a) "Pledge" means to pledge, encumber, mortgage, assign (whether as collateral or absolutely) or otherwise grant a lien or security interest in this Lease or any portion of the Leased Premises as security for, or to otherwise assure, performance of any obligation of Tenant or any other person. Tenant may make such Pledge in conjunction with its acquisition of the Leased Premises pursuant to its purchase option set forth herein.

(b) "Sublease" means to lease or enter into any other form of agreement with any other person, whether written or oral, which allows that person or any other person to occupy or possess any part of the Leased Premises for any period of time or for any purpose.

(c) "Transfer" means to sell, assign, transfer, exchange or otherwise dispose of or alienate any interest of Tenant in this Lease, whether voluntary or involuntary or by operation of law including, without limitation: (i) any such Transfer by death, incompetency, foreclosure sale, deed in lieu of foreclosure, levy or attachment; (ii) if Tenant is not a human being, any direct or indirect Transfer of fifty percent (50%) or more of any one of the voting, capital or profits interests in Tenant; and (iii) if Tenant is not a human being, any Transfer of this Lease from Tenant by merger, consolidation, transfer of assets, or liquidation or any similar transaction under any law pertaining to corporations, partnerships, limited liability companies or other forms of organizations.

9.2 Transfers, Subleases and Pledges Prohibited. Except with the prior written consent of Landlord in each instance and subject to Section 9.3 hereof, Tenant shall not Transfer or Pledge this Lease, or Sublease or Pledge all or any part of the Leased Premises. Consent of the Landlord to any of the actions described in the previous sentence shall be deemed granted and delivered only if obtained strictly in accordance with and pursuant to the procedure set forth in Section 9.3 of this Lease and is memorialized in a writing signed by Landlord that refers on its face to Section 9.3 of this Lease. Any other purported Transfer, Sublease or Pledge shall be null and void, and shall constitute a default under this Lease which, at the option and election of Landlord exercisable in writing at its sole discretion, shall result in the immediate termination of this Lease; provided, it Landlord does not terminate this Lease, it may exercise any other remedies available to it under this Lease or at law or equity. Consent by Landlord to any Transfer, Sublease or Pledge shall not operate as a waiver of the necessity for consent to any subsequent Transfer, Sublease or Pledge, and the terms of Landlord's written consent shall be binding upon any person holding by, under, or through Tenant. Landlord's consent to a Transfer, Sublease or Pledge shall not relieve Tenant from any of its obligations under this Lease, all of which shall continue in full force and effect notwithstanding any assumption or agreement of the person to whom the Transfer, Sublease or Pledge pertains. Landlord's consent to a Transfer, Sublease, or Pledge where the Landlord has in writing accepted the credit quality of the entity to which the facility is being transferred or pledged shall relieve Tenant of any and all obligations under this lease when such complete transfer or pledge has been completed. Should Landlord agree to a partial Transfer, Sublease, or Pledge, Tenant shall remain under the full force and effect of all terms of this Agreement. Notwithstanding the foregoing, in making any such Transfer, Sublease, or Pledge, Tenant shall not be relieved of the obligation for the Termination Fee set forth herein, but such Termination Fee may be made by the approved transferee, sublesee or pledgee.

9.3 Consent of Landlord Required:

(a) Landlord acknowledges that the Tenant is a government entity involved in the activities of education, research and economic development. Such activities will frequently involve partnerships with other agencies and companies. Subject to the provisions of this Section, Tenant intends to sublease spaces within Tenant's Leased Premises to such entities the Tenant has deemed relevant to the Tenant's mission and use of Tenant's space. Tenant shall remain responsible for all terms and conditions of this Lease, including the full payment of Basic Annual Rent and Additional Rent for all such charges for the Tenant's entire Leased Premises. Any rents collected from sublease entities within Tenant's Leased Premises, will be made directly to Tenant. Tenant will be required to ensure sublease entities do not utilize or use the Leased Premises in any manner which would place Tenant in conflict with the terms and conditions of this Lease. If Tenant proposes to make any Transfer, Sublease or Pledge it shall immediately notify Landlord in writing of the details of the proposed Transfer, Sublease or Pledge, and shall also immediately furnish to Landlord sufficient written information and documentation required by Landlord to allow Landlord to assess the business to be conducted in the Leased Premises by the person to whom the Transfer, Sublease or Pledge is proposed to be made, the financial condition of such person and the nature of the transaction in which the Transfer, Sublease or Pledge is to occur. If Landlord determines that the information furnished do not provide sufficient information, Landlord may demand that Tenant provide such additional information as Landlord may require in order to evaluate the proposed Transfer, Sublease or Pledge.

(b) Landlord shall have the absolute right to reject any proposed Transfer, Sublease or Pledge under any of the following circumstances:

(i) If, as a result of the Transfer, Sublease or Pledge, Landlord or the Leased Premises would be subject to compliance with any law, ordinance, regulation or similar governmental requirement to which Landlord or the Leased Premises were not previously subject, or as to which Landlord or the Leased Premises has a variance, exemption or similar right not to comply including, without limitation, that certain act commonly known as the "Americans with Disabilities Act of l990", and any related rules or regulations, or similar state or local laws relating to persons with disabilities.

(ii) A Transfer, Sublease or Pledge to any other person which is the landlord or sublandlord under any leases or subleases for office space within a ten (10) mile radius of the Leased Premises.

(iii) A Transfer, Sublease or Pledge to any other person which is at that time has an enforceable lease for any other space in the Centre Building and the Clearwater Building or any prospective tenant with whom the Landlord has, in the prior twelve (12) months negotiated with to lease space in the Centre Building and the Clearwater Building.

(iv) A sublease of less than all of the Leased Premises where the configuration or location of the subleased premises might reasonably be determined by Landlord to have any adverse effect on the ability of Landlord to lease remainder of the Leased Premises if the Landlord were to terminate this Lease but agree to agree to be bound by the Sublease.

(v) The person to whom the Transfer, Sublease or Pledge is to be made will not agree in writing to be bound by the terms and conditions of this Lease; provided that the Lease shall not be enforceable against person to whom the Lease or Leased Premises is to be Pledged until after the foreclosure or other realization upon its lien or security interest.

(c) Except as set forth in Section 9.3(b), Landlord's consent shall not be unreasonably withheld, provided that: (i) Tenant promptly provides to Landlord all information requested by Landlord pursuant to Section 9.3(a) and Landlord determines that such information is sufficient to allow Landlord to accurately evaluate the financial condition of the person to whom the Transfer, Sublease or Pledge is to be made; and (ii) Tenant and the person to whom the Transfer, Sublease or Pledge is to be made agree in writing to all of the rights of Landlord set forth in Section 9.4.

(d) Notwithstanding the foregoing, Tenant shall have the right to Sublease any portion of the Leased Premises to an affiliate of Tenant without Landlord's consent, but upon written notice to Landlord that such Sublease has occurred and provision of a copy of the instruments facilitating the Sublease.

(e) Moreover, Tenant shall be permitted to Sublease any portion of the Leased Premises to a third party, and Landlord shall not unreasonably withhold, condition, or delay its consent of same, provided that:

(i) demising the portion of the Leased Premises to be subleased shall be at the sole cost of Tenant consistent with the Tenant's obligations hereunder for undertaking any Alterations hereunder;

(ii) the nature, character, and reputation of the proposed subtenant and its business, activities, and intended use of the Leased Premises are suitable to and consistent with the standards of the Building and the floor or floors on which the Leased Premises are located, and in compliance with the Lease and all applicable laws, ordinances, regulations and requirements;

(iii) the proposed subtenant is not currently an occupant of any part of the Project;

(iv) the proposed subtenant is not a governmental entity, unless the proposed use by such governmental entity is consistent with the purposes of this Lease and use of the Leased Premises for educational, research, or business incubation purposes in partnership with Tenant;

(v) the proposed subtenant will not increase the operational load of the Leased Premises by increasing the number of occupants on a floor exceeding the design capacity of the systems and facilities serving the Leased Premises;

(vi) the proposed subtenant is not a pre-school, elementary school, secondary school, or trade school, whether public or private;

(vii) the proposed subtenant does not intend to make the subleased portion of the Leased Premises available for meetings or events except those directly related to its operations; and

(viii) the proposed subtenant is not a competitor to any other tenant, Owner or Occupant in the Project and the proposed sublease will not violate any enforceable exclusive use or similar clause in another lease or Condominium Document, without the prior written consent of the such tenant, Owner or occupant.

9.4 Landlord's Right in Event of Assignment or Sublease.

(a) If Landlord consents in writing to any Transfer or any Sublease, Landlord may collect rent and other charges and amounts due under this Lease from the person to whom the Transfer was made or under the sublease from any person who entered into the Sublease, and Landlord shall apply all such amounts collected to the rent and other charges to be paid by Tenant under this Lease. If Landlord consents in writing to any Pledge of this Lease or any portion of the Leased Premises, and the person to whom the Pledge was made forecloses or otherwise realizes upon any interest in this Lease or in any portion of the Leased Premises, Landlord may collect rent and other charges and amounts due under this Lease from such person, and Landlord shall apply the amount collected to the rent and other charges and amounts to be paid by Tenant under this Lease. Such collection, however, shall not constitute consent or waiver of the necessity of written consent to such Transfer, Sublease or Pledge, nor shall such collection constitute the recognition of such person or any other person as the "Tenant" under this Lease or constitute or result in a release of Tenant from the further performance of all of the covenants and obligations pursuant to this Lease, including the obligation to pay rent and other charges and other amounts due under this Lease.

(b) In the event that any rent or additional consideration payable after a Transfer exceed the rents and additional consideration payable under this Lease, Landlord and Tenant shall share equally in the amount of any excess payments or consideration. In the event that the rent and additional consideration payable under a Sublease exceed the rents and other consideration payable under this Lease (prorated to the space being subleased pursuant to the Sublease), Landlord and Tenant shall share equally in the amount of any excess payments or consideration.

(c) In the event that Tenant shall request that Landlord consent to a Transfer, Sublease or Pledge, Tenant and/or the person to whom the Transfer, Sublease or Pledge was made shall pay to Landlord reasonable legal fees and costs, not to exceed $5,000.00, incurred in connection with processing of documents necessary to effect the Transfer, Sublease or Pledge. In addition to the foregoing, Landlord's broker or agent shall be entitled to one-third (1/3) of any real estate commission or fee paid to any broker or agent in connection with the Transfer, Sublease or Pledge by Tenant and/or the person to whom any Transfer, Sublease or Pledge is being made.

X. INDEMNITY AND HAZARDOUS MATERIALS

10.1 Tenant's Indemnity. Subject to the provisions of Section 11.4 below as well as the limits of liability specified in Idaho Code § § 6-901 through 6-929, known as the Idaho Tort Claims Act, Tenant shall indemnify and hold Landlord, harmless from and/or against any claims, damages, and liabilities (including reasonable attorney's fees ordered by a court of competent jurisdiction) that may be suffered or incurred and that arise as a direct result of and which are caused by negligent actions by the Tenant's possession, operations or performance under this Lease or by the actions of Tenant's Related Parties. Nothing contained herein shall be deemed a waiver of Tenant's sovereign immunity, which is hereby expressly retained.

10.2. Landlord's Indemnity. Subject to the Provisions of Section 11.4 below and to the fullest extent permitted by law, Landlord shall protect, defend, indemnify and hold harmless Tenant and its affiliates against and from any and all claims, demands, actions, losses, damages, orders, judgments, and any and all costs and expenses (including, without limitation, reasonable attorneys' fees and costs of litigation), resulting from or incurred by Tenant or any affiliate of Tenant on account of Landlord's failure to perform this Lease, provided, however, that such indemnification is limited however, solely to Tenant's contractual damages, and excluding all extra contractual remedies and consequential damages.

10.3 Notice. Tenant shall give prompt notice to Landlord in case of fire or accidents in the Leased Premises or in the Centre Building and the Clearwater Building of which the Leased Premises are a part or of defects therein or in any fixtures or equipment.

10.4 Environmental Indemnification. In addition to other indemnities provided under this Lease but subject to the limitations in Section 10.1, Tenant shall indemnify, defend (with counsel reasonably acceptable to Landlord) and hold harmless Landlord from and against any and all demands, losses, costs, expenses, damages, bodily injury, wrongful death, property damage, claims, cross-claims, charges, action, lawsuits, liabilities, obligations, penalties, investigation costs, removal costs, response costs, remediation costs, natural resources damages, governmental administrative actions, and reasonable attorneys' and consultants' fees and expenses arising out of, directly or indirectly, in whole or in part, or relating to (i) the release of Hazardous Materials (as defined in Section 10.5 below) by Tenant or the Tenant Related Parties, (ii) the violation of any Hazardous Materials laws by Tenant or the Tenant Related Parties, or (iii) the use, storage, generation or disposal of Hazardous Materials in, on, about, or from the Property by Tenant or the Tenant Related Parties (the items listed in clauses (i) through and including (iii) being referred to herein individually as a "Tenant Release" and collectively as the "Tenant Releases").

10.5 Definition of Hazardous Materials. The term "Hazardous Materials" shall mean any substance:

(a) which is flammable, explosive, radioactive, toxic, corrosive, infectious, carcinogenic, mutagenic, or otherwise hazardous and which is or becomes regulated by any governmental authority, agency, department, commission, board or instrumentality of the United States, the state in which the Leased Premises are located or any political subdivision thereof;

(b) which contains asbestos, organic compounds known as polychlorinated biphenyls; chemicals known to cause cancer or reproductive toxicity or petroleum, including crude oil or any fraction thereof; or which is or becomes defined as a pollutant, contaminant, hazardous waste, hazardous substance, hazardous material or toxic substance under the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§ 6901-6992k; the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§ 9601-9657; the Hazardous Materials Transportation Authorization Act of 1994, 49 U.S.C. §§ 5101-5127; the Clean Water Act, 33 U.S.C. §§ 1251-1387; the Clear Air Act, 42 U.S.C. §§ 7401-7671q; the Toxic Substances Control Act, 15 U.S.C. §§ 2601-2692; the Safe Drinking Water Act, 42 U.S.C. §§ 300f to 300j-26; the Emergency Planning and Community Right-To-Know Act of 1986, 42 U.S.C. §§ 11001-11050; and title 19, chapter 6 of the Utah Code, as any of the same have been or from time to time may be amended; and any similar federal, state and local laws, statutes, ordinances, codes, rules, regulations, orders or decrees relating to environmental conditions, industrial hygiene or Hazardous Materials on the Property, including all interpretations, policies, guidelines and/or directives of the various governmental authorities responsible for administering any of the foregoing, now in effect or hereafter adopted, published and/or promulgated;

(c) the presence of which on the Property requires investigation or remediation under any federal, state, or local statute, regulation, ordinance, order, action, policy, or common law; or

(d) the presence of which on the Property causes or threatens to cause a nuisance on the Property or to adjacent properties or poses or threatens to pose a hazard to the health and safety of persons on or about the Property.

10.6 Use of Hazardous Materials. Tenant shall not, and shall not permit any Tenant Related Parties to use, store, generate, release, or dispose of Hazardous Materials in, on, about, or from the Property. Landlord shall not, and shall not permit any Landlord Related Parties to use, store, generate, release, or dispose of Hazardous Materials in, on, about, or from the Property.

10.7 Release of Hazardous Materials. If Tenant discovers that any spill, leak, or release of any quantity of any Hazardous Materials has occurred on, in or under the Property, Tenant shall promptly notify all appropriate governmental agencies and Landlord. In the event such release is a Tenant Release, Tenant shall (or shall cause others to) promptly and fully investigate, cleanup, remediate and remove all such Hazardous Materials as may remain and so much of any portion of the environment as shall have become contaminated, all in accordance with applicable government requirements, and shall replace any removed portion of the environment (such as soil) with uncontaminated material of the same character as existed prior to contamination. In the event such release is a Landlord Release, Landlord shall (or shall cause others to) promptly and fully investigate, cleanup, remediate and remove all such Hazardous Materials as may remain and so much of any portion of the environment as shall have become contaminated, all in accordance with applicable government requirements, and shall replace any removed portion of the environment (such as soil) with uncontaminated material of the same character as existed prior to contamination. Within twenty (20) days after any such spill, leak, or release, the party responsible for the remediation of such release shall give the other party a detailed written description of the event and of such responsible parties investigation and remediation efforts to date. Within twenty (20) days after receipt, such responsible party shall provide the other party with a copy of any report or analytical results relating to any such spill, leak, or release. In the event of a release of Hazardous Material in, on, or under the Property by the Tenant Related Parties, Tenant shall not be entitled to an abatement of Rent during any period of abatement.

10.8 Release of Landlord. Landlord shall not be responsible or liable at any time for any loss or damage to Tenant's personal property or to Tenant's business, including any loss or damage to either the person or property of Tenant or Tenant Related Parties that may be occasioned by or through the acts or omissions of persons occupying adjacent, connecting, or adjoining space. Tenant shall store its property in and shall use and enjoy the Leased Premises and all other portions of the Centre Building and the Clearwater Building and Improvements at its own risk, and hereby releases Landlord, to the fullest extent permitted by law, from all claims of every kind resulting in loss of life, personal or bodily injury, or property damage, except to the extent that same are caused by or result from Landlord's or its affiliates, agents or employees' gross negligence or intentional acts.

XI. INSURANCE

11.1 Insurance on Tenant's Personal Property and Fixtures. At all times during the term of this Lease, Tenant shall keep in force at its sole cost and expense with insurance companies acceptable to Landlord, hazard insurance on an **["all-risk type"]** or equivalent policy form, and shall include fire, theft, extended coverages, vandalism, and malicious mischief. Coverage shall be equal to 100% of the Replacement Cost value of Tenant's contents, fixtures, furnishings, equipment, and all improvements or additions made by Tenant to the Leased Premises. The policy shall provide that such policy not be cancelled or materially changed without first giving Landlord thirty (30) days written notice.

11.2 Property Coverage. Landlord shall obtain and maintain in force an "all-risk type" or equivalent policy form, and shall include fire, theft, extended coverages, vandalism, and malicious mischief on the Centre Building and the Clearwater Building during the term of the Lease and any extension thereof. Landlord may obtain, at Landlord's discretion, coverage for flood and earthquake if commercially available at reasonable rates. Such insurance shall also include coverage against loss of rental income.

11.3 Liability Insurance. Tenant is a "governmental entity," as defined under the Idaho Tort Claims Act, specifically, Idaho Code section 6-902, as well as a "public employer," as defined under the Idaho Worker's Compensation law, specifically, Idaho Code section 72-205. As such, Tenant shall maintain, at all times applicable hereto, comprehensive liability coverage in such amounts as are proscribed by Idaho Code section 6-924 (not less than $500,000), as well as worker's compensation coverage for its employees, as required under Idaho Code Section 72-301. Tenant's liability coverage shall cover the actions of Tenant and its employees, agents, students, and faculty while acting in the course and scope of employment or as students of Tenant in performing actions related to their Academic Practicums. Tenant's liability coverage obligations shall be administered by the Administrator of the Division of Insurance Management in the Department of Administration for the State of Idaho, and may be covered, in whole or in part, by the State of Idaho's Retained Risk Account, as provided under Idaho Code Section 6-919. Tenant shall cover its liability for worker's compensation through the State of Idaho's State Insurance Fund, as provided under Idaho Code section 72-301. Upon request, Tenant shall provide proof of such coverage.

11.4 Waiver of Subrogation. Landlord and Tenant hereby waive all rights to recover against each other, against any other tenant or occupant of the Centre Building and the Clearwater Building, and against each other's officers, directors, shareholders, partners, joint venturers, employees, agents, customers, invitees or business visitors or of any other tenant or occupant of the Centre Building and the Clearwater Building, for any loss or damage arising from any cause covered by any insurance carried by the waiving party, to the extent that such loss or damage is actually covered.

11.5 Lender. Any mortgage lender interest in any part of the Centre Building and the Clearwater Building or Improvements may, at Landlord's option, be afforded coverage under any policy required to be secured by Tenant hereunder, by use of a mortgagee's endorsement to the policy concerned.

XII. DESTRUCTION

If the Leased Premises shall be damaged (in whole or in part) by any fire or casualty which is insured against under any insurance policy maintained by Landlord, Landlord shall, to the extent of and upon receipt of, the insurance proceeds, repair the portion of the Landlord's Construction Obligations damaged by such casualty. Until such repair is complete, the Basic Annual Rent and Additional Rent shall be abated proportionately as to that portion of the Leased Premises rendered untenantable, provided, however, that there shall be no such abatement of Basic Annual Rent or Additional Rent if the damage is caused by negligence of the Tenant or Tenant Related Parties. Notwithstanding the foregoing, Landlord may either elect to repair the damage or may cancel this Lease by notice of cancellation within ninety (90) days after such event and thereupon this Lease shall expire, and Tenant shall vacate and surrender the Leased Premises to Landlord if any of the following occur: (a) the Leased Premises by reason of such occurrence are rendered wholly untenantable, (b) the Leased Premises should be damaged as a result of a risk which is not covered by insurance, (c) the Leased Premises should be damaged in whole or in part during the last six (6) months of the term or of any renewal hereof, (d) the Leased Premises or the Centre Building and the Clearwater Building (whether the Leased Premises are damaged or not) should be damaged to the extent of fifty percent (50%) or more of the then-monetary value thereof, or (e) the proceeds of such insurance are not sufficient to repair the Leased Premises to the extent required above (including any deficiency as a result of a mortgage lender's election to apply such proceeds to the payment of the mortgage loan). Tenant's liability for rent upon the termination of this Lease shall cease as of the day following Landlord's giving notice of cancellation. In the event Landlord elects to repair any damage, any abatement of rent shall end five (5) days after notice by Landlord to Tenant that the Leased Premises have been repaired as required herein. Unless this Lease is terminated by Landlord, Tenant shall repair and refixture the interior of the Leased Premises in a manner and in at least a condition equal to that existing prior to the destruction or casualty and the proceeds of all insurance carried by Tenant on its property and fixtures shall be held in trust by Tenant for the purpose of said repair and replacement.

XIII. CONDEMNATION

13.1 Total Condemnation. If title to or use of the whole of the Leased Premises shall be acquired or taken by Condemnation Proceeding, then this Lease shall cease and terminate as of the date of title or use vesting in such Condemnation Proceeding.

13.2 Partial Condemnation. If any part of the title to or temporary use of the Leased Premises shall be taken as aforesaid (a "Partial Taking"), and such Partial Taking shall render the remaining portion unsuitable for the Tenant's business, then this Lease shall cease and terminate as aforesaid. If the Leased Premises remain suitable for the Tenant's business following such Partial Taking, then this Lease shall continue in effect except that the Basic Annual Rent and Additional Rent shall be reduced in the same proportion that the portion of the Leased Premises (including basement, if any) taken bears to the total area initially demised or relative to the time period during which Tenant's use is denied. Landlord shall, upon receipt of an Amount received by Landlord, make all necessary repairs or alterations to the Centre Building and the Clearwater Building in which the Leased Premises are located, provided that Landlord shall not be required to expend for such work an amount in excess of the amount received by Landlord as damages for the part of the Leased Premises so taken. "Amount received by Landlord" shall mean that part of an award received from the Condemnation Proceeding or otherwise resulting from the Partial Taking, less any costs or expenses incurred by Landlord in the collection of the award, which is free and clear to Landlord of any collection by mortgage lenders for the value of the diminished fee.

13.3 Landlord's Option to Terminate. If more than twenty percent (20%) of the Centre Building and the Clearwater Building shall be taken as aforesaid, Landlord may, by thirty days' prior written notice to Tenant, terminate this Lease, provided, however, that Tenant shall be entitled to exercise its option to purchase prior to termination. If this Lease is terminated as provided in this Section, rent shall be paid up to the day that possession is so taken by public authority and Landlord shall make an equitable refund of any rent paid by Tenant in advance.

13.4 Award. Tenant shall not be entitled to and expressly waives all claim to any condemnation award for any taking, whether whole or partial and whether for diminution in value of the leasehold or to the fee. Tenant shall have the right to claim from the condemning party, but not from Landlord, such compensation as may be recoverable by Tenant in its own right for damages to Tenant's business and fixtures to the extent that the same shall not reduce Landlord's award.

13.5 Definition of Condemnation Proceeding. As used in this Lease the term "Condemnation Proceeding" means any action or proceeding in which any interest in the Leased Premises is taken for any public or quasi-public purpose by any lawful authority through exercise of eminent domain or right of condemnation or by purchase or otherwise in lieu thereof.

13.6 Tenant's Condemnation Power.. Landlord acknowledges that Tenant is an agency of the State of Idaho with condemnation (eminent domain) authority. Notwithstanding the foregoing, Tenant acknowledges that if it exercises the power of eminent domain (i) the constitutionally mandated just compensation to Landlord shall not be less than the purchase price agreed to herein; (ii) Landlord shall not be deprived of or limited in asserting or demanding any right, claim, or remedy available to it under the United States Constitution, the Idaho Constitution, or Idaho Code; or (iii) Tenant shall not be relieved from the full performance of its obligations under this Lease accruing prior to the date of possession.

XIV. LANDLORD'S RIGHTS TO CURE

14.1 General Right. In the event of Landlord's breach, default, or noncompliance hereunder, Tenant shall, before exercising any right or remedy available to it, give Landlord written notice of the claimed breach, default, or noncompliance. If prior to its giving such notice Tenant has been notified in writing (by way of Notice of Assignment of Rents and Leases, or otherwise) of the address of a lender which has furnished any of the financing referred to in Part XV hereof, concurrently with giving the aforesaid notice to Landlord, Tenant shall, by certified mail, return receipt requested, transmit a copy thereof to such lender. For the thirty (30) days following the giving of the notice(s) required by the foregoing portion of this Section (or such longer period of time as may be reasonably required to cure a matter which, due to its nature, cannot reasonably be rectified within thirty (30) days), Landlord shall have the right to cure the breach, default, or noncompliance involved. If Landlord has failed to cure a default within said period, any such lender shall have an additional thirty (30) days within which to cure the same or, if such default cannot be cured within that period, such additional time as may be necessary if within such thirty (30) day period said lender has commenced and is diligently pursuing the actions or remedies necessary to cure the breach default, or noncompliance involved (including, but not limited to, commencement and prosecution of proceedings to foreclose or otherwise exercise its rights under its mortgage or other security instrument, if necessary to effect such cure), in which event this Lease shall not be terminated by Tenant so long as such actions or remedies are being diligently pursued by said lender.

14.2 Mechanic's Liens. Should any mechanic's or other lien be filed against the Leased Premises or any part thereof by reason of Tenant's acts or omissions or because of a claim against Tenant, Tenant shall cause the same to be canceled and discharged of record by bond or otherwise within ten (10) days after notice by Landlord. If Tenant fails to comply with its obligations in the immediately preceding sentence within such ten (10) day period, Landlord may perform such obligations at Tenant's expenses, in which case all of Landlord's costs and expenses in discharging shall be immediately due and payable by Tenant and shall bear interest at the rate set forth in Section 16.3 hereof. Tenant shall cause any person or entity directly or indirectly supplying work or materials to Tenant to acknowledge and agree, and Landlord hereby notifies any such contractor, that: (a) no agency relationship, whether express or implied, exists between Landlord and any contractor retained by the Tenant; (b) all construction contracted for by Tenant is being done for the exclusive benefit of the Tenant; and (c) Landlord neither has required nor obligated Tenant to make the improvements done by the contractor.

XV. FINANCING; SUBORDINATION

15.1 Subordination. This Lease is and shall continue to be subordinate to any mortgage, deed of trust, or other security interest now existing or hereafter placed on the Landlord's interest in the Property by a mortgage lender (as amended, restated, supplemented, or otherwise modified from time to time, including any refinancing thereof, a "Mortgage"); provided, however, such subordination is subject to the condition that so long as Tenant continues to perform all of its obligations under this Lease its tenancy shall remain in full force and effect notwithstanding Landlord's default in connection with the Mortgage concerned or any resulting foreclosure or sale or transfer in lieu of such proceedings. If requested by a holder of the Mortgage, Tenant agrees at any time and from time to time to execute and deliver an instrument confirming the foregoing subordination. If elected by the holder of a Mortgage, this Lease shall be superior to such Mortgage, in which case Tenant shall execute and deliver an instrument confirming the same. Tenant shall not subordinate its interests hereunder or in the Leased Premises to any lien or encumbrance other than the Mortgages described in and specified pursuant to this Section 15.1 without the prior written consent of Landlord and of the lender interested under each Mortgage then affecting the Leased Premises. Any such unauthorized subordination by Tenant shall be void and of no force or effect whatsoever. Tenant may exercise it's right to purchase the Leased Premises for One Dollar ($1) at the conclusion of twenty annual lease payments from Tenant. Landlord has the duty and responsibility to provide for the Tenant's acquisition of the Leased Premises at the end of the 20th year for $1 and transfer title of the facility to Tenant free and clear of any debt or other encumbrances other than the duty for the Tenant to operate under the documents creating the condominium units within which the Leased Premises are constructed as well as those recorded instruments necessary for the development and operation of the Leased Premises. Furthermore, Landlord shall structure its financing of the Leased Premises so that excluding any applicable loan prepayment penalty, Landlord can convey the Leased Premises to Tenant at any purchase option period subject to only those elements set forth above.

15.2 Amendment. Tenant recognizes that Landlord's ability from time to time to obtain construction, acquisition, standing, and/or permanent mortgage loan financing for the Centre Building and the Clearwater Building and/or the Leased Premises may in part be dependent upon the acceptability of the terms of this Lease to the lender concerned. Accordingly, Tenant agrees that from time to time it shall, if so requested by Landlord and if doing so will not substantially and adversely affect Tenant's economic interests hereunder, join with Landlord in amending this Lease so as to meet the needs or requirements of any lender which is considering making or which has made a loan secured by a Mortgage affecting the Leased Premises.

15.3 Attornment. Any sale, assignment, or transfer of Landlord's interest under this Lease or in the Leased Premises including any such disposition resulting from Landlord's default under a Mortgage, shall be subject to this Lease. Tenant shall attorn to Landlord's successor and assigns and shall recognize such successor or assigns as Landlord under this Lease, regardless of any rule of law to the contrary or absence of privity of contract.

XVI. EVENTS OF DEFAULT; REMEDIES OF LANDLORD

16.1 Default by Tenant. Upon the occurrence of any of the following events, Landlord shall have the remedies set forth in Section 16.2:

(a) Tenant fails to pay any installment of Basic Annual Rent or Additional Rent or any other sum due hereunder within ten (10) days after such Rent is due. Landlord acknowledges that Tenant's processes may necessitate up to forty-five (45) days to process invoices, however, payment of Basic Annual Rent shall not require any prior invoice for Tenant's payment obligation to commence except as may otherwise be set forth in Section 2.2 above.

(b) Tenant fails to perform any other term, condition, or covenant to be performed by it pursuant to this Lease within twenty (20) days after written notice that such performance is due shall have been given to Tenant by Landlord or; provided, if cure of any nonmonetary default would reasonably require more than twenty (20) days to complete, if Tenant fails to commence performance within the twenty (20) days period or, after timely commencing, fails diligently to pursue such cure to completion but in no event to exceed sixty (60) days.

(c) Tenant or any guarantor of this Lease shall become bankrupt or insolvent or file any debtor proceedings or have taken against such party in any court pursuant to state or federal statute, a petition in bankruptcy or insolvency, reorganization, or appointment of a receiver or trustee; or Tenant petitions for or enters into a voluntary arrangement under applicable bankruptcy law; or suffers this Lease to be taken under a writ of execution.

16.2 Remedies. Notwithstanding any other applicable provision herein, in the event of any default by Boise State University, as Tenant hereunder, Landlord may, after having notified the Idaho State Board of Education of such default and having provided the Idaho State Board of Education fourteen (14) days to cure the default, at any time, without waiving or limiting any other right or remedy available to it, terminate Tenant's rights under this Lease by written notice, reenter and take possession of the Leased Premises by any lawful means (with or without terminating this Lease), or pursue any other remedy allowed by law. Tenant agrees to pay to Landlord the cost of recovering possession of the Leased Premises, all costs of reletting, and all other costs and damages arising out of Tenant's default, including attorneys' fees. Notwithstanding any reentry, the liability of Tenant for the rent reserved herein shall not be extinguished for the balance of the Term, and Tenant agrees to compensate Landlord upon demand for any deficiency arising from reletting the Leased Premises at a lesser rent than applies under this Lease.

16.3 Past Due Sums. If Tenant fails to pay, when the same is due and payable, any Basic Annual Rent, Additional Rent, or other sum required to be paid by it hereunder, such unpaid amounts shall bear interest from the due date thereof to the date of payment at a fluctuating rate equal to two percent (2%) per annum above the Prime Rate. For purposes of this Lease, "**Prime Rate**" means the prime rate or base rate reported in the Money Rates column or section of The Wall Street Journal as being the prime rate or base rate on corporate loans at large U.S. money center commercial banks (whether or not such rate has actually been charged by any such bank). If The Wall Street Journal ceases publication of the prime rate or the base rate, "**Prime Rate**" shall mean the rate of interest from time to time announced by the national bank in the United States doing business in Idaho having the largest asset value as its prime rate or base rate. In addition thereto, Tenant shall pay a sum of five percent (5%) of such unpaid amounts of Basic Annual Rent, Additional Rent, or other sum to be paid by it hereunder as a service fee. Notwithstanding the foregoing, however, Landlord's right concerning such interest and service fee shall be limited by the maximum amount which may properly be charged by Landlord for such purposes under applicable law.

XVII. PROVISIONS APPLICABLE AT TERMINATION OF LEASE

17.1 Surrender of Leased Premises. At the expiration of this Lease, except for changes made by Tenant that were approved by Landlord, Tenant shall surrender the Leased Premises in the same condition, less reasonable wear and tear, as they were in upon delivery of possession thereto under this Lease and shall deliver all keys to Landlord. Before surrendering the Leased Premises, Tenant shall remove all of its personal property and trade fixtures and such property or the removal thereof shall in no way damage the Leased Premises, and Tenant shall be responsible for all costs, expenses and damages incurred in the removal thereof. If Tenant fails to remove its personal property and fixtures upon the expiration of this Lease, the same shall be deemed abandoned and shall become the property of Landlord.

17.2 Holding Over. Landlord reserves any and all rights to initiate an unlawful detainer action in the event that Tenant has failed to exercise its right to renew or purchase and holds over after the expiration of the Term hereof or any Expansion Period after the failure to renew such.

XVIII. ATTORNEYS' FEES

In the event that at any time during the term of this Lease either Landlord or Tenant institutes any action or proceeding against the other relating to the provisions of this Lease or any default hereunder, then the unsuccessful party in such action or proceeding agrees to reimburse the successful party for the reasonable expenses of such action including reasonable attorneys' fees, incurred therein by the successful party.

XIX. ESTOPPEL CERTIFICATE

19.1 Estoppel Certificate. As required under Exhibit "C" and from time to time thereafter, Tenant shall, within fifteen (15) days after Landlord's request, execute and deliver to Landlord a written declaration, in form and substance similar to Exhibit "D", plus such additional other information as Landlord may reasonably request. Landlord's mortgage lenders and/or purchasers shall be entitled to rely upon such declaration.

19.2 Effect of Failure to Provide Estoppel Certificate. Tenant's failure to furnish any estoppel certificate as required pursuant to Section 19.1 within fifteen (15) days after request therefor shall be deemed a default hereunder and moreover, it shall be conclusively presumed that: (a) this Lease is in full force and effect without modification in accordance with the terms set forth in the request; (b) that there are no unusual breaches or defaults on the part of Landlord; and (c) no more than one (1) month's rent has been paid in advance.

XX. COMMON AREAS

20.1 Definition of Common Areas. "Common Areas" means all areas, space, equipment, and special services provided for the joint or common use and benefit of the tenants or occupants of the Centre Building and the Clearwater Building, the Improvements, and Property or portions thereof, and their employees, agents, servants, patients, customers, and other invitees (collectively referred to herein as "Occupants") including, without limitation, retaining walls, landscaped areas, serviceways, pedestrian walks; courts, stairs, ramps, and sidewalks; common corridors, rooms and restrooms; air-conditioning, fan, janitorial, electrical, and telephone rooms or closets; and all other areas within the Centre Building and the Clearwater Building which are not specified for exclusive use or occupancy by Landlord or any tenant (whether or not they are leased or occupied). The designation of common area in the Condominium Documents shall not be dispositive of the definition of Common Areas under this Lease. However, to the extent that certain portions of any Condominium common area is not provided as Common Areas, hereunder, the Landlord shall exercise reasonable efforts to inform Tenant of such. Tenant acknowledges that its use and enjoyment of the Leased Premises shall be subject to the Condominium Documents.

20.2 License to Use Common Areas. The Common Areas shall be available for the common use of all Occupants and shall be used and occupied under a license. All Common Areas shall be subject to the exclusive control and management of Landlord. Landlord shall have the right (a) to construct, maintain, and operate lighting and other facilities on all said areas and improvements; (b) to police the same; (c) to change the area, level, location, and arrangement of parking areas and other facilities; (d) to restrict parking by tenants, their officers, agents, and employees; (e) to close all or any portion of said areas or facilities to such extent as may be legally sufficient to prevent a dedication thereof or the accrual of any right to any person or the public therein; and (f) to close temporarily all or any portion of the parking areas or facilities to discourage non-occupant parking. Landlord shall operate and maintain the Common Areas in such manner as Landlord in its discretion shall determine, shall have full right and authority to employ and discharge all personnel with respect thereto, and shall have the right, through reasonable rules, regulations, and/or restrictive covenants promulgated by it from time to time, to control the use and operation of the Common Areas in order that the same may occur in a proper and orderly fashion. Landlord covenants that it will not unreasonably limit Tenant's access to the Leased Premises in exercising its rights herein over the Common Area.

20.3 Parking. There is no provision for the parking of automobiles of Tenant and all Occupants (as defined above) associated with Tenant on the Property, except as such may pay for use of the parking garage owned by Landlord's affiliate from time to time and on such terms and at such rates as may be established from time to time. Landlord or its agents shall, without any liability to Tenant or its Occupants, have the right to cause to be removed any automobile that may be wrongfully parked in a prohibited or reserved parking area, and Tenant agrees to indemnify, defend, and hold Landlord harmless from and against any and all claims, losses, demands, damages and liabilities asserted or arising with respect to or in connection with any such removal of an automobile. Tenant shall from time to time, upon request of Landlord, supply Landlord with a list of license plate numbers of all automobiles owned by Tenant or its day-to-day Occupants. Tenant will not be charged by Landlord for any costs associated with parking areas that are not available for use by the Tenant on the same terms and conditions as other members of the public. Landlord agrees to cooperate with and assist Tenant to secure adequate parking facilities for its occupants. If Landlord or Landlord's affiliate develops and privately owns additional public parking facilities in the vicinity of the Project, then Landlord shall offer, or shall require its affiliate to offer, Tenant a first option to lease up to thirty (30) parking spaces for Tenant's employees occupying the Leased Premises on such terms and at such rates as may be established from time to time. The foregoing shall not apply to the existing parking facilities at 8th & Main, US Bank Plaza, or those being constructed within the Centre Building.

XXI. SIGNAGE AND BUILDING NAMING

21.1 Signage. Landlord, as part of the Tenant's Construction Obligations defined in Exhibit "C", shall provide Tenant with exterior signage on the Clearwater Building consistent with Landlord's master sign program for the Centre Building and the Clearwater Building and subject to governmental approval. Tenant shall be responsible for the cost of maintenance and operation of such signage including lighting. Other than the foregoing permitted signage, Tenant shall not place or suffer to be placed or maintained on any exterior door, wall, or window of the Leased Premises, or elsewhere in the Centre Building and the Clearwater Building, any sign, awning, marquee, decoration, lettering, attachment, or canopy, or advertising matter or other thing of any kind and will not place or maintain any decoration, lettering, or advertising matter on the glass of any window or door of the Leased Premises without first obtaining Landlord's written approval. Tenant further agrees to maintain such sign, awning, canopy, decoration, lettering, advertising matter, or other things, as may be approved, in good condition and repair at all times. Landlord may, at Tenant's cost, and without liability to Tenant, enter the Leased Premises and remove any item erected in violation of this Section. Landlord may establish rules and regulations governing the size, type, and design of all signs, decorations, etc., and Tenant agrees to abide thereby.

21.2 Building Naming. In the event Tenant shall become the project anchor, meaning Tenant occupies more space than any other tenant or occupant of the Clearwater Building then Tenant shall be afforded the right to select the building designation and modify building exterior signage to reflect such designation at Tenant's expense, provided, however, that such rights shall not obligate Landlord or Landlord's affiliates to modify any plat, declaration, lease, contract or other instrument to modify references to the Clearwater Building. The rights granted to Tenant in this Section, shall at all times be subject to the right of Clearwater Analytics, LLC, the tenant occupying the top five (5) floors of the Clearwater Building, under the terms of its lease with Landlord's affiliate.

XXII. MISCELLANEOUS PROVISIONS

22.1 No Partnership. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, or of partnership, or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of rent nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant.

22.2 Force Majeure. Landlord shall be excused for the period of any delay in the performance of any obligations hereunder when prevented from so doing by cause or causes beyond Landlord's control, including, without limitation, labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or service, or acts of God, or the acts or omissions of Tenant or the Tenant Related Parties.

22.3 No Waiver. Failure of Landlord to insist upon the strict performance of any provision or to exercise any option hereunder shall not be deemed a waiver of such breach. No provision of this Lease shall be deemed to have been waived unless such waiver be in writing signed by Landlord.

22.4 Notice. Any notice, demand, request, or other instrument which may be or is required to be given under this Lease shall be delivered in person or sent by United States certified or registered mail, postage prepaid and shall be addressed to the address set forth in the Lease Summary. Either party may designate such other address as shall be given by written notice.

22.5 Captions; Attachments; Defined Terms:

(a) The captions to the Section of this Lease are for convenience of reference only and shall not be deemed relevant in resolving questions of construction or interpretation under this Lease.

(b) Exhibits referred to in this Lease, and any addendums and schedules attached to this Lease shall be deemed to be incorporated in this Lease as though part thereof.

22.6 Recording. Tenant and Landlord agree to record a memorandum of this Lease with the Recorder of the County in which the Centre Building and the Clearwater Building are located.

22.7 Partial Invalidity. If any provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid, the remainder of this Lease or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

22.8 Broker's Commissions. Tenant represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with this Lease and agrees to indemnify Landlord against and hold it harmless from all liabilities arising from such claims, including any attorneys' fees connected therewith.

22.9 Tenant Defined; Use of Pronouns. The word "Tenant" shall be deemed and taken to mean each and every person or party executing this document as a Tenant herein. If there is more than one person or organization set forth on the signature line as Tenant, their liability hereunder shall be joint and several. If there is more than one Tenant, any notice required or permitted by the terms of this Lease may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. The use of the neuter singular pronoun to refer to Landlord or Tenant shall be deemed a proper reference even though Landlord or Tenant may be an individual, a partnership, a corporation, or a group of two or more individuals or corporations. The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one Landlord or Tenant and to corporations, associations, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

22.10 Provisions Binding, Etc. Except as otherwise expressly set forth herein including, specifically and without limitation, Section 9, all provisions herein shall be binding upon and shall inure to the benefit of the parties, their legal representative, heirs, successors, and assigns. Each provision to be performed by Tenant shall be construed to be both a covenant and a condition, and if there shall be more than one Tenant, they shall all be bound, jointly and severally, by such provisions. In the event of any sale or assignment (except for purposes of security or collateral) by Landlord of the Centre Building and the Clearwater Building, the Leased Premises, or this Lease, Landlord shall, from and after the Commencement Date (irrespective of when such sale or assignment occurs), be entirely relieved of all of its obligations hereunder, provided that this Lease and all provisions hereunder shall continue in full force and effect and bind Landlord's successor or assignee. Nothing set forth herein shall require Landlord to obtain Tenant's consent to any assignment, transfer or other encumbrance of any of Landlord's interest in the Property, the Leased Premises, the Improvements or the Common Areas.

22.11 Entire Agreement, Etc. This Lease and the Exhibits, Riders, and/or Addenda, if any, attached hereto, constitute the entire agreement between the parties. Any guaranty attached hereto is an integral part of this Lease and constitutes consideration given to Landlord to enter in this Lease. Any prior conversations or writings are merged herein and extinguished. No subsequent amendment to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed. Submission of this Lease for examination does not constitute an option for the Leased Premises and becomes effective as a lease only upon execution and delivery thereof by Landlord to Tenant. If any provision contained in the rider or addenda is inconsistent with a provision in the body of this Lease, the provision contained in said rider or addenda shall control. It is hereby agreed that this Lease contains no restrictive covenants or exclusives in favor of Tenant. The captions and Section numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe, or describe the scope or intent of any Section or paragraph.

22.12 Governing Law. The interpretation of this Lease shall be governed by the laws of the State of Idaho. Tenant hereby expressly and irrevocably agrees that Landlord may bring any action or claim to enforce the provisions of this Lease in the State of Idaho, County of Ada, and Tenant irrevocably consents to personal jurisdiction in the State of Idaho for the purposes of any such action or claim. Tenant further irrevocably consents to service of process in accordance with the provisions of the laws of the State of Idaho. Landlord and Tenant mutually acknowledge and agree the venue for any legal disputes is the Fourth Judicial District in the State of Idaho.

22.13 Recourse by Tenant. Anything in this Lease to the contrary notwithstanding, Tenant agrees that it shall look solely to the estate and property of Landlord in the land, Centre Building and the Clearwater Buildings and Improvements thereto, and subject to prior rights of any mortgagee, for the collection of any judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms, covenants, and conditions of this Lease to be observed and/or performed by Landlord, and no other assets of Landlord or any of its partners, shareholders, successors, or assigns shall be subject to levy, execution, or other procedures for the satisfaction of Tenant's remedies.

22.14 Rules and Regulations. Tenant and the Tenants Related Parties shall faithfully observe and comply with all of the rules and regulations set forth on the attached Exhibit F, and Landlord may from time to time reasonably amend, modify or make additions to or deletions from such rules and regulations. Such amendments, modifications, additions and deletions shall be effective on notice to Tenant. On any breach of any of such rules and regulations, Landlord may exercise any or all of the remedies provided in this Lease on a default by Tenant under this Lease and may, in addition, exercise any remedies available at law or in equity including the right to enjoin any breach of such rules and regulations. Landlord shall not be responsible to Tenant for the failure of any other tenant or person to observe any such rules and regulations.

22.15 Tenant's Representations and Warranties. Tenant represent and warrants to Landlord as follows:

(a) Tenant is duly organized and validly existing under the laws of the state of Idaho and except as set forth herein, has full power and authority to enter into this Lease, without the consent, joinder or approval of any other person or entity, including, without limitation, any mortgagee(s). This Lease has been validly executed and delivered by Tenant and constitutes the legal, valid and binding obligations of Tenant, enforceable against Tenant in accordance with its terms.

(b) Tenant is not a party to any agreement or litigation which could adversely affect the ability of Tenant to perform its obligations under this Lease or which would constitute a default on the part of Tenant under this Lease, or otherwise materially adversely affect Landlord's rights or entitlements under this Lease.

22.15 No Construction Against Preparer. This Lease has been prepared by Landlord and its professional advisors and reviewed by Tenant and its professional advisors. Landlord, Tenant and their separate advisors believe that this Lease is the product of their joint efforts, that it expresses their agreement, and that it should not be interpreted in favor of either Landlord or Tenant or against either Landlord or Tenant merely because of their efforts in its preparation.

22.16 Number and Gender. The terms "Landlord" and "Tenant," wherever used herein, shall be applicable to one or more persons or entities, as the case may be, and the singular shall include the plural and the neuter shall include the masculine and feminine and, if there be more than one person or entity with respect to either party, the obligations hereof of such party shall be joint and several.

22.17 Counterparts. This Lease may be executed and delivered in counterparts for the convenience of the parties, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same agreement.

22.18 Intentionally Omitted.

22.19 Merger. If both Landlord's and Tenant's estates in the Leased Premises have both become vested in the same owner, this Lease shall nevertheless not be terminated by application of a doctrine of merger unless agreed in writing by Landlord, Tenant and any holder of a Mortgage.

22.20 Option to Purchase after Certificate of Occupancy. Within ninety (90) days of receiving a certificate of occupancy for the Leased Premises and so long as Tenant has not delivered a Termination Notice, Tenant shall have a right to purchase the Leased Premises to elect, by delivering written notice to Landlord with such ninety (90) day period ("Tenant's Purchase Notice") that it desires to purchase the Leased Premises. Within thirty (30) days of Tenant's delivery of a Tenant's Purchase Notice, Landlord and Tenant shall enter into a purchase agreement on terms and conditions acceptable to both Tenant and Landlord, but otherwise consistent with the requirements of this Section 22.20. Tenant's purchase of the Leased Premises shall be subject to all matters of record and any matters which may be disclosed by an accurate survey of the Leased Premises. Tenant shall be required to pay all costs and expenses incurred in connection with the purchase of the Leased Premises, including, without limitation, all title, survey, escrow and recording costs. The Leased Premises will be conveyed from Landlord to Tenant pursuant to a special warranty deed. The purchase price for the Leased Premises shall be $9,100,000.00. Tenant may only exercise the purchase option herein if Tenant is materially performing under this Lease or is in the process of curing any default of its obligations under this Lease. Exercise of the purchase option shall not excuse Tenant from the payment of any Base Annual Rent or Additional Rent due and owing prior to the date of the conveyance of the Leased Premises to Tenant. Landlord shall only be required to make such warranties as set forth in the Special Warranty Deed attached hereto as Exhibit "H" pursuant to which Landlord will convey the Leased Premises to Tenant.

22.21 Annual Option Periods. Upon delivery of a Termination Notice, Tenant may also deliver a Tenant's Purchase Notice. Within thirty (30) days of Tenant's delivery of a Tenant's Purchase Notice, Landlord and Tenant shall enter into a purchase agreement on terms and conditions acceptable to both Tenant and Landlord, but otherwise consistent with the requirements of this Section 22.21. Tenant's purchase of the Leased Premises shall be subject to all matters of record and any matters which may be disclosed by an accurate survey of the Leased Premises. Tenant shall be required to pay all costs and expenses incurred in connection with the purchase of the Leased Premises, including, without limitation, all title, survey, escrow and recording costs. The Leased Premises will be conveyed from Landlord to Tenant pursuant to a special warranty deed in the form attached hereto as "Exhibit H". Tenant may only exercise the purchase option herein if Tenant is materially performing under this Lease or is in the process of curing any default of its obligations under this Lease. Exercise of the purchase option shall not excuse Tenant from the payment of any Base Annual Rent or Additional Rent due and owing prior to the date of the conveyance of the Leased Premises to Tenant.

ATTACHMENT 1

In the event Tenant delivers a Tenant's Acceptance Notice, the purchase price under the Purchase Agreement shall be as follows, which Purchase Price is based on the year of the Term in which the Tenant's Acceptance Notice is accepted:

Lease Year Ending	Purchase Price	Comments
0	$9,100,000	Initial purchase prior to any lease payments, summer 2016
1	$9,042,419	No prepayment penalty if purchased before expiration of the construction financing.
2	$8,813,392	No pre payment penalty if purchased before the expiration of the construction financing.
3	$8,539,000	Plus any pre payment penalties imposed by lender
4	$8,271,465	Plus any pre payment penalties imposed by lender
5	$7,985,402	Plus any pre payment penalties imposed by lender
6	$7,702,555	Plus any pre payment penalties imposed by lender
7	$7,395667	Plus any pre payment penalties imposed by lender
8	$7,062,693	Plus any pre payment penalties imposed by lender
9	$6,701,416	Plus any pre payment penalties imposed by lender
10	$6,309,430	Plus any prepayment penalties imposed by lender
11	$5,884,126	Plus any prepayment penalties imposed by lender
12	$5,422,671	No Pre Payment penalty if Purchased at first refinance period
13	$4,921,992	Plus any pre payment penalties imposed by lender
14	$4,378,756	Plus any pre payment penalties imposed by lender
15	$3,789,344	Plus any pre payment penalties imposed by lender
16	$3,149,832	Plus any pre payment penalties imposed by lender
17	$2,455,962	Plus any pre payment penalties imposed by lender
18	$1,703,113	Plus any pre payment penalties imposed by lender

19	$886,272	Plus any pre payment penalties imposed by lender
20	$1	No Pre Payment Penalty

22.22 Right of First Refusal. This Section 22.22 shall survive closing of Tenant's purchase of the Leased Premises and shall not merge therewith. Moreover, Tenant's rights hereunder are subject to and subordinate to the rights previously granted to Clearwater Analytics, LLC ("Clearwater"), and the Greater Boise Auditorium District ("the District"), as set forth in the agreements between Landlord's Affiliates and Clearwater and the District respectively. During the Term, and provided Tenant is not in default under this Lease, Tenant shall have a right of first refusal to purchase any portion of the Clearwater Building not occupied by Tenant (excluding Units owned by Landlord's affiliate for retail use and the Unit leased by the District). To effectuate such right of first refusal, Landlord shall ensure that a right of first refusal substantially in the form of "Exhibit I" attached hereto is executed and recorded, if required, between Tenant and Landlord's affiliate owning the applicable portions of the Clearwater Building. Execution and delivery of the Right of First Refusal shall be a condition to Tenant's execution and delivery of this Lease Agreement. In addition, Tenant shall have a right of first refusal to purchase the Leased Premises if (i) Landlord shall receive a bona fide offer from any third party for the purchase of the Leased Premises or portion thereof which offer Landlord desires to accept, or (ii) if Landlord desires to sell or make a bona fide offer to sell the Leased Premises or portion thereof to a third party, then Landlord will inform the Tenant in writing of such and provide the details of such. The Tenant will have the opportunity at the next available meeting of the Idaho State Board Education to seek approval to either match the purchase offer from the third party, or notify Landlord of Tenant's exercising its right to purchase option at the next annual purchase option opportunity as detailed in Section 22.20; whichever the Tenant determines in its sole discretion to be most advantageous to the Tenant. Should the Tenant elect to either match the third party offer, or exercise its next purchase option, such notice provided in writing will terminate any third party purchase and the Tenant and Landlord will enter into a purchase agreement and coordinate the closing date. Should the Tenant decline to match the third party offer or decline to exercise its next purchase option, the Landlord may proceed with the sale to a third party, and the third party will acquire and be bound by all the terms and conditions of this Lease.

22.23 Option to Purchase after Expiration of Extension Terms. In the event the Term has continued through all nineteen (19) Extension Periods, Tenant shall have the option to purchase the Leased Premises for a purchase price of One Dollar ($1.00) by delivering a Tenant's Purchase Notice nine (9) months prior to expiration of the last Extension Period. Within thirty (30) days of Tenant's delivery of a Tenant's Purchase Notice, Landlord and Tenant shall enter into a purchase agreement on terms and conditions acceptable to both Tenant and Landlord, but otherwise consistent with the requirements of this Section 22.23. Tenant's purchase of the Leased Premises shall be subject to all matters of record and any matters which may be disclosed by an accurate survey of the Leased Premises. Tenant shall be required to pay all costs and expenses incurred in connection with the purchase of the Leased Premises, including, without limitation, all title, survey, escrow and recording costs. Tenant may only exercise the purchase option herein if Tenant is materially performing under this Lease or is in the process of curing any default of its obligations under this Lease. Exercise of the purchase option shall not excuse Tenant from the payment of any Base Annual Rent or Additional Rent due and owing prior to the date of the conveyance of the Leased Premises to Tenant. Landlord shall only be required to make such warranties as are set forth in the form of Special Warranty Deed attached hereto as "Exhibit H."

22.24 Right of First Refusal to Landlord/Continuing Obligation to Share Profit of Sale. This Section 22.24 shall survive closing of Tenant's purchase of the Leased Premises and shall not merge therewith. Tenant shall agree to memorialize the rights set forth herein in a recorded instrument prior to Landlord's conveyance of the Leased Premises by Special Warranty Deed. Tenant acknowledges that Landlord has entered into this Lease and has provided Tenant with economic benefits that it would not have made available to any entity other than Tenant for operation of its computer science department and that Landlord has not developed or leased the Leased Premises to Tenant for Tenant's speculation. As such, Tenant acknowledges that if it were a private computer science entity, Landlord would not have granted it the option to purchase the Leased Premises. Therefore, Tenant acknowledges and grants the following rights to Landlord which shall continue for ten years following Tenant's exercise of any of its options to purchase and shall expire on the tenth anniversary date of such purchase:

(a) Right of First Refusal. If Tenant elects to market the property, and Tenant shall receive a bona fide offer from any third party for the purchase of the Leased Premises or portion thereof which offer Tenant desires to accept, or if Tenant desires to sell or make a bona fide offer to sell the Leased Premises or portion thereof to a third party, then Tenant shall inform the Landlord in writing of such and provide the details of such, setting forth the economic terms and conditions of the proposed transaction, and if available, a copy of such offer (the "Written Notice of Proposed Sale"). Landlord shall have the right, within thirty (30) days after Tenant's delivery of the Written Notice of Proposed Sale, to elect, by delivering written notice to Tenant within such 30-day period ("Landlord's Acceptance Notice"), to purchase the Leased Premises on the same terms and conditions as those set forth in the Written Notice of Proposed Sale. In the event Landlord timely delivers Landlord's Acceptance Notice, Landlord and Tenant shall, within thirty (30) days of Landlord's delivery of Landlord's Acceptance Notice, enter into a purchase contract for the Leased Premises, or portion thereof described in the Written Notice of Proposed Sale, setting forth the terms of the Written Notice of Proposed Sale, with such additional terms and conditions as may be agreed to by Landlord and Tenant (the "Purchase Agreement"). If Landlord does not deliver Landlord's Acceptance Notice within such 30 day period, Landlord shall be deemed to have elected to not elect to purchase the

Leased Premises or portion thereof pursuant to the Written Notice of Proposal Sale. If Landlord declines, or is deemed to have declined, the Written Notice of Proposed Sale, Tenant may thereafter convey the Leased Premises, to a third party, subject to subsection (b) below. This obligation shall be recurring and Tenant shall provide notice to Landlord of each and every proposed sale that Tenant considers and shall deliver a Written Notice of Proposed Sale, notwithstanding Landlord's prior declination of the Written Notice of Proposed Sale.

(b) Continuing Obligation to Share Profit of Sale. If Landlord declines to exercise the Right of First Refusal set forth in subsection (a) immediately preceding, then Tenant may convey the Leased Premises to a third party and Tenant shall deliver to Landlord fifty percent (50%) of the profit from the sale of the Leased Premises. The profit from the sale of the Leased Premises shall be calculated as by subtracting from the purchase price actually paid to Tenant for the sale of the Leased Premises, the sum of (i) $9,100,000.00, (ii) sales commissions paid by Tenant at closing, and (iii) any closing costs actually paid by Tenant. Tenant shall remit the share of profit to Landlord immediately upon Tenant's closing of the sale of the Leased Premises.

22.25 Conditions Precedent. Tenant's obligations under this Lease shall be subject to the following conditions precedent:

(a) Landlord providing an estimated construction schedule and delivery date that is approved by Tenant. Tenant shall not unreasonably condition, withhold, or delay its approval.

(b) Landlord entering into a lease with a private technology based company for at least 80,000 square feet in the Project, approved by Tenant. Tenant shall not unreasonably condition, withhold, or delay its approval.

(c) Additionally, Tenant's obligations under this Lease to pay Basic Annual Rent and Additional Rent shall not become effective until the Commencement Date, provided, that such obligation shall be further extended until Landlord records a plat and declaration creating the condominium units that comprise the Leased Premises. The form of the plat and declaration creating the condominium units, and the associated duties, rights, and obligations, appurtenant thereto shall be approved by Tenant, provided, however that Tenant shall not unreasonably condition, withhold, or delay its approval.

22.26 Sufficient Appropriation by Legislature Required. It is understood and agreed that the Tenant is a governmental entity, and this Lease Agreement shall in no way or manner be construed so as to bind or obligate the State of Idaho beyond the term of any particular appropriation of funds by the State legislature as may exist from time to time.

The Tenant reserves the right to terminate this Lease Agreement in whole or in part if, in its judgment, the legislature of the State of Idaho fails, neglects or refuses to appropriate sufficient funds as may be required for Tenant to continue such lease payments, or requires any return or "give-back" of funds required for the Tenant to continue payments, or if the Executive Branch mandates any cuts or holdbacks in spending. All affected future rights and liabilities of the Parties shall thereupon cease within thirty (30) days after the notice to the Landlord. It is understood and agreed that the lease payments provided for in this Lease Agreement shall be paid from Tenant operating and reserve funds including, but not limited to State legislative appropriations.

22.27 Right to Terminate Lease Agreement at Direction of Idaho Department of Administration. The parties to this Lease Agreement recognize and agree that Tenant, as an agency of the State of Idaho, is subject to the direction of the Idaho Department of Administration pursuant to Title 67, Chapter 57, Idaho Code, and, specifically, the right of that Department to direct and require Lessee to remove its operations from the Premises and relocate to other facilities owned or leased by the State of Idaho. Accordingly, it is agreed that, upon the occurrence of such event, Tenant may terminate this Lease Agreement at any time after a one (1) year period from the Commencement Date of the Lease Agreement as determined under Section 2.2, provided that Landlord is notified in writing one hundred eighty (180) days prior to the date such termination is to be effective. Such action on the part of the Tenant will relieve the Tenant and the State of Idaho of liability for any rental payments for periods after the specified date of termination or the actual date of surrender of the Leased Premises, if later.

22.28 Officials, Agents and Employees of Tenant Not Personally Liable**.** It is agreed by and between the Parties that in no event shall any official, officer, employee or agent of the State of Idaho be in any way liable or responsible for any covenant or agreement contained in this Lease Agreement, express or implied, nor for any statement, representation or warranty made in or in any way connected with this Lease Agreement or the Premises. In particular, and without limitation of the foregoing, no full-time or part-time agent or employee of the State of Idaho shall have any personal liability or responsibility under this Lease Agreement, and the sole responsibility and liability for the performance of this Lease Agreement and all of the provisions and covenants contained in this Lease Agreement shall rest in and be vested with the State of Idaho.

22.29 Nondiscrimination. The Landlord hereby agrees to provide all services funded through or affected by this Lease Agreement without discrimination on the basis of race, color, national origin, religion, sex, age, physical/mental impairment, and to comply with all relevant sections of: Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; and The Age Discrimination Act of 1975; and to comply with pertinent amendments to these acts made during the term of this Lease Agreement. The Landlord further agrees to comply with all pertinent parts of federal rules and regulations implementing these acts. The Landlord hereby agrees to provide equal employment opportunity and take affirmative action in employment on the basis of race, color, national origin, religion, sex, age, physical/mental impairment, and covered veteran status to the extent required by: Executive Order 11246; Section 503 of the Rehabilitation Act of 1973, as amended; and Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974; and to comply with all amendments to these acts and pertinent federal rules and regulation regarding these acts during the term of the Lease Agreement.

22.30 Construction or Renovation of Buildings. All buildings owned or maintained by any State government agency or entity, or which are constructed or renovated specifically for use or occupancy by any such agency or entity shall conform to all existing state codes, including but not restricted to, the Idaho General Safety and Health Standards, the International Building Code, the International Mechanical Code and the International Fire Code. If any conflict arises between applicable codes, the more stringent code shall take precedence. Prior to construction or remodeling of such buildings, where appropriate, construction plans shall be reviewed and approved by the Division of Building Safety, the State Fire Marshal's Office and the Permanent Building Fund Advisory Council.

22.31 Long Term Energy Costs. Long-term energy costs, including seasonal and peaking demands upon the suppliers of energy, are to be a major consideration in the construction of all State buildings and the execution of lease agreements. Special attention shall include energy conservation considerations including: (i) Chapter 13 of the International Building Code, 2000 Edition; (ii) use of alternative energy sources; (iii) energy management systems and controls to include effective means to monitor and maintain systems at optimal operations; and (iv) "state-of-the-art" systems and equipment to conserve energy economically.

22.32 Non-Smoking Buildings. All State-owned or State-leased buildings, facilities or area occupied by State employees shall be designated as "non-smoking" except for custodial care and full-time residential facilities. The policy governing custodial care and full-time residential facilities may be determined by the directors of such facilities.

22.33 Utility Information. State agencies are required to develop an inventory of greenhouse gas emissions and to implement strategies to reduce greenhouse gases. The Landlord agrees to provide Tenant with ongoing permission to access the utility information of the building to determine the amount of electricity and heating fuel consumed within the Premises. If Tenant is not able to access this information directly from the utility companies, Landlord agrees to furnish said information to Tenant on a calendar year basis.

22.34 Indoor Air Quality. Landlord agrees to develop and maintain an indoor air quality management program and to maintain it in conjunction with all construction projects in the Building as well as on all ongoing maintenance and repairs of the City

Center Building and the Leased Premises. Said program shall optimize and document the use of air quality compliant materials inside the Building to reduce the emissions from materials used in the City Center Building. Ongoing indoor air quality requires the use of low or no VOC paints, solvents, adhesives, furniture and fabrics. VOC and chemical component limits shall not exceed Green Seal's Standard GS-11 requirements. Paints used on site shall be low VOC and are to be brush-applied only, spray painting is not allowed on the interior of the Building. Carpet must meet the requirements of the CRI Green Label Plus Carpet Testing Program. Carpet cushion must meet the requirements of the CRI Green Label Testing Program. Composite panels and agrifiber products must not contain added urea-formaldehyde resins. Laminate adhesives used to fabricate on-site and shop applied assemblies containing these laminate adhesives must contain no urea-formaldehyde.

22.35 Material Representations. The Parties agree and acknowledge that the representations and acknowledgments made in this Lease Agreement are material and the Parties have relied upon them in entering this Lease Agreement.

22.36 Severability. If any term or provision of this Lease Agreement is held by the courts to be illegal or in conflict with any existing law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be continued and enforced as if the invalid term or provision were not contained in this Lease Agreement.

22.37 Purchase Terminates Lease. Except for those provisions that are expressly set forth herein as continuing the obligations of the parties beyond closing of Tenant's purchase of the Leased Premises, including, but not limited to Section 22.24, if Tenant exercises any purchase option, upon completion of the purchase this Lease will be no longer in effect and only the condominium agreement will continue to be in full force and effect.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease on the date first set forth above.

LANDLORD: CITY CENTER PLAZA EDUCATION, LLC, an Idaho limited liability company, by its Manager

KC Gardner Company, L.C., a Utah limited liability company

By:____________________
Name: _________________
Title: Manager

TENANT: IDAHO STATE BOARD OF EDUCATION BY AND THROUGH BOISE STATE UNIVERSITY, a governmental subdivision of the State of Idaho and a body corporate with all the powers of a public or quasi-public corporation

By:______________________________

Name: ______________________

Its: _____________________________

ATTACHMENT 1

EXHIBIT "A"

DESCRIPTION OF PROPERTY

The Leased Premises occupy one or more units within one or more commercial condominiums to be constructed on a portion of the following described property:

Beginning a point which is 20.00 feet S.54°47'55"E. and 40.00 feet S.35°13'45"W. from the monument at West Main Street and North Eighth Street of BOISE CITY ORIGINAL TOWNSITE (said monument being 3092.04 feet N.60°31'39"W. from the East ¼ corner of Section 10, Township 3 North, Range 2 East, Boise Meridian); and running thence S.54°47'55"E. 126.94 feet; thence S.35°11'57"W. 180.23 feet; thence S.54°46'29"E. 23.43 feet; thence S.35°15'06"W. 42.33 feet; thence S.54°44'54"E. 82.73 feet; thence N.35°15'06"E. 11.50 feet; thence S.54°44'54"E. 16.67 feet; thence N.35°15'06"E. 12.83 feet; thence S.54°44'54"E. 29.00 feet; thence S.35°15'06"W. 23.67 feet; thence N.54°44'54"W. 28.17 feet; thence S.35°15'06"W. 46.60 feet; thence S.54°46'00"E. 69.40 feet; thence S.35°13'13"W. 17.44 feet; thence N.54°44'54"W. 159.23 feet; thence S.35°36'42"W. 14.41 feet; thence N.54°47'21"W. 80.73 feet; thence N.35°13'45"E. 10.25 feet; thence northerly 136.79 feet along the arc of a 100.00 feet radius non-tangent curve to the left, (chord bears N.04°02'51"W. 126.37 feet); thence N.35°13'45"E. 192.22 feet to the point of beginning.

The above described part of an entire tract contains 42865 square feet in area or 0.984 acres.

ATTACHMENT 1

EXHIBIT "B"

DEPICTION OF LEASED PREMISES

EXHIBIT "C"

CONSTRUCTION AND/OR FINISHING OF IMPROVEMENTS TO LEASED PREMISES

In accordance with the provisions of the body of the Lease to which this Exhibit "C" is attached, the improvements to the Leased Premises shall be constructed and/or finished (as the case may be) in the manner described, and upon all of the terms and conditions contained in the following portion of this Exhibit "C". The obligations to construct the Leased Premises in this Exhibit "C".

I. **GENERAL DESCRIPTION OF WORK**:

A. **LANDLORD'S CONSTRUCTION OBLIGATION**: "Landlord's Construction Obligation" respecting improvements to the Leased Premises shall consist of the following described items or elements of work (where more than one type of material, structure, or method is indicated, Landlord shall have the option of selecting or employing any thereof):

1. **STRUCTURAL**:

(a) Frame: The building shall be of steel or concrete frame, reinforced concrete, or bearing wall construction designed in accordance with the applicable building code.

(b) Exterior Walls: Insulated exterior walls of the building shall be of masonry, concrete, or such other material(s) as may be selected by Landlord's architect.

(c) Floor: Floor shall be of concrete slab.

2. **BASE BUILDING**: Landlord shall provide Tenant the following as part of the base building shell: landscaping, site identification, toilets, stairwells, elevators, mechanical rooms, and janitorial closets on Leased Premises floors.

3. **UTILITIES**:

(a) Water and Sewer: Water and sewer service shall be furnished to the toilet rooms on the floors of the Leased Premises.

(b) Electricity: Electrical service shall be provided to a main distribution panel in an electrical room on each floor of the Centre Building and the Clearwater Building.

4. **HEATING, AIR CONDITIONING, AND SPRINKLERS**:

(a) Air Conditioning and Heating: HVAC trunk lines shall be provided to the floor area. No distribution or controls shall be provided by Landlord, however, Tenant shall be required to install HVAC distribution and base building controls as designated and selected by Landlord as part of Tenant's Construction Obligations defined below.

(b) Sprinklers: Automatic sprinkler system, if and to the extent required by the applicable code, shall be installed in the Centre Building and the Clearwater Building.

B. **TENANT'S CONSTRUCTION OBLIGATION**: The work to be performed by Landlord in satisfying its obligations respecting construction improvements to the Leased Premises shall be limited to that described in the foregoing Section. All other items or elements of work shall be provided by Tenant at Tenant's expense. Such other work shall constitute "Tenant's Construction Obligations" respecting improvements to the Leased Premises and shall include, but not necessarily be limited to, the purchase, installation, and/or performance (as the case may be) of the following described items or elements of work:

1. Electric Fixtures and Equipment: Tenant shall be responsible for all electrical work and distribution from the main distribution panel provided by Landlord in the electrical room on each floor of the Building as set forth above in Section A.3(b). Tenant shall be obligated to install its own distribution panel within the Leased Premises. Tenant shall be obligated to install metering devices compatible to the Building electrical controls.

2. Telephone: All arrangements for telephone service and all conduits for telephone wires in the Leased Premises including, but not limited to, conduits, wires, boxes, and head-in equipment.

3. Utility Meters: All meters necessary to separately measure electricity consumption in the Leased Premises, and if separately provided by Landlord, then all meters necessary to separately measure water and gas consumption in the Leased Premises.

4. Walls: All interior partitioning and drywall on all party walls or the walls surrounding the Leased Premises, including the interior of the exterior wall of the Building.

5. Doors: All interior doors and door frames, sidelights, signage, and hardware, all of which shall be a Building standard as directed by Landlord.

6. Floor Covering: All floor covering and floor materials other than concrete.

7. Security and Alarm System: Any systems or other protective devices including by not limited to alarm, fire, and security systems. Any alarm and security systems to be installed shall be the system designated by Landlord from the Landlord specified vendor.

8. Demising Walls: Demising walls (i.e., walls dividing the Leased Premises for areas, if any, in the same building occupied by other lessees) shall be of steel stud or masonry.

9. Special Plumbing and Water Heater: All extra plumbing (either roughing-in or fixtures) required for Tenant's special needs and any water heater required.

10. Special Ventilation: All ventilation and related equipment not installed under Landlord's Construction Obligation.

11. Special Equipment: All special equipment such as conveyors, lifts, etc.

12. Painting: All interior painting.

13. Ceiling: All ceiling installation and treatments.

14. Heating and Air Conditioning: All ducting distribution and controls including but not limited to, VAV boxes, exhaust fans, heating and cooling boxes, and/or Tenant specialty items. Tenant shall install any supplemental controls and systems required to support tenant functions beyond the base finish for the building and its designed load as set forth in Section IV below. All heating, ventilation, and air conditioning controls installed by Tenant shall be compatible to Building heating, ventilation, and air conditioning controls. Notwithstanding the foregoing, Tenant shall solely install those distribution and controls as designated and selected by Landlord.

15. Sprinklers: Tenant shall be responsible to modify the Building automatic sprinkler system and to install and/or modify sprinklers in the Leased Premises, if and to the extent required by the applicable code, in order to complete Tenant's Construction Obligations.

II. PLANS

A. **LANDLORD'S PLANS**: To the extent that the same has not heretofore occurred, Landlord shall furnish, construct and install the items and elements comprising Landlord's Construction Obligation substantially in accordance with the plans, specifications, and working drawings applicable thereto (hereinafter referred to as "Landlord's Plans") prepared by the architectural firm of Babcock Design Group as Landlord's Plans may be changed or modified from time to time.

B. **TENANT'S PLANS**: Landlord and Tenant shall collaborate in preparation of complete plans and specifications (hereinafter referred to as "Tenant's Plans") detailing the item and elements comprising Landlord's Construction Obligation and Tenant's Plans. If Tenant elects to utilize Landlord's designated architect, Babcock Design Group, for Tenant's preliminary space planning, the Tenant shall receive an allowance from Landlord of $.20/rentable square foot for the development of an initial space plan ("Space Planning Allowance"). Tenant shall be solely responsible for all costs incurred beyond the Space Planning Allowance. If Tenant elects to retain and utilize its own design professionals for purposes of space planning and preparation of Tenant's Plans, then Tenant shall pay all costs associated with design and shall reimburse Landlord's designated architect, Babcock Design Group for all costs associated with coordinating Tenant's Plans with Landlord's Plans and Tenant's Construction Obligations with Landlord's Construction Obligation. Tenant shall then proceed promptly to prepare Tenant's Plans and shall submit the Tenant's Plans to Landlord for written approval (not to be unreasonably withheld.) The approval by Landlord of Tenant's plans for work to be performed on the Leased Premises, whether by Landlord or Tenant, shall in no way create any responsibility or liability on the part of Landlord for their completeness, design sufficiency or compliance with any and all laws, rules and regulations of federal, state, county and municipal agencies or authorities. Any objections by Landlord and the reason therefore shall be given to Tenant's Plans as proposed. If Tenant fails within forty-five (45) days after receiving the necessary information from Landlord to furnish to Landlord Tenant's Plans as proposed, Landlord shall have the right to terminate the Lease upon written notice to Tenant (without prejudice to any right Landlord may have against Tenant for damages arising out of Tenant's failure).

III. **CONSTRUCTION**

A. **COMPLETION BY LANDLORD**: All of the items or elements of work entering into Landlord's Construction Obligation shall be furnished, constructed, and installed substantially in accordance with those portions of Tenant's Plans applicable thereto. Tenant agrees that by entering into possession of the Leased Premises pursuant to the following Section B, Tenant will have thereby accepted all of the construction work performed by Landlord and will have thereby accepted the Leased Premises in their then condition and hereby waives any claim against Landlord thereafter arising out of the condition of improvements to the Leased Premises, the Centre Building and the Clearwater Building, the Common Areas, or the Improvements. Landlord shall not be liable for any latent, patent, or observable defects in such improvements after such acceptance by Tenant. Landlord does, however, warrant the work performed hereunder by Landlord against latent defects discovered at any time during the one (1) year period following the time of such acceptance by Tenant.

B. **CONSTRUCTION BY TENANT**: Following the date that Landlord notifies Tenant that Tenant's Construction Obligations can commence, specifically the date upon which the structural elements and the HVAC trunk lines required under Landlord's Construction Obligation are completed and Tenant's Construction Obligations can be undertaken without unreasonable interference with the completion of Landlord's Construction Obligation, Tenant shall promptly commence and thereafter shall diligently pursue to completion all of the matters entering into Tenant's Construction Obligations and such matters shall be performed or accomplished in accordance with the applicable law, in a good and workmanlike manner, by contractors approved in writing by Landlord, and in such manner as to maintain harmonious and suitable labor relations and working conditions. Tenant shall timely obtain all licenses or permits required for the work performed by Tenant.

Tenant shall, at Landlord's request, furnish Landlord with a bond or bonds assuring payment to all those furnishing labor, materials, or services in connection with Tenant's Construction Obligations. Any work or change that Tenant desires to accomplish and which is not reflected by Tenant's Plans shall be subject to Landlord's prior written approval (not to be unreasonably withheld). Upon completion of Tenant's Construction Obligations, Tenant shall furnish to Landlord a complete set of "as built" plans and specifications for the items and elements entering into Tenant's Construction Obligations.

C. **INTERRELATIONSHIP OF WORK**: In performing the Tenant's Construction Obligations, Tenant shall comply with all directions of Landlord or Landlord's contractor so as to coordinate its construction activities with those being pursued by others (whether on the Leased Premises or elsewhere in the Centre Building and the Clearwater Building, and whether by Landlord or by other tenants). Any improvements or items of equipment installed by Tenant which are to be visible from outside of the Leased Premises shall be finish painted by Tenant in accordance with Landlord's standard paint schedule. All work performed by Tenant shall leave Landlord's structure as strong or stronger than original design and with finishes unimpaired. Any roofing or flashing work accomplished by Tenant shall conform to original work and shall be performed at Tenant's expense by Landlord's roofing subcontractor who installed the original roof. Either party hereto may examine and inspect the work of the other at any reasonable time and shall promptly give notice of any observed defects.

1. **ROOF PENETRATIONS**: Tenant agrees that neither it nor its contractors or employees will, during the construction of the Leased Premises or at any time during the term of this Lease, make or cause to be made in the roof of the Leased Premises any penetration whatsoever without first obtaining the prior written approval from Landlord. Tenant acknowledges that Landlord may require Tenant to use Landlord's designated roofing contractor to perform or supervise any roof cuts or penetrations to which Landlord may agree or give its consent.

   In the event Tenant fails to observe this condition, Landlord may hire a roofing contractor of its choice to inspect any penetrations in the roofing material over the Leased Premises and to perform any needed modifications or corrections to the roof surface or its components in order to preserve the integrity of the roof structure. Landlord may bill Tenant for the expenses of any such roof inspection and/or repairs, plus a 20% overhead fee for such work. Tenant agrees to pay for said inspection and/or repairs immediately upon presentation of said invoice.

2. **HEATING/VENTILATING/AIR CONDITIONING DISTRIBUTION AND CONTROL WORK**: In order to insure that the rooftop mechanical equipment,

originally provided by Landlord, will work efficiently and effectively to provide the specified heating, ventilating and/or cooling to the Leased Premises, Tenant agrees and covenants that prior to its installation of any duct work, distribution equipment, controls or other related components of the mechanical system, it will first obtain from Landlord or from Landlord's designated mechanical contractor, written approval of its plans for same.

D. **PAYMENT**: Landlord shall furnish, construct, and complete all of the matters entering into Landlord's Construction Obligation at its own cost and expense; Tenant shall furnish, construct and complete all of the matters entering Tenant's Construction Obligations at its own cost and expense. All fees of Tenant's architect or engineer shall be paid by Tenant. All government, municipal, and/or city fees shall be paid by Tenant. This Tenant Finish Allowance shall be provided in accordance with the following conditions:

1. Prior to commencing Tenant's Construction Obligations, Tenant may elect to receive the Tenant Finish Allowance on a "work in progress basis" by providing Landlord written notice of such election. In the event Tenant has made the foregoing election Landlord shall release the Available Tenant Improvement Allowance (as defined below) to Tenant upon satisfaction of the following conditions, as determined by Landlord in its sole discretion:

(a) No default or event which with the giving of notice or passage of time or both would constitute a default under the Lease shall exist;

(b) Tenant shall deliver to Landlord a certificate from the architect and contractor certifying (a) the percentage of the Tenant's Construction Obligations which have then been completed to date (the "Completion Percentage"), (b) an estimate of the amount of all costs and expenses required to complete the Tenant's Construction Obligations (the "Remaining Costs"), and (c) the identification of suppliers, materialmen, contractors and subcontractors which have performed the Tenant's Construction Obligations or have supplied materials in connection with the Tenant's Construction Obligations to date;

(c) Tenant shall deliver to Landlord (i) conditional lien waiver's (conditioned only on payment) from all suppliers, materialmen, contractors and subcontractors which have performed the Tenant's Construction Obligations or have supplied materials in connection with the Tenant's Construction Obligations and (ii) unconditional lien waivers from all suppliers, materialmen, contractors and subcontractors which have performed the Tenant's Construction Obligations or have supplied materials in connection with the Tenant's Construction Obligations and for which Tenant has previously submitted a conditional lien waiver pursuant to clause (i) above in connection with a previous draw on the Available Tenant Improvement Allowance;

(d) No event of force majeure or other event or condition shall exist which permits or requires Tenant or any contractor, subcontractor, materialmen or supplier to cancel, suspend or terminate its performance of the Tenant's Construction Obligations;

(e) Tenant shall deliver a certification to Landlord that (a) all mechanics liens have been (and upon payment of amounts from Available Tenant Improvement Allowance, will be) released and discharged (b) all contracts entered into in connection with the Tenant's Construction Obligations are in full force and effect and have not been modified, and (c) Tenant has sufficient funds to pay for all of the Remaining Costs (less any unpaid Tenant Finish Allowance);

(f) Prior to commencing the construction of the Tenant's Construction Obligations, Tenant shall have delivered to Landlord all contracts entered into in connection with the performance of the Tenant's Construction Obligations; and

(g) Tenant shall deliver to Landlord all invoices for which Tenant is requesting payment and such invoices shall be issued under the contracts provided to Landlord pursuant to paragraph 6 above.

For purposes hereof, the Available Tenant Improvement Allowance shall mean the sum of (a) the Tenant Finish Allowance multiplied by the Completion Percentage, less (b) any portion of the Tenant Finish Allowance previously paid to Tenant pursuant to the provisions hereof, less, (c) a retainage of five percent (5%) of the amounts payable to Tenant pursuant to the foregoing provisions (the "Retainage"). All expenses arising by reason of Tenant's Construction Obligations in excess of this aggregate amount of the Tenant Finish Allowance shall be borne exclusively by the Tenant. In no event shall personal property be included as part of the Tenant Finish Allowance.

The Retainage shall be paid in full to Tenant upon satisfaction of the following conditions:

(w) All items of work specifically listed or implied under Tenant's Construction Obligations shall be certified complete by Tenant and Tenant's Architect;

(x) All final invoices with the necessary certification shall be forwarded to the Landlord for consideration and payment;

(y) If such work is found to be complete as certified, Landlord shall remit to Tenant a total amount due within thirty (30) days.

(z) Landlord shall not be obligated to remit any payment prior to its receipt of the following documents: (i) a Certificate of Occupancy from the municipality involved, (ii) a signed copy of Exhibit "D" and Exhibit "E" of this Lease or an equivalent document provided by Landlord and as required by lender,

(iii) a copy of insurance certificates evidencing the insurance required to be maintained by Tenant pursuant to Section 10 of this Lease, and (iv) all copies of necessary lien waivers involved with any general or subcontractors involved with Tenant's Construction Obligations.

2. In the event Tenant has not elected to receive the Tenant Finish Allowance pursuant to Paragraph 1 above, the Tenant Finish Allowance shall be distributed upon satisfaction of the following conditions, as determined by Landlord in it sole discretion:

(a) All items of work specifically listed or implied under Tenant's Construction Obligations shall be certified complete by Tenant;

(b) All final invoices with the necessary certification shall be forwarded to the Landlord for consideration and payment;

(c) If such work is found to be complete as certified, Landlord shall remit to Tenant, a total amount due within thirty (30) days.

(d) Landlord shall not be obligated to remit any payment prior to its receipt of the following documents: (i) a Certificate of Occupancy from the municipality involved, (ii) a signed copy of Exhibit "E" of this Lease or an equivalent document provided by Landlord and, if required by lender to authorize release of any funds to Tenant, a signed copy of Exhibit "D" of this Lease, (iii) a copy of insurance certificates evidencing the insurance required to be maintained by Tenant pursuant to Section 10 of this Lease, and (iv) all copies of necessary lien waivers involved with any general or subcontractors involved with Tenant's Construction Obligations.

(e) No default or event which with the giving of notice or passage of time or both would constitute a default under the Lease shall exist.

Notwithstanding the foregoing to the contrary, all expenses arising by reason of Tenant's Construction Obligations in excess of the Tenant Finish Allowance shall be borne exclusively by Tenant. No personal property shall be included as part of the Tenant Finish Allowance.

IV. BUILDING STANDARD FINISHES

The "Building Standard Finishes" provided as part of the Landlord's Construction Obligation is defined to include all structural elements of the Building, elevator systems, restrooms, fire exit stairways, electrical risers, telephone risers, plumbing risers, sprinkler systems, ventilation and cooling, air distribution system, insulated high-pressure duct loop, janitorial closets, floor telephone closets, and floor electrical closets.

ATTACHMENT 1

Landlord shall provide the following Building Standard Finishes for the Building and the Premises. The list includes:

1. The primary and secondary electrical, mechanical, fire protection, and life-safety system distribution in accordance with the Base Building design which complies with the local building code and other requirements of governmental agencies, including ADA, having jurisdiction over the Building for unoccupied office space in shell condition.
2. Building structural system consists of wide flange steel structural beam system with a composite concrete floor.
3. Building core area men's and women's toilet rooms, which meets all fire, life safety, ADA requirements, and other applicable codes.
4. Drinking fountains (HDCP accessible) at Building core per floor.
5. Code-compliant floor electrical/telephone and janitorial closets.
6. The electrical power is provided at 6.8 watts connected per rentable square foot, connected for tenant use, exclusive of the buildings HVAC system. The electrical includes lighting panels, transformer, distribution equipment and provisions for four (4) 208/120 volt tenant power panel connections at the floor.
7. Building-standard elevator lobby and related improvements.
8. High-speed electric traction elevators with eight-foot zero-inch elevator cabs (4 passenger cabs and 1 service sized cab) with seven-foot zero-inch high doors that serve the Building.
9. Building stairways (painted) as required by code with concrete filled stair treads and painted steel risers.
10. Sheetrock corridors, core area walls, and core corridor walls shall be taped, textured, and painted.
11. All base building mechanical equipment are included in the building mechanical penthouse and basement spaces. Supplemental mechanical equipment to support tenant functions shall be included in the tenant space as a tenant improvement and not part of the base finish for the building.
12. The base building heating and air conditioning system ("HVAC") complies with the state and local building codes, the standards established by the American Society of Heating, Refrigeration, and Air Condition Engineers (ASHRAE) for high-rise office buildings, or standards customarily adopted for class A buildings. Primary HVAC mechanical equipment (chillers, cooling towers, air-handling units, etc. or equivalent) and duct supply & return risers and distribution from the mechanical equipment room through the floor distribution loop. Heating water (30% propylene glycol) loops will be circulated on all floors of the building except the parking garage floors. Supply and return air ducts will be extended from the air handler into the premises in the office areas and looped around each floor to supply conditioned air to the tenant provided ductwork. All ductwork and piping for the tenant's improvements are to be installed "high and tight" against the structural members to allow temperature controls, balancing, and testing. Supplemental HVAC and electrical equipment and systems beyond the loads set forth below to support tenant functions shall be included in the tenant space as a tenant improvement and not part of the base finish for the building:
    - Occupancy Load: Average of one person per 125 rentable square feet.

- Lighting load: 1.0 watt/sq. ft. to space.
- Office equipment load: 2.25 watt/sq.ft. to space. Completion of the HVAC finish including, but not limited to, VAV(R) terminal unit low pressure ductwork, dampers, grills, diffusers, temperature controls, testing, and balancing as well as stand alone air-conditioning are at tenant's sole cost and expense.

13. A minimum of 1.0 CFM/RSF average of primary supply air @ 55ºF shall be provided to the premises.
14. The ventilation for the Premises shall be ASHRAE 62-2007 (or current) compliant.
15. Complete HVAC systems servicing all common areas of the Building (including, without limitation, restrooms and elevator lobbies on Tenant's floors) are provided as part of the Base Building.
16. Floor loads shall be per applicable codes and Base Building standards throughout with a minimum superimposed floor loading capacity of 80 pounds per square foot in all Tenant areas in addition to inherent structural dead loads.
17. Average floor-to-floor height of 14-feet.
18. Average ceiling height of nine-feet in all Tenant areas.
19. All plumbing riser-lines are in the floor core area.
20. Domestic hot and cold water shall be provided at all restrooms in the Building core.
21. Waste, vent and domestic cold water connects for tenant use will be stubbed into the tenant space at a minimum of two locations per typical floor.
22. Fire and life safety system shall be installed per applicable building codes. Installation of the fire sprinkler system includes a building fire pump, risers, control valves and main distribution loop. Installed sprinklers are limited to building core areas, penthouse, and code required coverage for an unoccupied tenant space.
23. Fire alarm / communication systems shall be installed per applicable building codes including fire alarm system, fire extinguishers, exit lights and emergency circuiting. Fire alarm devices and life safety equipment installed shall be limited to building core areas and code required coverage for unoccupied tenant space.
24. Landlord shall be responsible to construct the Building and any common areas to meet ADA requirements.
25. A standby electrical generator is provided to meet life-safety requirements. Any required generator for tenant use, including data or server equipment is a tenant improvement and not part of the base finish for the building.

EXHIBIT "D"

ACKNOWLEDGMENT OF COMMENCEMENT DATE AND TENANT ESTOPPEL CERTIFICATE

TO: DATE:

RE: ____
____
____
____

Gentlemen:

The undersigned, as Tenant, has been advised that the Lease has been or will be assigned to you as a result of your financing of the above-referenced property, and as an inducement therefor hereby confirms the following:

1. That it has accepted possession and is in full occupancy of the Leased Premises, that the Lease is in full force and effect, that Tenant has received no notice of any default of any of its obligations under the Lease, and that the Lease Commencement Date is ______________________________________.

2. That the improvements and space required to be furnished according to the Lease have been completed and paid for in all respects, and that to the best of its knowledge, Landlord has fulfilled all of its duties under the terms, covenants and obligations of the Lease and is not currently in default thereunder.

3. That the Lease has not been modified, altered, or amended, and represents the entire agreement of the parties, except as follows:

____
____
____
____

4. That there are no offsets, counterclaims or credits against rentals, nor have rentals been prepaid or forgiven, except as provided by the terms of the Lease.

5. That said rental payments commenced or will commence to accrue on _____________, and the Lease term expires ___________________________. The amount of the security deposit and all other deposits paid to Landlord is $__________________.

6. That Tenant has no actual notice of a prior assignment, hypothecation or pledge of rents of the Lease, except: ____ ____ _________________________________.

7. That this letter shall inure to your benefit and to the benefit of your successors and assigns, and shall be binding upon Tenant and Tenant's heirs, personal representatives, successors and assigns. This letter shall not be deemed to alter or modify any of the terms, covenants or obligations of the Lease.

The above statements are made with the understanding that you will rely on them in connection with the purchase of the above-referenced property.

Very truly yours,

____

Date of Signature: _____________ By: ____

ATTACHMENT 1

EXHIBIT "E"

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to Lease Agreement (this "Amendment") is made and entered into as of this [____] day of [______], 200[__], by and between **[LANDLORD NAME]**, (the "Landlord"), and **[TENANT NAME]** (the "Tenant").

RECITALS

WHERAS, on [_______________], Landlord and Tenant entered into that certain Lease Agreement (the "Lease") pursuant to which Landlord agreed to lease to Tenant, and Tenant agreed to lease from Tenant, the Leased Premises (as defined in the Lease). Capitalized terms used but not defined herein shall have their respective meanings set forth in the Lease.

WHEREAS, in accordance with Section 2.5 of the Lease, Landlord and Tenant agreed to enter into this Amendment.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agrees as follows:

AGREEMENT

1. Amendment to Section 1.1(a). Section 1.1(a) of the Lease is hereby deleted in its entirety and replaced with the following:

   "(a) That certain floor area containing approximately a Gross Rentable Area of ________ square feet (the "Leased Premises") on the 2nd and 3rd floors of the Clearwater Building and a portion of the 3rd Floor of the Centre Building. The street address for the Centre Building, Clearwater Building and Multimodal Center within City Center is ________, Boise, Idaho, 83702, all of which is located within the real property more particularly described on Exhibit "A" attached hereto and by this reference incorporated herein (the "Property"). The Leased Premises consists of that certain area crosshatched on the floor plan shown on Exhibit "B" which is attached hereto and by this reference incorporated herein. At any time and from time to time during the term of the Lease, Landlord shall have the right to re-measure and re-determine the gross rentable square feet of the Leased Premises, the Centre Building and the Clearwater Building in accordance with BOMA Standard Methods of Measurement – English version (ANSI/BOMA Z65.1-2010) – Method A. If the re-measured and re-determined rentable area of the Leased Premises is different than above stated, Landlord shall provide Tenant written notice of the change in square footage (the "Measurement Notice"). The re-measured and re-determined rentable square feet shall then become the Gross Rentable Area of the

Leased Premises, effective as of the date of the Measurement Notice, in which case the Basic Annual Rent (as defined in Section 3.1 below), the Additional Rent (as defined in Section 4.1 below), shall be proportionately adjusted, provided that the Gross Rentable Area may be adjusted by no more than five percent (5%) of the original Gross Rentable Area of 53,549 square feet;"

2. Amendment to Section 2.3. Section 2.3 of the Lease is hereby deleted in its entirety and replaced with the following:

> "2.2 Commencement Date. The term of this Lease and Tenant's obligation to pay rent hereunder shall commence on [__________________] (the "Commencement Date")."

3. Amendment to Section 4.1(c)(i). Section 4.1(c)(i) of the Lease is hereby deleted in its entirety and replace with the following:

> (i) All expenses allocable to the Leased Premises under any of the Condominium Documents for its share, as one or more Units, or sub-Units, of taxes (if any), insurance, maintenance and operation of any common area so designated or defined thereunder, the allocated interest of such Units or sub-Units, of which the Leased Premises are a part, are anticipated to be as follows, but subject to adjustment upon recording of the final Condominium Documents: (Clearwater Building Condominiums: _____%; Centre Building Condominiums: _______%; Multimodal Center Condominiums: _____%: US Bank Plaza Condominiums: ____%).

4. Amendment to Section 4.1(h). Section 4.1(h) of the Lease is hereby deleted in its entirety and replace with the following:

> (h) "Tenant's Proportionate Share" shall mean the percentage derived from the fraction, the numerator of which is the gross rentable square footage of the Leased Premises, the denominator of which is the gross rentable square footage of the portions of the Building owned by Landlord; at any time or from time to time, less than eighty-five percent (85%) of the Centre Building or the Clearwater Building is occupied by tenants who are paying rent during a calendar year or fiscal year, the denominator, for purposes of calculating Tenant's Proportionate Share, shall be the square footage of the Centre Building or the Clearwater Building actually being leased by tenants who are in occupancy and paying rent. Initially, for the improvements owned by Landlord, the Tenant's Proportionate Share for the Leased Premises shall be 100% (Premises: 53,549 square feet of Gross Rentable Area/Landlord's Units 53,549 square feet of Rentable Area). It is anticipated that Tenant's Proportionate Share, based upon the interests in the Common Areas allocated to the Units comprising the Leased Premises, will be as follows, subject to adjustment upon recording of the final Condominium

Documents: (Clearwater Building Condominiums: _____%; Centre Building Condominiums: _______%; Multimodal Center Condominiums: _____%: US Bank Plaza Condominiums: ____%).

5. Any and all other terms and provisions of the Lease are hereby amended and modified wherever necessary, and even though not specifically addressed herein, so as to conform to the amendments set forth in the preceding paragraph. Except as expressly modified and amended hereby, all other terms and conditions of the Lease shall continue in full force and effect.

6. This Amendment contains the entire understanding of Tenant and Landlord and supersedes all prior oral or written understandings relating to the subject matter set forth herein.

7. This Amendment may be executed in counterparts each of which shall be deemed an original. An executed counterpart of this Amendment transmitted by facsimile shall be equally as effective as a manually executed counterpart.

8. This Amendment shall inure for the benefit of and shall be binding on each of the parties hereto and their respective successors and/or assigns.

9. Each individual executing this Amendment does thereby represent and warrant to each other person so signing (and to each other entity for which such other person may be signing) that he or she has been duly authorized to deliver this Amendment in the capacity and for the entity set forth where she or he signs.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have entered into this Amendment as of the date first set forth above.

TENANT:

[Insert Tenant’s signature block]

LANDLORD:

[Insert Landlord’s signature block]

EXHIBIT "F"

RULES AND REGULATIONS

The rules and regulations set forth in this Exhibit are a part of the foregoing Lease. Whenever the term "Tenant" is used in these rules and regulations, such term shall be deemed to include Tenant and the Tenant Related Parties. The following rules and regulations may from time to time be modified by Landlord in the manner set forth in the Lease. These rules are in addition to those set forth in any restrictions of record and Tenant shall be subject to all such rules and regulations set forth in such restrictions of record. The terms capitalized in this Exhibit shall have the same meaning as set forth in the Lease.

1. Tenant shall not place or suffer to be placed on any exterior door, wall or window of the Leased Premises, on any part of the inside of the Leased Premises which is visible from outside of the Leased Premises or elsewhere on the Property, any sign, decoration, lettering, attachment, advertising matter or other thing of any kind, without first obtaining Landlord's written approval. Landlord may establish rules and regulations governing the size, type and design of all such items and Tenant shall abide by such rules and regulations. All approved signs or letterings on doors shall be printed, painted and affixed at the sole cost of Tenant by a person approved by Landlord, and shall comply with the requirements of the governmental authorities having jurisdiction over the Property. At Tenant's sole cost, Tenant shall maintain all permitted signs and shall, on the expiration of the Term or sooner termination of this Lease, remove all such permitted signs and repair any damage caused by such removal. Landlord may establish rules and regulations governing the size, type and design of all such items and Tenant shall abide by such rules and regulations, as well as the existing rules and regulations set forth in the Master Declaration.

2. Tenant shall have the right to non-exclusive use in common with Landlord, other tenants and their occupants of the parking areas, driveways, sidewalks and access points of the Property, subject to reasonable rules and regulations prescribed from time to time by Landlord. Landlord shall have the right, but not the obligation, to designate parking areas for Tenant.

3. Tenant shall not obstruct the sidewalks or use the sidewalks in any way other than as a means of pedestrian passage to and from the offices of Tenant. Tenant shall not obstruct the driveways, parking areas or access to and from the Property or individual tenant parking spaces. Any vehicle so obstructing and belonging to Tenant may be towed by Landlord, at Tenant's sole cost and expense.

4. Tenant shall not bring into, or store, test or use any materials in, the Center Building or the Clearwater Building which could cause fire or an explosion, fumes, vapor or odor unless explicitly authorized by the terms of the Lease.

5. Tenant shall not do, or permit anything to be done in or about the Leased Premises, or keep or bring anything into the Leased Premises, which will in any way increase the rate of insurance cost for the Property. Unless explicitly provided for in the Lease, Tenant shall not bring, use, store, generate, dispose or allow combustible, flammable or hazardous materials on

the Property or the Leased Premises.

6. Tenant shall immediately pay upon receipt of demand therefore from Landlord for any damage caused during moving of Tenant's property in or out of the Leased Premises.

7. No repair or maintenance of vehicles, either corporate or private, shall be performed on or about the Property.

8. Tenant shall not leave vehicles parked overnight on the Property unless (a) explicitly authorized by the terms of the Lease, or (b) such vehicles are being used by persons working overnight in the Leased Premises.

9. No outside storage of company or personal property, vehicles or boats in or about the Leased Premises is permitted. This includes, without limitation, transportation and storage items such as automobiles, trucks, trailers, boats, pallets, debris, trash or litter.

10. Tenant may utilize such door locks as it deems appropriate provided that (a) it shall provide Landlord with a master key or keys to the Leased Premises and (b) Tenant shall not install any security system except as consistent with Exhibit C to the Lease.

11. The Leased Premises shall not be used for lodging or sleeping purposes. No immoral or unlawful purpose is allowed on the Property or in or about the Leased Premises. Vending machines for the use of Tenant's employees only are permitted. Electronic games and similar devices for revenue purposes are prohibited. Electronic games which are part of an educational program are allowable so long as the volume is controlled so as to not be audible from common areas or adjoining premises.

12. Landlord shall have the right to control and operate the common areas of the Property, as well as the facilities and areas furnished for the common use of the tenants in such manner as Landlord deems best for the benefit of the tenants and the Property generally, considered as a first class institutional facility.

13. No animals or birds of any kind shall be brought into or kept in or about the Leased Premises, except for guide dogs for vision or hearing impaired persons.

14. Canvassing, soliciting, distribution of handbills or any other written materials or peddling on or about the Property are prohibited, and Tenant shall cooperate to prevent the same.

15. Tenant shall not throw any substance, debris, litter or trash of any kind out of the windows or doors of the Centre Building or the Clearwater Building, and will use only designated areas for proper disposal of these materials.

16. Waterclosets and urinals shall not used for any purpose other than those for which they are constructed, and no sweepings, rubbish, ashes, newspaper, coffee grounds or any other substances of any kind shall be thrown into them.

17. Waste and excessive or unusual use of water is prohibited without the prior written consent of Landlord.

18. Tenant shall not penetrate the walls or roof of the Centre Building or the Clearwater Building and shall not attach any equipment or antenna to the roof or exterior of the Centre Building or the Centre Building or the Clearwater Building without Landlord's prior written consent. Tenant shall not step onto the roof of the Centre Building or the Clearwater Building for any reason. No television, radio or other audiovisual medium shall be played in such manner as to cause a nuisance to other tenants or persons using the common areas.

19. Landlord shall not be responsible for lost, stolen or damaged personal property, equipment, money, merchandise or any article from the Leased Premises or the common areas regardless of whether or not the theft, loss or damage occurs when the Leased Premises are locked.

20. Landlord reserves the right to expel from the Property anyone who in Landlord's reasonable judgment is intoxicated or under the influence of alcohol, drugs or other substance, or who is in violation of the rules and regulations of the Property.

21. Landlord shall have the right, exercisable without notice and without liability to Tenant, to change the name or street address of the Centre Building or the Clearwater Building or the Property.

22. These rules and regulations are in addition to, and shall not be construed to in any way modify, alter or amend, in whole or in part, the terms, covenants, agreements and conditions of the Lease.

23. Landlord may, from time to time, waive any one or more of these rules and regulations for the benefit of any particular tenant or tenants, but no such waiver by Landlord shall be construed as a waiver of such rules and regulations in favor of any other tenant or tenants, nor prevent Landlord from thereafter enforcing them against any or all of the tenants of the Property.

24. The use of the Leased Premises for business activities is to be conducted within the interior of Tenant's space to the greatest extent possible. Extensive business activities outside Tenant's space is not permitted without the prior written consent of Landlord.

25. If a Tenant is in violation of these rules and regulations and has not corrected such violation within ten (10) days after written notice Landlord may, without forfeiting any other rights or recourses permitted under the Lease, correct the violation at Tenant's expense to include levying a $100.00 administrative charge per violation for coordinating and managing the correction of the violation. Costs associated with Landlord's reasonable actions to correct the violation including the administrative charge will be considered additional rent as defined in the Lease.

EXHIBIT G

DOWNTOWN BOISE BUSINESS IMPROVEMENT DISTRICT DISCLOSURE

[see attached]

DOWNTOWNBOISE

Downtown Boise Business Improvement District Disclosure
Your Downtown Boise Association Dollars at Work

Welcome to Downtown Boise! Thank you for choosing to locate your business in beautiful downtown Boise. Downtown has many wonderful opportunities and makes an excellent location to work, shop, play and live.

The Downtown Boise Association (DBA) is the organization designated by the City of Boise to administer the Downtown Boise Business Improvement District (BID). A Business Improvement District is a publicly sanctioned, yet privately directed organization that supplements public service to improve shared, geographically defined, outdoor public spaces. BIDs enhance the safety, cleanliness, image and competitiveness of city centers. There are at least 1200 BIDs in the United States with six located in Idaho. Under Idaho Statute, Title 50 Municipal Corporations is Chapter 26 that defines Business Improvement Districts in the State of Idaho.

On June 23, 1987 the Mayor and City Council of Boise passed Resolution # 8293 declaring inter alia the intent of the City of Boise to create a Downtown Business Improvement District, and by resolution of the Mayor and Council adopted the resolution. Pursuant to Idaho Code section 50-2611, the City designated the Downtown Boise Association to administer the operation of the Downtown Business Improvement District. The ordinance was signed by City Council on July 7, 1987. (Ordinance #5019 and #6218)

All businesses that locate within the district (generally bounded by 5th, State, 13th and Myrtle Streets) are subject to an annual assessment from Boise City. All businesses in the district are automatically members of the Downtown Boise Association. You will receive a bill from the City of Boise Utility Department for your Business Improvement District Assessment at the end of January for the fiscal year. Businesses are assessed based on square footage, location and type of business. The rate sheet and BID boundary map can be viewed online at www.downtownboise.org.

The Downtown Boise Association provides the following:

Services: The DBA manages the "Clean Team" which provides general cleaning for downtown sidewalks and manages the flower planters located throughout downtown. Over 400 pots are planted in early May and are maintained till early November. The DBA provides supplemental snow removal for downtown sidewalks whenever 1" or more snow accumulates.

Events: The DBA organizes downtown events located in the Grove such as Alive After Five, Jazz on the Grove and the Holiday Tree Lighting Celebration. These events also serve as revenue sources for the DBA. The DBA organizes and markets downtown events aimed at the retail sector such as "First Thursday" and "Christmas in the City", Mother's Day and Summer Sales and promotes Boise through a marketing campaign called "Fall for Boise".

Marketing: The DBA supports a downtown general marketing campaign. The DBA promotes downtown as a Shopping, Dining, Arts & Entertainment destination through designing and producing the Downtown Map & Directory and budgets annually to purchase T.V., Radio and Print supporting shopping, dining, arts and entertainment throughout the year. The DBA manages a comprehensive gift card program aimed at both general public distribution and major employer incentive programs.

Communication: The DBA supports and maintains a web site located at www.downtownboise.org designed to promote all aspects of downtown including downtown shopping & dining opportunities, new business attraction, DBA member services, and current downtown news & information. The DBA hosts member forums on a monthly basis.

Advocacy: The DBA is recognized by Boise City Council as the primary advocate on downtown issues and actively engages in downtown advocacy on behalf of the membership. This enables the DBA to take leadership roles in downtown issues that impact the downtown economy such as parking, access and transportation, vending, vagrancy, noise, new business attraction, business retention, vacancy rates and other economic development issues.

I have read the above and understand that my business is located in the Downtown Boise Business Improvement District, and as such will receive an annual assessment from the City of Boise.

Signed: ____________________

Print Name: ____________________

Business Name: ____________________

Business Address: ____________________

Type of Business: __________ Leased Sq/Ft: __________

Phone: __________ Fax: __________

Downtown Boise Association
720 W. Idaho St. Boise, ID 83702
Phone 208-385-7300, Fax 208-385-7301

EXHIBIT H

Form of Special Warranty Deed

Recording Requested By and
When Recorded Return to:

____
____
____
____

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

SPECIAL WARRANTY DEED

Special Warranty Deed made this _____ day of _______________, 20___, between CITY CENTER PLAZA EDUCATION, LLC, an Idaho limited liability company ("**Grantor**"), and Idaho State Board of Education by and through Boise State University, a governmental subdivision of the State of Idaho and a body corporate with all the powers of a public or quasi-municipal corporation, whose address is _____________________________ ("**Grantee**"), witnesseth:

That Grantor, for and in consideration of the sum of One Dollar and No Cents ($1.00), and other good and valuable consideration, the receipt whereof is hereby acknowledged, does, by these presents, grant, sell and convey unto Grantee and its successors and assigns forever, all the following described real estate ("**Property**") situated in the County of Ada, State of Idaho:

SEE EXHIBIT A ATTACHED HERETO AND INCORPORATED HEREIN.

Together with all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, the rents, issues and profits thereof; and all estate, right, title and interest in and to the Property, as well in law as in equity, except as expressly provided otherwise herein.

To have and to hold, all and singular the above-described Property together with the appurtenances unto Grantee and its heirs and assigns forever.

Grantor makes no covenants or warranties with respect to title or condition of the Property, express or implied, other than that Grantor has authority to grant, sell, and convey the Property and holds marketable fee simple title to the Property and that previous to the date of this instrument, Grantor has not conveyed the same estate to any person other than Grantee and that such estate is at the time of the execution of this instrument free from encumbrances done, made or suffered by the Grantor, or any person claiming under Grantor, except as set forth herein.

This conveyance is made further subject to (a) any and all easements, restrictions, agreements and encumbrances of record or appearing on the land as of the date of this instrument; (b) the recorded instruments relating to the development of and the creation of the condominium units and appurtenant common areas constituting the Property; (c) the continuing obligations of Grantee to Grantor relating to the Property which shall survive the conveyance and not merge herewith; and (d) taxes and assessments due but not yet owing as the date hereof.

GRANTOR:

CITY CENTER PLAZA EDUCATION, LLC, an
Idaho limited liability company, by its Manager

KC Gardner Company, L.C., a Utah limited liability
company

By:_____________________
Name: __________________
Title: Manager

STATE OF IDAHO)
) ss.
County of Ada)

On this______ day of __________, 2014, before me ______________________, a Notary Public in and for said State, personally appeared ______________, known or identified to me to be the __________ of KC Gardner Company, L.C., the Utah limited liability company that is the manager of City Center Plaza Education, LLC, the Idaho limited liability company that executed the within instrument or the person who executed the instrument on behalf of said limited liability company, and acknowledged to me that such limited liability company executed the same.

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

____
Notary Public for Idaho
Residing at ________________________________
My commission expires ______________________

Exhibit A

Legal Description

[To be attached]

EXHIBIT I

RIGHT OF FIRST REFUSAL AGREEMENT

Effective _____________, 2014, City Center Plaza Office, LLC, ("**Grantor**"), and the State of Idaho by and through Idaho State Board of Education by and through Boise State University ("**Grantee**"), enter into this Right of First Refusal Agreement (the "**Agreement**"). In consideration for the mutual covenants of Grantor and Grantee, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor and Grantee do hereby agree as follows:

ARTICLE 1
BACKGROUND

1.1 Grantee and Grantor's affiliate, City Center Plaza Education, LLC, have entered into a Lease Agreement, as amended (collectively, the "**Lease**") with respect to Suites 200 and 300, consisting of three condominium units, two located entirely on the 2nd and 3rd floors of the Clearwater Building and one unit located partially on the 3rd floor of the Centre Building (the "**Leased Premises**"), located on the real property described in Exhibit A attached hereto (the "**Property**").

1.2 In connection with the Lease, Grantor has agreed to grant to Grantee a right of first refusal to purchase Suites 500, 600, 700, 800, and 900 located near the Leased Premises in the Clearwater Building on the Property (the "**Subject Properties**").

1.3 The Parties hereby desire to enter into a this Right of First Refusal Agreement whereby Grantor agrees to grant to Grantee a right of first refusal to purchase the Subject Properties on the terms and subject to the conditions set forth herein.

ARTICLE 2
RIGHT OF FIRST REFUSAL

2.1. Grant of Right. Grantor hereby grants to Grantee the right of first refusal to purchase the Subject Properties, upon the terms and conditions hereinafter set forth. Grantee acknowledges that the rights granted herein are subject to the rights of Clearwater Analytics, LLC, and the tenant presently leasing the Subject Properties, as set forth in its lease with Grantor as well as the rights granted to Clearwater Property Holdings, LLC, a member of Grantor, as set forth in the Operating Agreement governing Grantor (referred to hereafter collectively as the "Clearwater Entities"). Grantee further acknowledges that the rights set forth herein are limited to those condominium Units owned by Grantor, which are limited to the Subject Properties. Grantee finally acknowledges that the exercise of the rights granted herein shall be expressly conditioned upon either Tenant fully performing its obligations under the Lease or Tenant having exercised its rights to purchase the Leased Premises.

2.2. Notice of Transfer. In the event Grantor determines to sell, convey or otherwise transfer the Subject Properties or any portion thereof to a third party, other than the Clearwater Entities, or following the Clearwater Entities' rejection of such offer or failure to exercise its right of first refusal relating to the Subject Properties, Grantor shall provide Grantee with a written notice setting forth the terms and conditions of the third party offer, with a copy of such third party offer attached thereto (the "**Transfer Notice**"). Upon receipt of the Transfer Notice, Grantee will have the opportunity at the next available meeting of the Idaho State Board of Education to seek approval to match the purchase offer from the third party. If the Idaho State Board of Education fails to act within forty five (45) days from the date of the Transfer Notice, then Grantee will be deemed to have waived all of its rights hereunder and this Agreement shall terminate. Upon receipt of such approval, Grantee shall have five (5) days in which to provide Grantor a written notice (the "**Notice of Acceptance**") that it will purchase the Subject Properties upon all of the terms and conditions set forth in the Transfer Notice, including the timing for closing. If Grantee does not agree to purchase the Subject Properties, Grantor shall thereafter have the absolute right to sell or transfer the Subject Properties to the third party so long as such sale or transfer is at a price not less than and on terms not more favorable than the price and terms stated in the Transfer Notice. If the third party transaction would be consummated at a price which is less than or upon terms which are more favorable than the price and/or terms set forth in the Transfer Notice, then the Grantor shall provide to Grantee a statement of the modified terms upon which Grantor is willing to sell the Subject Properties or the interest therein ("**Modification Notice**"). Grantee has five (5) days following receipt of the Modification Notice to provide written notification ("**Modified Notice of Acceptance**") to Grantor that Grantee will purchase the Subject Properties or the interest therein under the terms and conditions contained in the Modification Notice. If Grantee fails to deliver a Modified Notice of Acceptance in the time frames as set forth herein, then this Agreement shall terminate and Grantor shall have the absolute right to transfer the Subject Properties upon the terms and conditions set forth Modification Notice to a third party.

2.3. Transfer to Clearwater. Grantor may transfer the Subject Properties to the Clearwater Entities at any time without offer of the Subject Properties to Grantee. In the event Grantor transfers the Subject Properties to the Clearwater, Clearwater shall be bound by the provisions of this right of first refusal if it seeks to transfer the Subject Properties to another party, so long as Grantee leases or owns the Leased Premises.

2.4. Due Diligence. Unless a longer term for due diligence is specified in the Transfer Notice, Grantee shall have the period between the Transfer Notice and the delivery of the Notice of Acceptance to conduct its due diligence on the Subject Properties.

2.5. No Conveyance. Except as expressly provided herein, Grantor shall not sell, convey or otherwise transfer the Subject Properties, or any interest therein, unless and until the right of first refusal herein conferred upon Grantee has been exhausted.

2.6 Excluded Conveyances. The rights granted to Grantee in this Agreement shall not apply to a granting of a mortgage loan or to the foreclosure, delivery of a deed in lieu of foreclosure or similar action of a mortgage loan and shall terminated upon the foreclosure, delivery of a deed in lieu of foreclosure or similar action of a mortgage loan. Grantee agrees to execute any document for the sole purpose of confirming the provisions of this Section required by the holder of such mortgage, deed of trust or other security interest.

2.7 Prohibition on Transfer of Rights by Grantee. Grantor and its affiliates have developed the larger project within which the Leased Premises and the Subject Properties are located as part of a larger commercial mixed use development that has been planned and developed with a very specific mix of tenants and uses. As set forth in the limitation on uses and transfers set forth in Articles VI and IX of the Lease, which are incorporated herein by reference as if fully restated herein, the grant of rights set forth herein are solely for the benefit of Boise State University in the operation and development of certain computer science educational programs and ancillary businesses. As such, the rights set forth herein may not be assigned, conveyed, or otherwise transferred to any other public or private person or entity. No assignment, conveyance, or transfer may occur without the prior written consent of Grantor in each instance, which approval may be withheld in Grantor's sole and absolute discretion. Any assignment that is not permitted by this Agreement is and shall be null and void for all purposes.

ARTICLE 6
CLOSING

6.1. Closing Obligations of Grantee. The obligations of Grantee under this Agreement, including Grantee's obligation to close, shall be subject only to the terms and conditions set forth in the Transfer Notice (or the Modification Notice, if applicable).

6.2. Escrow Holder. Prior to Closing, an escrow shall be opened with a title company selected by Grantor ("**Escrow Holder**") and Grantee shall deposit any earnest money required by Transfer Notice into the escrow. Grantor shall deposit with the Escrow Holder a duly executed and acknowledged special warranty deed, together with instructions to deliver and record the special warranty deed when Escrow Holder is able to pay the balance of the purchase price specified in the Notice of Acceptance or the Modification Notice. Grantee shall deposit with the Escrow Holder the purchase price with instructions to disburse the purchase price to Grantor upon recordation of the special warranty deed and issuance of a policy of title insurance issued in accordance with Section 3.5 hereof.

6.3. Closing Date. "**Closing**" shall occur within the period specified in the Transfer Notice.

6.4. Possession. Grantor shall deliver possession of the Subject Properties to Grantee at Closing.

6.5. Costs. Unless otherwise set forth herein, all costs and expenses of a standard owner's title insurance policy, in the insured amount not to exceed the purchase price, and recording fees shall be paid by Grantee. Additionally, Grantee shall pay for all title insurance premiums that exceed the cost for a standard policy, including the cost of extended coverage and any endorsements and the cost for any appraisals of the Subject Properties. Grantee shall pay the Escrow Holder's customary charges for document drafting, recording and miscellaneous charges.

ARTICLE 7
DEFAULT AND REMEDIES

7.1. Remedies upon Default. In the event a party is in default under this Agreement and such default continues for more than three (3) days after the defaulting party has delivered written notice of default, the non-defaulting party shall be entitled to specific performance of this Agreement, and to any other remedy available in law or equity.

7.2. Attorneys' Fees and Costs. In the event any action is filed to enforce the terms of this instrument, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in any such action.

7.3. Governing Law, Jurisdiction, and Venue. Idaho law shall govern this Agreement. The state and federal courts of Idaho have jurisdiction, and venue for mediation, litigation, and all other proceedings shall be located in Kootenai County, Idaho.

ARTICLE 8
GENERAL PROVISIONS

8.1 Notices. All notices and other communications ("**Notices**") shall be in writing and may be delivered (i) in person, with the date of notice being the date of personal delivery, (ii) by United States Mail, postage prepaid for certified or registered mail, return receipt requested, with the date of notice being the date of the postmark on the return receipt, (iii) by fax, with confirmation of the transmittal of the fax and a copy of the fax deposited on the same day in the United States Mail, with the date of notice being the date of the fax, or (iv) by nationally recognized delivery service such as Federal Express, with the date of notice being the date of delivery as shown on the confirmation provided by the delivery service. Notices shall be addressed to the following addresses or such other address, as one party shall provide the other parties:

If to Grantee:

City Center Plaza Office, LLC
Attention: Christian Gardner
90 South 400 West, Suite 360
Salt Lake City, UT 84101

With copy to:

KC Gardner Company, L.C.
Attention: General Counsel
101 S. Capitol Boulevard, Suite 1200
Boise, ID 83702

If to Grantor: Boise State University
Real Estate Services
1910 University Drive
Boise, ID 83725

With copy to:

Boise State University
Office of General Counsel
1910 University Drive
Boise, ID 83725

8.2 Recordation. A memorandum of this Agreement shall be recorded in the official records of Ada County, Idaho, in the form attached hereto as Exhibit B.

8.3 Time of the Essence. Time is of the essence with respect to the obligations to be performed under this Agreement.

8.4 Entire Agreement. This Agreement, together with the Lease constitutes the entire, completely integrated agreement among the parties and supersedes all prior memoranda, correspondence, conversations, and negotiations.

8.5 Successors. The benefits and burdens of this Agreement shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the respective parties hereto.

8.6 Counterparts and Fax Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Telecopied and facsimile signatures shall be effective for purposes of executing and delivering this Agreement.

8.7 Termination. This Agreement shall terminate upon (i) the occurrence of an Excluded Conveyance, (ii) Grantee's failure to deliver a Notice of Acceptance, or (iii) Grantee's waiver of the rights under this Agreement ("Termination Event"). Upon a Termination Event, Grantee shall deliver a termination notice in recordable form that evidences the termination of this Agreement and the recorded memorandum.

[Signatures Appear on Following Page]

SIGNATURES

CITY CENTER PLAZA OFFICE, LLC, an Idaho limited Liability company, by its Manager

Date: ________________________

KC Gardner Company, L.C., a Utah limited liability company,

By:______________________
Name: ___________________
Title: Manager

Date: ________________________

IDAHO STATE BOARD OF EDUCATION BY AND THROUGH BOISE STATE UNIVERSITY, a governmental subdivision of the State of Idaho and a body corporate with all the powers of a public or quasi-public corporation

By: __________________________
Name: _________________________
Title: __________________________

Consented to

CLEARWATER PROEPRTY HOLDINGS, LLC, a Delaware limited liability company

Date: ________________________

By: __________________________
Name: _________________________
Title: __________________________

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

EXHIBIT B
FORM OF MEMORANDUM

Recording Requested By and
When Recorded Return to:

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

MEMORANDUM OF RIGHT OF FIRST REFSUAL AGREEMENT

THIS MEMORANDUM OF RIGHT OF FIRST REFSUAL AGREEMENT ("**Memorandum**") is made as of the ____ day of __________, by and between by City Center Plaza Office, LLC, ("**Grantor**"), and the State of Idaho by and through Idaho State Board of Education by and through Boise State University ("**Grantee**").

1. Grantor and Grantee have previously entered into that certain Right of First Refusal Agreement. This Memorandum summarizes the Right of First Refusal Agreement pursuant to Idaho Code Section 55-818 and incorporates by reference all of the terms and provisions of the Memorandum.

2. Grantor has granted the Grantee the right of first refusal to purchase the real property described in Exhibit "A" (the "**Property**"). The grant of the rights under the Right of First Refusal Agreement are made subject to and subordinate to certain other rights of offer or refusal granted to third parties.

3. The terms, conditions and provisions of the Right of First Refusal Agreement relating to the purchase of the Property shall extend to and be binding upon the heirs, executors, administrators, grantees, successors and assigns of the parties hereto for the duration of the Right of First Refusal Agreement .

4. In the event of any conflict between the Right of First Refusal Agreement and this Memorandum, the Right of First Refusal Agreement shall control.

5. Capitalized terms set forth in this Memorandum shall have the same meanings ascribed for such capitalized terms in the Right of First Refusal Agreement.

CITY CENTER PLAZA OFFICE, LLC, an Idaho
limited Liability company, by its Manager

Date: ___________________

KC Gardner Company, L.C., a Utah limited liability company,

By:______________________
Name: ___________________
Title: Manager

Date: ___________________

IDAHO STATE BOARD OF EDUCATION BY AND THROUGH BOISE STATE UNIVERSITY, a governmental subdivision of the State of Idaho and a body corporate with all the powers of a public or quasi-public corporation

By: __________________________
Name: ________________________
Title: _________________________

Consented to

Date: ___________________

CLEARWATER PROPERTY HOLDINGS, LLC, a Delaware limited liability company

By: __________________________
Name: ________________________
Title: _________________________

STATE OF IDAHO)
) ss.
County of ___________)

On this ___ day of _______________, 2014, before me, ___________________________, a Notary Public in and for said State, personally appeared _________, known or identified to me to be the __________ of _______________, the corporation that executed the within instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

____
Notary Public for Idaho
Residing at ___________________________
My commission expires ____________________

STATE OF IDAHO)
) ss.
County of ___________)

On this ___ day of _______________, 2013 before me, ___________________________, a Notary Public in and for said State, personally appeared ____________, known or identified to me to be the ______________ of _________________, the corporation that executed the within instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

____
Notary Public for Idaho
Residing at ___________________________
My commission expires ____________________

STATE OF IDAHO)
) ss.
County of ___________)

On this ___ day of _______________, 2013 before me, ___________________________, a Notary Public in and for said State, personally appeared _____________, known or identified to me to be the ______________ of _________________, the corporation that executed the within instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

____
Notary Public for Idaho
Residing at ___________________________________
My commission expires ________________________

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY TO MEMORANDUM

ANNEX A

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to Lease Agreement (this "Amendment") is made and entered into as of this [____] day of [______], 20__, by and between 8th STREET PLAZA, LLC, an Idaho limited liability company (the "Landlord"), and STATE OF IDAHO AND IDAHO STATE BOARD OF EDUCATION by and through BOISE STATE UNIVERSITY (the "Tenant").

RECITALS

WHERAS, on [_______________], Landlord and Tenant entered into that certain Lease Agreement (the "Lease") pursuant to which Landlord agreed to lease to Tenant, and Tenant agreed to lease from Landlord, the Leased Premises (as defined in the Lease). Capitalized terms used but not defined herein shall have their respective meanings set forth in the Lease.

WHEREAS, in accordance with Section 2.4 of the Lease, Landlord and Tenant agreed to enter into this Amendment.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agrees as follows:

AGREEMENT

1. Amendment to Section 1.2. Section 1.2 of the Lease is hereby amended to delete the last sentence of Section 1.2. All other references to a Tenant Finish Allowance are hereby deleted from the Lease. Landlord shall not provide Tenant any funds in connection with the completion of the Tenant's Construction Obligations.

2. Amendment to Section 2.2. Section 2.2 of the Lease is hereby amended to provide that no Termination Fee is due from Tenant in the event Tenant delivers a Termination Notice.

3. Amendment to Section 3.1. Section 3.1 of the Lease is hereby deleted in its entirety and replaced with the following:

> 3.1 Basic Annual Rent. Tenant agrees to pay to Landlord as basic annual rent (the "Basic Annual Rent") at such place as Landlord may designate, without prior demand therefore and without any deduction or set off whatsoever, in the amount of Six Hundred Two Thousand Four Hundred Twenty-Six Dollars ($602,426.25), which amount is based on the product of $11.25 per rentable square foot of the Leased Premises. The Basic Annual Rent shall be due and payable in twelve (12) equal monthly installments to be paid in advance on or before the first day of each calendar month during the term of the Lease. Commencing on the first anniversary of the Commencement Date and on each anniversary of the Commencement Date thereafter, Basic Annual Rent shall escalate at the beginning of the 2nd year and every year thereafter using a 3% annually compounded rate. Tenant shall pay the first month's Basic Annual Rent on or before the Commencement Date. In the event

the Commencement Date occurs on a day other than the first day of a calendar month, then rent shall be paid on the Commencement Date for the initial fractional calendar month prorated on a per-diem basis (based upon a thirty (30) day month).

4. Amendment to Section 4.1(c)(i). Section 4.1(c)(i) of the Lease is hereby deleted in its entirety and replace with the following:

   (i) All expenses allocable to the Leased Premises under any of the Condominium Documents for its share, as one or more Units, or sub-Units, of taxes (if any), insurance, maintenance and operation of any common area so designated or defined thereunder, the allocated interest of such Units or sub-Units, of which the Leased Premises are a part, are anticipated to be as follows, but subject to adjustment upon recording of the final Condominium Documents: (Clearwater Building Condominiums: _____%; Centre Building Condominiums: _______%; Multimodal Center Condominiums: _____%: US Bank Plaza Condominiums: ____%).

5. Amendment to Section 4.1(h). Section 4.1(h) of the Lease is hereby deleted in its entirety and replace with the following:

   (h) "Tenant's Proportionate Share" shall mean the percentage derived from the fraction, the numerator of which is the gross rentable square footage of the Leased Premises, the denominator of which is the gross rentable square footage of the portions of the Building owned by Landlord; at any time or from time to time, less than eighty-five percent (85%) of the Centre Building or the Clearwater Building is occupied by tenants who are paying rent during a calendar year or fiscal year, the denominator, for purposes of calculating Tenant's Proportionate Share, shall be the square footage of the Centre Building or the Clearwater Building actually being leased by tenants who are in occupancy and paying rent. Initially, for the improvements owned by Landlord, the Tenant's Proportionate Share for the Leased Premises shall be 100% (Premises: 53,549 square feet of Gross Rentable Area/Landlord's Units 53,549 square feet of Rentable Area). It is anticipated that Tenant's Proportionate Share, based upon the interests in the Common Areas allocated to the Units comprising the Leased Premises, will be as follows, subject to adjustment upon recording of the final Condominium Documents: (Clearwater Building Condominiums: _____%; Centre Building Condominiums: _______%; Multimodal Center Condominiums: _____%: US Bank Plaza Condominiums: ____%).

6. Amendment to Section 22.20. Section 22.20 is hereby amended to provide that the purchase price for the Leased Premises in the event Tenant purchases the Leased Premises pursuant to Section 22.20, shall be $6,422,667.

7. Amendment to Section 22.21. Section 22.21 is hereby amended to replace the purchase price table with the following:

Lease Year Ending	Purchase Price	Comments
0	$6,422,667	Initial purchase prior to any lease payments
1	$6,384,240	No prepayment penalty if purchased before expiration of the construction financing.
2	$6,222,662	No pre payment penalty if purchased before the expiration of the construction financing.
3	$6,029,140	Plus any pre payment penalties imposed by lender
4	$5,840,390	Plus any pre payment penalties imposed by lender
5	$5,636,651	Plus any pre payment penalties imposed by lender
6	$5,436,368	Plus any pre payment penalties imposed by lender
7	$5,219,770	Plus any pre payment penalties imposed by lender
8	$4,984,761	Plus any pre payment penalties imposed by lender
9	$4,729,776	Plus any pre payment penalties imposed by lender
10	$4,453,117	Plus any prepayment penalties imposed by lender
11	$4,152,943	Plus any prepayment penalties imposed by lender
12	$3,827,254	No Pre Payment penalty if Purchased at first refinance period
13	$3,473,881	Plus any pre payment penalties imposed by lender
14	$3,090,471	Plus any pre payment penalties imposed by lender
15	$2,674,472	Plus any pre payment penalties imposed by lender
16	$2,223,112	Plus any pre payment penalties imposed by lender
17	$1,733,388	Plus any pre payment penalties imposed by lender
18	$1,202,036	Plus any pre payment penalties imposed by lender
19	$625,520	Plus any pre payment penalties imposed by lender
20	$1	No prepayment penalty

8. Amendment to Exhibit “C”. Exhibit “C” is hereby amended to delete in its entirety Section D, which section references payment of a Tenant Finish Allowance.

9. Any and all other terms and provisions of the Lease are hereby amended and modified wherever necessary, and even though not specifically addressed herein, so as to

conform to the amendments set forth in the preceding paragraph. Except as expressly modified and amended hereby, all other terms and conditions of the Lease shall continue in full force and effect.

10. This Amendment contains the entire understanding of Tenant and Landlord and supersedes all prior oral or written understandings relating to the subject matter set forth herein.

11. This Amendment may be executed in counterparts each of which shall be deemed an original. An executed counterpart of this Amendment transmitted by facsimile shall be equally as effective as a manually executed counterpart.

12. This Amendment shall inure for the benefit of and shall be binding on each of the parties hereto and their respective successors and/or assigns.

13. Each individual executing this Amendment does thereby represent and warrant to each other person so signing (and to each other entity for which such other person may be signing) that he or she has been duly authorized to deliver this Amendment in the capacity and for the entity set forth where she or he signs.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have entered into this Amendment as of the date first set forth above.

LANDLORD: CITY CENTER PLAZA EDUCATION, LLC, an Idaho limited liability company, by its Manager

KC Gardner Company, L.C., a Utah limited liability company

By:______________________
Name: ___________________
Title: Manager

TENANT: IDAHO STATE BOARD OF EDUCATION BY AND THROUGH BOISE STATE UNIVERSITY, a governmental subdivision of the State of Idaho and a body corporate with all the powers of a public or quasi-public corporation

By:__________________________________
Name: _________________________
Its: ________________________________

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IDAHO STATE UNIVERSITY FOUNDATION

SUBJECT

Annual Report of the Bengal Pharmacy LLC

REFERENCE

April 2013	The Idaho State Board of Education approved the ISU Foundation's plan to establish and operate a limited liability company.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Sections V.E.2 and I.J.1.a

BACKGROUND/DISCUSSION

In February of 2013, the Idaho State University Foundation received approval from the Board for its plan to establish and operate a limited liability company in which the ISU Foundation would be the sole member. The purpose of Bengal Pharmacy LLC is to expand the research, educational and experiential learning benefits to the faculty and staff of the College of Pharmacy (COP) as well as to offer innovative pharmacy services to University students, employees and the community. A primary focus has been the delivery of medication services to underserved populations. Bengal Pharmacy LLC has functioned as a filling agent for prescriptions over the past year and is expanding to include a tele-pharmacy branch in Arco, Idaho. The start-up capital requested was $400,000, which came from a spendable account maintained by the ISU Foundation for the benefit of the College of Pharmacy. The initial capital outlay from this account has been $160,000.

Due to a delay in obtaining federal 340b certification, the current financial results through March 31, 2014 indicate lower revenues than the projections submitted a year ago. However, conservative spending and management practices have, controlled expenses, thus the first-year net operating loss for the project was ($31,584), not ($153,068) as originally presented. Revenue projections are expected to align with the original proposal now that the 340b program is in place and services are expanding to Arco.

IMPACT

Creation and operation of Bengal Pharmacy LLC is expected to provide a modest financial return to the University's College of Pharmacy and to the ISU Foundation. More importantly, however, it will provide benefits to the University, the College of Pharmacy, its faculty and students, the public, and the ISU Foundation.

ATTACHMENT

Attachment 1 – Bengal Pharmacy Benefits Discussion Page 3

STAFF COMMENTS AND RECOMMENDATIONS

The motion to approve the creation and operation of the Bengal Pharmacy LLC included a directive to report progress to the Board after the first year of operation. The Idaho State University Foundation will provide an update to the Board on the first year results of Bengal Pharmacy LLC. The referenced Attachment was included as part of the original agenda materials at the April 2013 meeting.

BOARD ACTION

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

Benefits of Bengal Pharmacy LLC

Bengal Pharmacy would afford a variety of benefits to the ISU, the College of Pharmacy, its faculty and students, the public, and the ISU Foundation.

Benefits to the College of Pharmacy and its Faculty and Staff: The Bengal Pharmacy would provide financial, educational, and experiential learning benefits to the faculty and staff of the College of Pharmacy (COP). A number of faculty will members will be reimbursed for their time in managing and guiding the pharmacy. This effort will be in addition to their regular teaching and research obligations and the amounts they are paid will be an initial step in bringing their salaries to a competitive level while not increasing state appropriation needs. This effort will also provide an educational service as faculty members seek effective mechanisms by which the pharmacy can provide remote services to rural communities that are both permissible under applicable licensing restrictions and efficient and effective from a business and customer service perspective. Indeed this work could establish a model for other public or private entities to provide innovative pharmaceutical services and care to patients in rural areas. Professors from ISU's College of Pharmacy would also be assigned to the pharmacy to satisfy their clinical affiliation obligations. In addition, the College of Pharmacy will benefit from the income that is derived from the operation of the Bengal Pharmacy, enhancing its abilities to fund research, scholarships, salaries, and other valuable programs.

Benefits to College of Pharmacy Students: In addition, the pharmacy will provide educational, research, and employment opportunities for students at the College of Pharmacy. It will offer "hands-on" educational opportunities that allow pharmacy students and residents to actively engage in a unique pharmacy practice incorporating telepharmacy, traditional pharmacy, a heavy emphasis on special population pharmacy services, and greater exposure to research opportunities. The proposed pharmacy would employ at least one pharmacist and as many student interns and residents from ISU's pharmacy and residency programs as possible. Indeed, pharmacy and other health care students are required to serve internships as part of their academic requirements. It is getting increasingly harder to find hospitals and pharmacies to place our students in because the providers are demanding that ISU (or the State of Idaho) indemnify them for any mistakes the students might make while working in their facility, even though the students are supervised by the facilities' own staffs. This entity, like the various other clinics currently operated by ISU, would provide an additional vehicle for these internships. By working at the pharmacy, students will develop skills and abilities that are becoming increasingly more important in the current healthcare environment. Partnering with Health West will allow both faculty and students to make valuable and important contacts in the health care industry and to learn to work collaboratively with an industry partner in enhancing patient care. We believe that this collaboration will also be beneficial in building additional industry partnerships and creating additional research opportunities. Indeed, we see a potential for students from other ISU colleges to participate in research and/or consulting opportunities by advising the pharmacy on strategic initiatives and issues.

Benefits to the ISU Community: Other ISU students and ISU's faculty and staff will also benefit from the establishment of the Bengal Pharmacy through more comprehensive pharmacy services, expanded hours, and delivery services.

Benefits to the Community: The Bengal Pharmacy will operate as a "filling agent" to Health West under the federal 340-B program, a program that allows qualified health care clinics like Health West to purchase drugs at a discount to help them serve underinsured populations. In this capacity, the Bengal Pharmacy will look for ways to provide the pharmacy services in Health West's clinics, including in Pocatello, McCammon, Lava, and Downey. The latter three communities do not currently have pharmacies. The existing pharmacies closest to these communities are in Pocatello. Pocatello is 23 miles from McCammon, 21 miles from Lava, and 39 miles from Downey. If we cannot put remote pharmacies in these sites, we will use tele-pharmacy to the extent possible. Thus, the pharmacy will benefit the citizens of Southeast Idaho and potentially the entire State as remote pharmacy services are offered to communities who currently have little or no local pharmacy service available to them. It will also enhance the access and affordability of medications for those patients who need them.

Benefits to the ISU Foundation: In addition, the ISU Foundation will benefit from the income that is derived from the operation of the Bengal Pharmacy, enhancing its abilities to fund scholarships and other valuable programs.

Competition:

Currently, ISU operates a number of other healthcare-related clinics, each of which utilizes ISU students in providing services to the public and each of which competes with local providers of these services. These include:

1. ISU Family Medicine, which is offered in partnership with Health West, Inc., and which provides fee-based medical services to the public using professionals from Health West and interns from ISU's residency program;
2. ISU Speech, Language and Hearing Clinic, which provides fee-based speech and language evaluation services, individual and group speech and language therapy sessions, and other communication services, hearing assessment and rehabilitation, including hearing aid evaluation, auditory processing evaluation, audiologic rehabilitation and cochlear implants;
3. ISU Meridian – Speech & Language Clinic (no hearing related services), which provides fee-based speech and language evaluation services, individual and group speech and language therapy sessions, and other communication services;

4. ISU Family Dentistry Clinic and the ISU Dental Hygiene Clinic, which provide fee-based dental services to the public;
5. ISU Psychology Clinic, which provides sliding scale, fee-based adult and child counseling services, learning disability testing, as well as memory and cognitive assessments to the public;
6. ISU Physical and Occupational Therapy Associates, which provides physical and occupational therapy services fee-based to the public;
7. VA Audiology Clinic, which provides hearing evaluation, hearing aid evaluation, auditory processing evaluation, audiologic rehabilitation, cochlear implant and other hearing-related services for those eligible for Veterans Services; and
8. ISU-College of Technology Massage Therapy Clinic, which provides fee-based therapeutic massage services to the public.

The only real difference between the Bengal Pharmacy proposal and the existing clinics is that we are proposing that the pharmacy operate as an LLC under the ISU Foundation. This should not make a difference in terms of the competition policy. The only reason we are proposing to put this under the Foundation is because ISU has difficulty in dealing with profit-making ventures and we would like to operate this pharmacy in a way to maximize education benefits but at the same time return a profit (likely a small one) to the Foundation.

Given that the primary reason for operating the pharmacy is educational and that the competition issues are no greater than those posed by the operation of other healthcare clinics, we believe that this venture does not violate the State Board of Education's policy on competition. Also, given the way insurance contracts work in this area, the Bengal Pharmacy will not be undercutting local pharmacies on price.

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UNIVERSITY OF IDAHO

SUBJECT

Authorization for Issuance of Bonds

REFERENCE

	Integrated Research and Innovation Center
June 16, 2005	Initial Pre-Planning Work Authorized
April 18, 2012	Capital Project Update
December 13, 2012	Capital Project Planning and Design Authorization
April 17, 2014	Project Construction Implementation Authorization
	College of Education Building Renovation
May 15, 2013	Information Item Presented to the Board
June 20, 2013	Planning and Design Phases Authorization, and Resolution for Expenditure of Project Funds and Reimbursement from Future Bond
April 17, 2014	Project Construction Implementation Authorization

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Sections V.B.10 and V.F.
Section 33-3804, Idaho Code

BACKGROUND/DISCUSSION

Overview of proposed bonds

The University proposes issuing bonds as follows:
The Series 2014 General Revenue Bonds are being issued to (i) finance the construction of a research center to be referred to as the Integrated Research and Innovation Center (IRIC), (ii) finance the renovation of the College of Education Building and other improvements at the University, in the total aggregate principal amount of $52 million to include costs of issuance associated with the Series 2014 Bonds.

2014 Supplemental Resolution

The 2014 Supplemental Resolution (Attachment 4) authorizes issuance of the Series 2014 Bonds for the purposes outlined above.

Rate, Maturities Security and Ratings

- Interest rates will be determined at pricing, however, the bond market is currently in a very favorable position for these issuances.
- The 2014 bond series will be A fixed rate to maturity. Specific maturities are as follows:

  Series 2014 Maturity: April 1, 2045

- All bond series will be issued as part of the General Revenue Bond System and secured by pledged revenues to include student fees, sales and service revenues from auxiliary enterprises and educational activities, revenues received for facility and administrative cost recovery in conjunction with grants and contracts, various miscellaneous revenues, and certain investment income.
- Moody's Investors Service and Standard & Poor's ratings will be provided at the Board meeting.

Projects to be Financed

Integrated Research and Innovation Center (IRIC)

This proposed facility will establish modern and capable science spaces supporting interdisciplinary research and provide core visualization and computing labs. The facility will be designed to foster interdisciplinary research collaboration and interaction and will include flexible systems and support infrastructure, allowing reconfiguration of spaces supporting changes in programs and research needs over time. Approximately 70,800 gross square feet.

College of Education Building

A Capital Project which provides for asbestos remediation and whole building renovation, improvements and restoration. See Attachment 9 for full details of projects.

IMPACT

The proposed project(s) to be financed are necessary for the proper operation of the institution and economically feasible. The University now has the opportunity to lock in today's low rates. The current interest rate market suggests the University could acquire an effective true interest cost (TIC) of approximately 4.14%.

The University's ten year debt projections (Attachment 1) show the projected debt service needs and the projected debt service sources with respect to the proposed bonds.

ATTACHMENTS

STAFF COMMENTS AND RECOMMENDATIONS

Board approval of this bond issuance would bring UI's total projected annual debt service to approximately $15.3M in FY 2017 (and decreasing thereafter) while funds available for debt service are estimated at $20.86M (and increasing thereafter). Board policy V.F. establishes a limit for overall debt using a debt burden ratio which measures an institution's dependence on debt as a fund source for financing its operations and the relative cost of debt to an institution's total expenditures. The limit for this ratio (actual debt service over annual adjusted expenses) is to be no greater than 8.0%. UI's current debt service as a percent of operating budget is 3.45%. This bond issuance would increase that ratio to 4.08% in the first year, but drop back down into the 3% range thereafter assuming no additional debt issued.

UI's debt projection revenue assumptions include:

1. $12 million is financed for 30 years at 5.0% interest rate following a mortgage style amortization
2. No growth in the Student Facility Fee
3. Annual operating budget assumes 2.00% growth through 2024
4. Operating budget does not include student loans, but does include gross bond interest prior to impact of U.S. subsidy payment on Build America Bonds
5. Student enrollment remains level throughout projections
6. U.S. Subsidy payments are reduced for FY 2014 according to actual amounts received, and U.S. Subsidy payments are reduced from FY 2015 through 2024 by 7.2%, which reflects the current federal sequestration payment reduction

Staff does not make a recommendation pending rating agency updates and interests rates to be determined the day of pricing.

The IRIC building will be eligible for occupancy costs, so Legislative Services Office and the Division of Financial Management should be so notified pursuant to Board policy V.B.10.

BOARD ACTION

I move to approve the request by the University of Idaho for a Supplemental Resolution for issuance of the Series 2014 bonds and to approve the projects financed thereby as necessary for the proper operation of the University of Idaho and economically feasible, the title of which is as follows:

A SUPPLEMENTAL RESOLUTION of the Regents of the University of Idaho authorizing the issuance and sale of General Revenue Bonds, Series 2014, in the principal amount of up to $52,000,000 (the "Series 2014 Bonds"), authorizing the execution and delivery of a Bond Purchase Agreement, Continuing Disclosure Agreement, Preliminary Official Statement, Final Official Statement and other documents, and providing for other matters relating to the authorization, issuance, sale and payment of the Series 2014 Bonds.

Moved by __________ Seconded by __________ Carried Yes _____ No _____

(Roll Call Vote Required)

ATTACHMENT 1
Series 2014 Bonds at TIC of 4.14%

University of Idaho
10 Year Debt Projection
May 16, 2014

		Cost	Est Debt Financed	Terms	FY2014 Est Current Yr	FY2015 Est Year 1	FY2016 Est Year 2	FY2017 Est Year 3	FY2018 Est Year 4	FY2019 Est Year 5	FY2020 Est Year 6	FY2021 Est Year 7	FY2022 Est Year 8	FY2023 Est Year 9	FY2024 Est Year 10
1	**Potential Projects**														
2	**Research / Classroom Building - 80k SF - FY 2017**	$24,000,000	$12,000,000	(Note 1)	$ -	$ -	$ -	$ 781,000	$ 781,000	$ 781,000	$ 781,000	$ 781,000	$ 781,000	$ 781,000	$ 781,000
3	**Projected New Debt Financing**	$24,000,000	$12,000,000		$ -	$ -	$ -	$ 781,000	$ 781,000	$ 781,000	$ 781,000	$ 781,000	$ 781,000	$ 781,000	$ 781,000
4	**Beginning Facilities Fee Reserve**				$ 400,000	$ 2,004,622	$ 3,911,427	$ 5,002,830	$ 5,555,123	$ 6,149,513	$ 6,706,161	$ 8,281,424	$ 9,900,057	$ 12,362,777	$ 14,715,103
5	**Operating Transfers for Debt Service**				7,102,273	9,650,461	9,573,650	8,380,750	8,405,750	8,405,750	8,585,650	8,610,650	8,610,650	8,610,650	8,610,650
6	**Student Facility Fee (SFF) Revenue**				7,200,000	7,200,000	7,200,000	7,200,000	7,200,000	7,200,000	7,200,000	7,200,000	7,200,000	7,200,000	7,200,000
7	**U.S. Subsidy Payment for Series 2010C Build America Bonds**				274,063	276,296	276,296	276,296	276,296	276,296	276,296	276,296	276,296	276,296	276,296
9	**Available for Debt Service Payments**				$ 14,976,336	$ 19,131,378	$ 20,961,373	$ 20,859,875	$ 21,437,168	$ 22,031,559	$ 22,768,107	$ 24,368,370	$ 25,987,002	$ 28,449,723	$ 30,802,048
10	**Existing Project Debt Service**				$12,971,714	$ 13,728,764	$ 13,721,762	$ 11,421,972	$ 11,405,824	$ 11,440,267	$ 10,599,152	$ 10,589,282	$ 9,743,994	$ 9,849,889	$ 9,840,689
11	**Series 2014 Bonds**				-	1,491,188	2,236,781	3,101,781	3,100,831	3,104,131	3,106,531	3,098,031	3,099,231	3,103,731	3,105,481
12	**New Projected Debt Service (FY15-FY24)**				-	-	-	781,000	781,000	781,000	781,000	781,000	781,000	781,000	781,000
13	**Total Projected Debt Service**				$ 12,971,714	$ 15,219,952	$ 15,958,543	$ 15,304,753	$ 15,287,655	$ 15,325,398	$ 14,486,683	$ 14,468,313	$ 13,624,225	$ 13,734,620	$ 13,727,170
14	**Net Annual Change - Revenue Resources Less Projected Debt Service**				$ 2,004,622	$ 3,911,427	$ 5,002,830	$ 5,555,123	$ 6,149,513	$ 6,706,161	$ 8,281,424	$ 9,900,057	$ 12,362,777	$ 14,715,103	$ 17,074,878
15	**Operating Budget**				$376,185,384	$383,709,092	$391,383,274	$399,210,939	$407,195,158	$415,339,061	$423,645,842	$432,118,759	$440,761,134	$449,576,357	$ 458,567,884
16	**Debt Service as % of Operating Budget**				3.45%	3.97%	4.08%	3.83%	3.75%	3.69%	3.42%	3.35%	3.09%	3.06%	2.99%

Notes and Assumptions:

17 **1. For Projected New Debt Financing, the projections assume $12 million is financed for 30 years at 5.0% interest rate following a mortgage style amortization.**

18 **2. Assumes no growth in the Student Facility Fee.**

19 **3. Annual operating budget assumes 2.00% growth through 2024.**

20 **4. Operating budget does not include student loans, but does include gross bond interest prior to impact of U.S. subsidy payment on Build Amercia Bonds.**

21 **5. Student enrollment remains level throughout projections.**

22 **6. U.S. Subsidy payments are reduced for FY 2014 according to actual amounts received. U.S. Subsidy payments are reduced from FY 2015 through 2024 by 7.2%, which reflects the current federal sequestration payment reduction.**

THE REGENTS OF THE UNIVERSITY OF IDAHO
(University of Idaho)
Series 2014

ATTACHMENT 2
Series 2014 Bonds at TIC of 4.14%

SUMMARY DEBT PROJECTIONS

	Outstanding Bonds					Series 2014			Total		
Fiscal Year	Principal	Interest	US Subsidy	Net Interest	Net Annual Debt Service	Principal	Interest	Debt Service	Principal	Net Interest	Net Annual Debt Service
4/1/2014	5,325,000.00	7,646,713.98	(274,062.67)	7,372,651.31	12,697,651.31	-	-	-	5,325,000.00	7,372,651.31	12,697,651.31
4/1/2015	6,195,000.00	7,533,764.00	(276,295.67)	7,257,468.33	13,452,468.33	-	1,491,187.50	1,491,187.50	6,195,000.00	8,748,655.83	14,943,655.83
4/1/2016	6,460,000.00	7,261,761.50	(276,295.67)	6,985,465.83	13,445,465.83	-	2,236,781.26	2,236,781.26	6,460,000.00	9,222,247.09	15,682,247.09
4/1/2017	4,445,000.00	6,976,971.50	(276,295.67)	6,700,675.83	11,145,675.83	865,000.00	2,236,781.26	3,101,781.26	5,310,000.00	8,937,457.09	14,247,457.09
4/1/2018	4,620,000.00	6,785,824.00	(276,295.67)	6,509,528.33	11,129,528.33	890,000.00	2,210,831.26	3,100,831.26	5,510,000.00	8,720,359.59	14,230,359.59
4/1/2019	4,835,000.00	6,605,266.50	(276,295.67)	6,328,970.83	11,163,970.83	920,000.00	2,184,131.26	3,104,131.26	5,755,000.00	8,513,102.09	14,268,102.09
4/1/2020	4,205,000.00	6,394,151.50	(276,295.67)	6,117,855.83	10,322,855.83	950,000.00	2,156,531.26	3,106,531.26	5,155,000.00	8,274,387.09	13,429,387.09
4/1/2021	4,400,000.00	6,189,281.50	(276,295.67)	5,912,985.83	10,312,985.83	970,000.00	2,128,031.26	3,098,031.26	5,370,000.00	8,041,017.09	13,411,017.09
4/1/2022	4,135,000.00	5,608,994.00	(276,295.67)	5,332,698.33	9,467,698.33	1,010,000.00	2,089,231.26	3,099,231.26	5,145,000.00	7,421,929.59	12,566,929.59
4/1/2023	4,410,000.00	5,439,889.00	(276,295.67)	5,163,593.33	9,573,593.33	1,065,000.00	2,038,731.26	3,103,731.26	5,475,000.00	7,202,324.59	12,677,324.59
4/1/2024	4,590,000.00	5,250,689.00	(276,295.67)	4,974,393.33	9,564,393.33	1,120,000.00	1,985,481.26	3,105,481.26	5,710,000.00	6,959,874.59	12,669,874.59
4/1/2025	4,780,000.00	5,051,134.00	(276,295.67)	4,774,838.33	9,554,838.33	1,170,000.00	1,929,481.26	3,099,481.26	5,950,000.00	6,704,319.59	12,654,319.59
4/1/2026	4,990,000.00	4,842,545.26	(276,295.67)	4,566,249.59	9,556,249.59	1,230,000.00	1,870,981.26	3,100,981.26	6,220,000.00	6,437,230.85	12,657,230.85
4/1/2027	4,985,000.00	4,624,126.50	(276,295.67)	4,347,830.83	9,332,830.83	1,295,000.00	1,809,481.26	3,104,481.26	6,280,000.00	6,157,312.09	12,437,312.09
4/1/2028	5,205,000.00	4,399,224.00	(276,295.67)	4,122,928.33	9,327,928.33	1,360,000.00	1,744,731.26	3,104,731.26	6,565,000.00	5,867,659.59	12,432,659.59
4/1/2029	5,440,000.00	4,163,799.00	(276,295.67)	3,887,503.33	9,327,503.33	1,420,000.00	1,676,731.26	3,096,731.26	6,860,000.00	5,564,234.59	12,424,234.59
4/1/2030	5,680,000.00	3,922,370.26	(276,295.67)	3,646,074.59	9,326,074.59	1,500,000.00	1,605,731.26	3,105,731.26	7,180,000.00	5,251,805.85	12,431,805.85
4/1/2031	5,920,000.00	3,669,882.76	(276,295.67)	3,393,587.09	9,313,587.09	1,570,000.00	1,530,731.26	3,100,731.26	7,490,000.00	4,924,318.35	12,414,318.35
4/1/2032	6,200,000.00	3,399,575.26	(276,295.67)	3,123,279.59	9,323,279.59	1,650,000.00	1,452,231.26	3,102,231.26	7,850,000.00	4,575,510.85	12,425,510.85
4/1/2033	6,295,000.00	3,116,464.00	(276,295.67)	2,840,168.33	9,135,168.33	1,730,000.00	1,369,731.26	3,099,731.26	8,025,000.00	4,209,899.59	12,234,899.59
4/1/2034	6,030,000.00	2,813,885.00	(252,941.25)	2,560,943.75	8,590,943.75	1,820,000.00	1,283,231.26	3,103,231.26	7,850,000.00	3,844,175.01	11,694,175.01
4/1/2035	6,320,000.00	2,519,495.00	(227,918.66)	2,291,576.34	8,611,576.34	1,890,000.00	1,210,431.26	3,100,431.26	8,210,000.00	3,502,007.60	11,712,007.60
4/1/2036	6,625,000.00	2,210,711.00	(201,436.41)	2,009,274.59	8,634,274.59	1,965,000.00	1,132,468.76	3,097,468.76	8,590,000.00	3,141,743.35	11,731,743.35
4/1/2037	6,950,000.00	1,886,570.00	(173,181.74)	1,713,388.26	8,663,388.26	2,050,000.00	1,051,412.52	3,101,412.52	9,000,000.00	2,764,800.78	11,764,800.78
4/1/2038	7,285,000.00	1,546,076.00	(143,050.36)	1,403,025.64	8,688,025.64	2,135,000.00	966,850.02	3,101,850.02	9,420,000.00	2,369,875.66	11,789,875.66
4/1/2039	7,640,000.00	1,187,345.00	(110,649.62)	1,076,695.38	8,716,695.38	2,225,000.00	878,781.26	3,103,781.26	9,865,000.00	1,955,476.64	11,820,476.64
4/1/2040	8,005,000.00	810,619.00	(76,131.17)	734,487.83	8,739,487.83	2,310,000.00	787,000.00	3,097,000.00	10,315,000.00	1,521,487.83	11,836,487.83
4/1/2041	8,395,000.00	415,549.00	(39,600.92)	375,948.08	8,770,948.08	2,430,000.00	671,500.00	3,101,500.00	10,825,000.00	1,047,448.08	11,872,448.08
4/1/2042	-	-	-	-	-	2,550,000.00	550,000.00	3,100,000.00	2,550,000.00	550,000.00	3,100,000.00
4/1/2043	-	-	-	-	-	2,680,000.00	422,500.00	3,102,500.00	2,680,000.00	422,500.00	3,102,500.00
4/1/2044	-	-	-	-	-	2,815,000.00	288,500.00	3,103,500.00	2,815,000.00	288,500.00	3,103,500.00
4/1/2045	-	-	-	-	-	2,955,000.00	147,750.00	3,102,750.00	2,955,000.00	147,750.00	3,102,750.00
	160,365,000.00	122,272,677.52	(6,748,590.47)	115,524,087.05	275,889,087.05	48,540,000.00	45,137,975.26	93,677,975.26	208,905,000.00	160,662,062.31	369,567,062.31

PRELIMINARY OFFICIAL STATEMENT DATED JUNE __, 2014

NEW ISSUE – BOOK ENTRY ONLY

RATINGS: S&P: " "
Moody's: " "
See "RATINGS" herein.

*In the opinion of Skinner Fawcett LLP, Boise, Idaho and Ballard Spahr LLP, Salt Lake City, Utah, as Co-Bond Counsel to the Regents of the University of Idaho (the "**Regents**"), interest on the Series 2014 Bonds is excludable from gross income for purposes of federal income tax, assuming continuing compliance with the requirements of the federal tax laws. Interest on the Series 2014 Bonds is not a preference item for purposes of either individual or corporate federal alternative minimum tax; however, interest paid to corporate holders of the Series 2014 Bonds may be indirectly subject to alternative minimum tax under certain circumstance. See "TAX MATTERS" herein.*

[LOGO] $__________*

THE REGENTS OF THE UNIVERSITY OF IDAHO
General Revenue Bonds
Series 2014

Dated: Date of Delivery as described herein

Due: April 1, as shown on the inside cover page

Denominations: $5,000 and integral multiples thereof as described herein.

Registration/Book-Entry: The Regents of the University of Idaho General Revenue Bonds, Series 2014 (the "**Series 2014 Bonds**") are issued as fully registered bonds and, when delivered, will be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("**DTC**"). DTC will act as securities depository for the Series 2014 Bonds. Beneficial Owners of the Series 2014 Bonds will not receive physical bonds, but will receive a credit balance on the books of the nominees of such purchasers.

Interest Rates With Respect to the Series 2014 Bonds: The Series 2014 Bonds will bear interest at the fixed rates and mature, subject to prior redemption, as shown on the inside cover page of this Official Statement. The interest on the Series 2014 Bonds will be payable on each April 1 and October 1, commencing April 1, 2015. Interest on the Series 2014 Bonds shall be computed upon the basis of a 360-day year, consisting of twelve 30-day months.

Payment: Principal, premium, if any, and interest due with respect to the Series 2014 Bonds will be payable by Wells Fargo Bank, N.A., as Trustee (the "**Trustee**"), to DTC, which will, in turn, remit such principal, premium, if any, and interest due with respect to the Series 2014 Bonds.

MATURITY SCHEDULE ON INSIDE COVER

Redemption: The Series 2014 Bonds are subject to optional redemption prior to their respective maturities under certain circumstances as described herein. The Series 2014 Bonds are also subject to mandatory sinking fund redemption prior to maturity as described herein.

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Authority: Article IX, Section 10 of the Constitution of the State of Idaho confirmed the Regents as the governing body for the University of Idaho (the "**University**"). Under Idaho law, the Regents are a body politic and corporate of the State of Idaho. The Series 2014 Bonds are being issued as "Additional Bonds" pursuant to a Resolution adopted by the Regents on November 22, 1991, providing for the issuance of revenue bonds (the "**Original Resolution**"). The Original Resolution provided for the issuance of an initial series of facility revenue bonds and authorized the issuance of additional series of revenue bonds pursuant to Supplemental Resolutions, if certain conditions are met. The Series 2014 Bonds are being issued under a supplemental resolution (the "**2014 Supplemental Resolution**") adopted by the Regents on June 19, 2014. The Original Resolution, as previously restated, amended and supplemented, and as amended and supplemented by the 2014 Supplemental Resolution, is referred to herein as the "**Resolution**." The revenue bonds issued pursuant to the Resolution, including the Series 2014 Bonds, are referred to herein as the "**Bonds**."

Purposes: The Series 2014 Bonds are being issued to (i) finance the construction and equipping of a research center to be referred to as the Integrated Research and Innovation Center, (ii) finance the renovation of the College of Education Building and other improvements at the University and (iii) pay costs of issuance associated with the Series 2014 Bonds.

Security: The Series 2014 Bonds are being issued as part of the General Revenue Bond System created by the Regents in 2005 and are secured by "**Pledged Revenues**" as defined herein. The lien of the Series 2014 Bonds on the Pledged Revenues is on a parity with the lien thereon of Bonds previously issued by the Regents under the Resolution which, following the delivery of the Series 2014 Bonds, are expected to be Outstanding in the aggregate principal amount of $___________.* The Pledged Revenues include tuition and student fees, sales and service revenues from auxiliary enterprises and educational activities, revenues received for facility and administrative cost recovery in conjunction with grants and contracts, various miscellaneous revenues, and certain investment income. **The Series 2014 Bonds are limited obligations of the Regents and do not constitute a debt or liability of the State of Idaho, its Legislature, or any of its political subdivisions or agencies other than the Regents to the extent herein described. The Regents are not authorized to levy or collect any taxes or assessments other than the fees described herein to pay the Series 2014 Bonds. The Regents have no taxing power.**

Legal Matters: The Series 2014 Bonds are offered when, as and if issued and accepted by the Underwriter, subject to prior sale and to the delivery of approving opinions by Skinner Fawcett LLP, Boise, Idaho and Ballard Spahr LLP, Salt Lake City, Utah, as Co-Bond Counsel, and to other conditions. Certain legal matters will be passed upon for the Regents and the University by the University's Counsel, Kent E. Nelson, Esq., Moscow, Idaho; and for the Underwriter by Hogan Lovells US LLP, Denver, Colorado. Piper Jaffray & Co. has acted as a municipal advisor to the Regents in connection with its issuance of the Series 2014 Bonds. It is expected that the Series 2014 Bonds will be available for delivery on or about July __, 2014.

GEORGE K. BAUM & COMPANY

[logo]

Dated: June __, 2014

* Preliminary, subject to change.

MATURITIES, PRINCIPAL AMOUNTS,
INTEREST RATES AND PRICES

$__________*

THE REGENTS OF THE UNIVERSITY OF IDAHO
General Revenue Bonds, Series 2014

Maturity Date (April 1)	Principal Amount*	Interest Rate	Price	CUSIP†
	$	%	%	

$__________* ____% Term Bond due April 1, ____; Price: ____% CUSIP: ________†

† The Regents take no responsibility for the accuracy of the CUSIP numbers, which are being provided solely for the convenience of the owners of the Series 2014 Bonds.
* Preliminary, subject to change.

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE REGENTS OR BY THE UNDERWRITER TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN AS CONTAINED IN THIS OFFICIAL STATEMENT, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE REGENTS OR BY THE UNDERWRITER. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SERIES 2014 BONDS, NOR SHALL THERE BE ANY SALE OF THE SERIES 2014 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSONS TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INFORMATION SET FORTH HEREIN HAS BEEN FURNISHED BY THE REGENTS, THE UNIVERSITY, DTC, AND CERTAIN OTHER SOURCES THAT ARE BELIEVED TO BE RELIABLE BUT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION BY, THE UNDERWRITER. THE INFORMATION AND EXPRESSIONS OF OPINION CONTAINED HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE. THE DELIVERY OF THIS OFFICIAL STATEMENT AND ANY SALE MADE HEREUNDER WILL NOT, UNDER ANY CIRCUMSTANCES, CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE REGENTS OR THE UNIVERSITY SINCE THE DATE HEREOF. ANY STATEMENTS MADE IN THIS OFFICIAL STATEMENT INVOLVING MATTERS OF OPINION OR ESTIMATES, WHETHER OR NOT SO EXPRESSLY STATED, ARE SET FORTH AS SUCH AND NOT AS REPRESENTATIONS OF FACT OR REPRESENTATIONS THAT ESTIMATES WILL BE REALIZED.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2014 BONDS AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT WITH THE PURCHASERS OF THE SERIES 2014 BONDS.

THE UNDERWRITER HAS INCLUDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

THE SERIES 2014 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON A SPECIFIC EXEMPTION CONTAINED IN SUCH ACT, NOR HAVE THEY BEEN REGISTERED UNDER THE SECURITIES LAWS OF ANY STATE.

CAUTIONARY STATEMENTS REGARDING PROJECTIONS, ESTIMATES AND OTHER FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

THIS OFFICIAL STATEMENT, INCLUDING BUT NOT LIMITED TO THE MATERIAL SET FORTH UNDER THE CAPTIONS "PLAN OF FINANCE" AND "PRO FORMA AND HISTORICAL PLEDGED REVENUES," CONTAINS STATEMENTS RELATING TO FUTURE RESULTS THAT ARE "FORWARD-LOOKING STATEMENTS." WHEN USED IN THIS OFFICIAL STATEMENT, THE WORDS "ESTIMATES," "INTENDS," "EXPECTS," "BELIEVES," "ANTICIPATES," "PLANS," AND SIMILAR EXPRESSIONS IDENTIFY FORWARD-LOOKING STATEMENTS. ANY FORWARD-LOOKING STATEMENT IS SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS. INEVITABLY, SOME ASSUMPTIONS USED TO DEVELOP THE FORWARD-LOOKING STATEMENTS WILL NOT BE REALIZED AND UNANTICIPATED EVENTS AND CIRCUMSTANCES WILL OCCUR. THEREFORE, IT CAN BE EXPECTED THAT THERE WILL BE DIFFERENCES BETWEEN FORWARD-LOOKING STATEMENTS AND ACTUAL RESULTS, AND THOSE DIFFERENCES MAY BE MATERIAL. THE REGENTS DO NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS CHANGE OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH THESE STATEMENTS ARE BASED OCCUR.

THE REGENTS OF THE UNIVERSITY OF IDAHO

AND

THE STATE BOARD OF EDUCATION

Emma Atchley – President
Roderic W. Lewis – Vice President
Don Soltman – Secretary
Bill Goesling
Tom Luna
Milford Terrell
Richard Westerberg

UNIVERSITY OFFICIALS

Chuck Staben – President
Katherine G. Aiken – Interim Provost and Executive Vice President
Ronald Smith – Vice President for Finance and Administration and Bursar
John K. McIver – Vice President for Research, Graduate Studies and Outreach
Christopher D. Murray – Vice President for University Advancement
Kent E. Nelson – University Counsel

Finance and Administration
Administration Building, Room 211
Moscow, Idaho 83844-3166
(208) 885-6530

TABLE OF CONTENTS

OFFICIAL STATEMENT

$________*
THE REGENTS OF THE UNIVERSITY OF IDAHO
General Revenue Bonds
Series 2014

INTRODUCTION

This Official Statement, which includes the front cover page, inside cover page, and the Appendices hereto, provides certain information in connection with the offer and sale by the Regents of the University of Idaho (the "**Regents**") of their General Revenue Bonds, Series 2014 (the "**Series 2014 Bonds**").

The Series 2014 Bonds are being issued pursuant to the supplemental resolution (the "**2014 Supplemental Resolution**") adopted by the Regents on June 19, 2014. The Series 2014 Bonds are being issued as "Additional Bonds" under a bond resolution adopted November 22, 1991 (the "**Original Resolution**"). The Original Resolution, together with the 2014 Supplemental Resolution and previous supplemental resolutions amending, supplementing and restating the Original Resolution and authorizing the issuance of Additional Bonds, are referred to collectively herein as the "**Resolution**," and the Series 2014 Bonds together with all other bonds heretofore or hereafter issued under the Resolution are referred to collectively herein as the "**Bonds**." See "THE SERIES 2014 BONDS." Capitalized terms not otherwise defined shall have the meaning assigned in the Resolution.

This introduction is not a summary of this Official Statement. It is only a summary description of and guide to, and is qualified by, more complete and detailed information contained in, the entire Official Statement, including the cover page, inside cover page, and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2014 Bonds to potential investors is made only by means of the entire Official Statement. See ***Appendix C*** *for definitions of certain words and terms used herein. See* ***Appendix D*** *for a summary of the Resolution.*

The Regents and the University of Idaho

A comprehensive land-grant institution, the University of Idaho (the "**University**") is the State of Idaho's (the "**State**") oldest institution of higher learning. Its main campus is located in Moscow, Idaho. With an enrollment of approximately 12,000 full and part–time students, the University has been charged with primary responsibility in the State for advanced research and graduate education. The University was established in Moscow in 1889 by the Territorial Legislature, and provisions of the University's Charter as a territorial university are incorporated into the Idaho State Constitution. Policy direction of the University is vested in the Regents of the University of Idaho (the "**Regents**"), whose members also serve as the Idaho State Board of Education (the "**SBOE**"). See "THE UNIVERSITY," "HISTORICAL PLEDGED REVENUES," "FINANCIAL OPERATIONS OF THE UNIVERSITY" and the audited financial statements of the University in **Appendix A** for financial and other information as to the University and the Regents.

* Preliminary, subject to change.

Certain references herein to the "Regents" shall be deemed to refer to the University or other appropriate authority pursuant to the Act and other applicable laws, as appropriate.

Authority for Issuance

The Regents are authorized by the Educational Institutions Act of 1935, constituting Section 33-3801, et seq. of the Idaho Code, as amended (the "**Act**"), to issue bonds for "projects" (as defined in the Act). The Series 2014 Bonds are being issued pursuant to such statutory authorization and pursuant to the Resolution.

Purpose of the Series 2014 Bonds

The Series 2014 Bonds are being issued to provide funds to (i) finance the construction and equipping of a research center to be referred to as the Integrated Research and Innovation Center (the "**IRIC**"), (ii) finance the renovation of the College of Education Building and other improvements at the University as further described herein (collectively (i) and (ii), the "**Series 2014 Projects**"), and (iii) pay costs of issuance associated with the Series 2014 Bonds. See "PLAN OF FINANCE – Series 2014 Projects." See also "SECURITY FOR THE SERIES 2014 BONDS – No Debt Service Reserve Fund."

Terms of the Series 2014 Bonds

Denominations

The Series 2014 Bonds are issuable only as fully registered bonds without coupons in denominations of $5,000, and any integral multiples thereof. See "THE SERIES 2014 BONDS – Generally."

Interest Rates and Payments

The Series 2014 Bonds are dated their date of delivery and bear interest at the rates shown on the inside cover page of this Official Statement, payable semiannually on April 1 and October 1 of each year, commencing April 1, 2015. Interest on the Series 2014 Bonds shall be computed upon the basis of a 360-day year, consisting of twelve 30-day months.

Principal on the Series 2014 Bonds is payable on the dates and in the amounts shown on the inside front cover of this Official Statement, subject to prior redemption. See "THE SERIES 2014 BONDS – Generally."

Redemption

The Series 2014 Bonds are subject to optional redemption prior to their respective maturities under certain circumstances as described in "THE SERIES 2014 BONDS – Redemption Prior to Maturity – Optional Redemption." The Series 2014 Bonds are also subject to mandatory sinking fund redemption prior to maturity as described in "THE SERIES 2014 BONDS – Redemption Prior to Maturity – Mandatory Sinking Fund Redemption."

Book-Entry System

The Depository Trust Company, New York, New York ("**DTC**") is acting as securities depository for the Series 2014 Bonds through its nominee, Cede & Co., to which principal and interest payments on the Series 2014 Bonds are to be made. One or more fully registered bonds in denominations in the aggregate equal to the principal amount per maturity of the Series 2014 Bonds will be registered in the name of Cede & Co. Individual purchases will be made in book-entry form only and purchasers of the Series 2014 Bonds will not receive physical delivery of bond certificates, all as more fully described herein. Upon receipt of payments of principal and interest, DTC is to remit such payments to the DTC Participants for subsequent disbursement to the Beneficial Owners of the Series 2014 Bonds. For a more complete description of the Book-Entry System, see "THE SERIES 2014 BONDS – Generally."

For a more complete description of the Series 2014 Bonds and the Resolution pursuant to which such Series 2014 Bonds are being issued, see "THE SERIES 2014 BONDS" and "Appendix D – SUMMARY OF THE RESOLUTION" hereto.

Payment and Security for the Series 2014 Bonds

In connection with the issuance of their General Revenue Refunding Bonds, Series 2005A, the Regents began the process of creating a single bond system (the "**General Revenue Bond System**") by combining the revenues previously pledged under the Original Resolution with certain other tuition and student fees and revenues it had previously pledged as security on a stand–alone basis to other bond systems and certain previously unpledged tuition and student fees and revenues. The Regents' strategy in creating the General Revenue Bond System was to enhance the security and source of payment for all of its bondholders, while increasing its financial flexibility, but still maintaining accountability for individual enterprises through internal financial policies. The Series 2014 Bonds are being issued as part of the General Revenue Bond System and under the Resolution. See "SECURITY FOR THE SERIES 2014 BONDS."

The Series 2014 Bonds are secured by the Pledged Revenues as defined in the Resolution (as further described herein, the "**Pledged Revenues**"). The lien of the Series 2014 Bonds on the Pledged Revenues is on a parity with the lien thereon of the Bonds previously issued by the Regents under the Resolution. Following issuance of the Series 2014 Bonds, the Bonds are expected to be Outstanding in the aggregate principal amount of $___________.* See "FINANCIAL OPERATIONS OF THE UNIVERSITY – Schedule of Outstanding Indebtedness" for a list of Outstanding Bonds of the Regents as of June 1, 2014. Under the Resolution, the University has covenanted to collect in each Fiscal Year Pledged Revenues equal to not less than 100% of the Annual Debt Service on the Outstanding Bonds and any Additional Bonds for such year. See "SECURITY FOR THE SERIES 2014 BONDS."

The Regents have appointed Wells Fargo Bank, N.A., to serve as Trustee, bond registrar, authenticating agent, paying agent and transfer agent (the "**Trustee**") with respect to the Series 2014 Bonds.

Availability of Continuing Disclosure

On the delivery date of the Series 2014 Bonds, the Regents and the Trustee will enter into a Continuing Disclosure Agreement in which the Regents will agree, for the benefit of the owners of the Series 2014 Bonds, to file with the Municipal Securities Rulemaking Board at its Electronic Municipal Market Access system such ongoing information regarding the University as described in "CONTINUING DISCLOSURE."

* Preliminary, subject to change.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change without notice.

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the Regents, the University, the Series 2014 Bonds, the Series 2014 Projects, the Resolution, the Continuing Disclosure Agreement and the security and sources of payment for the Series 2014 Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions and statutes, such contracts, and other documents are intended as summaries only and are qualified in their entirety by reference to such laws and documents, and references herein to the Series 2014 Bonds are qualified in their entirety to the forms thereof included in the Resolution. Copies of such contracts and other documents and information are available, upon request and upon payment to the Trustee of a charge for copying, mailing and handling, from the Trustee at 1700 Lincoln Street, 10th Floor, MAC C7300-107, Denver, Colorado 80203, Attention: Corporate Trust, telephone: (303) 863-5235. During the period of offering of the Series 2014 Bonds copies of such documents are available, upon request and upon payment to George K. Baum & Company of a charge for copying, mailing and handling, from George K. Baum & Company at 1400 Wewatta Street, Suite 800, Denver, CO 80202.

THE SERIES 2014 BONDS

Generally

General information describing the Series 2014 Bonds appears elsewhere in this Official Statement. That information should be read in conjunction with this summary, which is qualified in its entirety by reference to the Resolution and the form of Series 2014 Bonds included in the 2014 Supplemental Resolution. See "**Appendix C** – GLOSSARY OF CERTAIN TERMS USED IN THE RESOLUTION" and "**Appendix D** – SUMMARY OF THE RESOLUTION."

Each Series of the Series 2014 Bonds will initially be issued as fully registered bonds without coupons in denominations of $5,000 or any integral multiple thereof. The Series 2014 Bonds will be dated as of the delivery date and will bear interest at the rates and mature, subject to prior redemption, as shown on the inside cover page of this Official Statement.

Book-Entry System

The Series 2014 Bonds, when issued, will be registered in the name of Cede & Co., as nominee for DTC. Payment of the principal of and interest on the Series 2014 Bonds will be made directly to DTC or its nominee, Cede & Co., by the Trustee. For a description of the method of payment of principal, premium, if any, and interest on the Series 2014 Bonds and matters pertaining to transfers and exchanges while registered in the name of Cede & Co., see "**Appendix E** – DEPOSITORY TRUST COMPANY INFORMATION." So long as the Series 2014 Bonds are registered in the name of Cede & Co., as nominee for DTC, notices or communications to Bondholders with respect to matters described under this caption "THE SERIES 2014 BONDS" will be delivered to DTC or its nominee as registered owner of such Series 2014 Bonds. DTC is responsible for notifying Participants, and Participants (and direct participants in DTC) are responsible for notifying Beneficial Owners of the Series 2014 Bonds. Neither the Trustee nor the Regents is responsible for sending notices to Beneficial Owners. See "**Appendix E –** DEPOSITORY TRUST COMPANY INFORMATION."

Payment of Interest

Each Series 2014 Bond will bear interest from and including the delivery date thereof until payment of the principal or redemption price thereof has been made or provided for on the due date thereof in accordance with the provisions of the Resolution, whether at maturity, upon redemption or acceleration or otherwise. Interest on the Series 2014 Bonds shall be computed upon the basis of a 360-day year, consisting of twelve 30-day months.

The Series 2014 Bonds bear interest from their date of delivery to maturity, with the Payment Date for such Series 2014 Bonds on April 1 and October 1 of each year, commencing April 1, 2015.

If a Payment Date is not a Business Day at the place of payment, then payment will be made at that place on the next succeeding Business Day, with the same force and effect as if made on the Payment Date, and, in the case of such payment, no interest will accrue for the intervening period.

The principal of and interest on, and the redemption price of the Series 2014 Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Trustee in Minneapolis, Minnesota, or of any Paying Agent at the option of a Registered Owner. Payment of interest on any fully registered Series 2014 Bond shall be (i) made to the Registered Owner thereof and shall be paid by check or draft mailed to the Registered Owner thereof as of the close of business on the Record Date at his address as it appears on the registration books of the Trustee or at such other address as is furnished to the Trustee in writing by such Registered Owner, or (ii) with respect to units of $500,000 or more of Series 2014 Bonds, made by wire transfer to the Registered Owner as of the close of business on the Record Date next preceding the interest payment date if such Registered Owner shall provide written notice to the Trustee not less than 15 days prior to such interest payment date at such wire transfer address as such Registered Owner shall specify, except, in each case, that, if and to the extent that there shall be a default in the payment of the interest due on any interest payment date, such defaulted interest shall be paid to the Registered Owners in whose name any such Series 2014 Bond is registered at the close of business on the fifth Business Day next preceding the date of payment of such defaulted interest.

Redemption Prior to Maturity

Optional Redemption

The Series 2014 Bonds maturing on or before April 1, ____, shall not be subject to optional call or redemption prior to their stated dates of maturity. On any day on or after ________ 1, ____, at the election of the University, the Series 2014 Bonds maturing on or after April 1, ____, shall be subject to redemption, in whole or in part, in maturities selected by the University and within each maturity as selected by lot by the Trustee, upon notice as described in "Notice of Redemption" under this caption, at par, plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption

The Series 2014 Bonds maturing on April 1, ____, shall be subject to mandatory redemption and retirement prior to maturity, in part, by lot in such manner as the Trustee shall determine, on April 1 in the years ____ through ____, inclusive, at 100% of the principal amount thereof plus accrued interest to the date of redemption, from Mandatory Redemption Amounts in the amounts set forth below:

Mandatory Redemption Date (April 1)	Mandatory Redemption Amount
	$
	(1)

(1) Principal remaining at maturity

Upon redemption of any Series 2014 Bonds maturing on April 1, ____, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited toward a part or all of any one or more of such mandatory sinking fund redemption amounts, if any, for the Series 2014 Bonds maturing on April 1, ____, in such order of mandatory sinking fund date as shall be directed by the University.

Notice of Redemption

When Series 2014 Bonds are called for redemption through the optional redemption provisions of the Resolution, unless waived by any Holder of the respective Series 2014 Bonds, notice must be sent by the Trustee, postage prepaid, by first class mail not less than thirty-five (35) nor more than sixty (60) days prior to the redemption date to (i) the registered owners of the respective Series 2014 Bonds to be redeemed at the address shown on the Bond Register, and (ii) one or more national information services that disseminate notices of redemption of obligations such as the Series 2014 Bonds; provided, however that no defect in such further notice or failure to give all or any portion of such further notice will in any manner defeat the effectiveness of a call for redemption.

SECURITY FOR THE SERIES 2014 BONDS

Pledged Revenues

The Series 2014 Bonds are being issued under the Resolution as part of the General Revenue Bond System created by the Regents in 2005. The Pledged Revenues which secure the Series 2014 Bonds and the other Outstanding and future Bonds issued under the Resolution include the following tuition and student fees and other revenue sources.

- Tuition and student fees (as further described in "Tuition and Student Fees" below).
- Certain sales and services revenues (as further described in "Sales and Services Revenues" below).
- Certain revenues received by the University as reimbursement for facility and administrative costs in conjunction with grants and contracts for research activities conducted by the University (as further discussed under "Facilities and Administrative Recovery Revenues" below, the "**F&A Recovery Revenues**").

- Various revenues generated from miscellaneous sources, including fines and lease/rental revenues (as further discussed in "Other Operating Revenues" below, the "**Other Operating Revenues**").

- Investment Income under the Resolution.

- Direct Payments to be made in connection with the University's Taxable Series 2010B Bonds which are "Build America Bonds."

- Proceeds from the sale of a Series of Bonds and moneys and investment earnings thereon, to the extent pledged by the University pursuant to a supplemental resolution.

- Such other revenues as the Regents shall designate as Pledged Revenues.

The following funds and revenues of the University have not been pledged to payment of debt service on the Series 2014 Bonds or other Bonds as part of the Pledged Revenues:

- General Account Appropriated Funds of the State, which by law cannot be pledged; and

- restricted gift and grant revenues, including land grant endowments received pursuant to the University's land grant status.

See "FINANCIAL OPERATIONS OF THE UNIVERSITY," "HISTORICAL PLEDGED REVENUES" and "**Appendix A** – AUDITED FINANCIAL STATEMENTS OF THE UNIVERSITY FOR THE YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012."

The Series 2014 Bonds are limited obligations of the Regents and do not constitute a debt or liability of the State, its Legislature, or any of its political subdivisions or agencies other than the Regents to the extent herein described. The Regents are not authorized to levy or collect any taxes or assessments other than the fees described herein to pay the Series 2014 Bonds. The Regents have no taxing power.

Tuition and Student Fees

The Regents have the exclusive ability to establish and collect tuition charges and student fees for resident and non-resident, graduate and professional students attending the University. Tuition and student fee charges are not subject to a referendum by students or approval by any other governmental entity. The Regents have established a policy that the University may not request more than a 10% annual increase in the total full-time tuition and student fees unless otherwise authorized by the Regents. The Regents' established policy is to announce and conduct a public hearing on the modification of any fees, which has traditionally occurred annually, with fee adjustments effective for the subsequent fall term each year. The Regents increased fees by 4% at the April 2014 Regents' meeting, and the increase becomes effective in the Fall of 2014. There is no prohibition, however, which would preclude the Regents from adjusting fees (for collection beginning with the next academic year) at any time.

For the Fiscal Year ending June 30, 2012, total annual tuition and student fees assessed against full-time undergraduate students who are Idaho residents were $5,856 and the total revenues derived from such tuition and student fees were $78,338,457. For the Fiscal Year ending June 30, 2013, total annual tuition and student fees assessed against full-time undergraduate students who are Idaho residents were $6,212 and the total revenues derived from such tuition and student fees were $82,657,650. For the Fiscal

Year ended June 30, 2014, the total annual tuition and student fees assessed against full-time undergraduate students who were Idaho residents were $6,524. See "**Appendix B** – 2014-2015 TUITION AND STUDENT FEES" for a description of Tuition and Student Fees approved for Fiscal Year 2015.

Sales and Services Revenues

Sales and Services Revenues include pledged revenues generated through operations of Auxiliary Enterprises and revenues generated incidentally to the conduct of instruction, research and public service activities. The majority of these revenues are generated through auxiliaries including the Housing System; the Parking System; the Non–Residential Food Service System; Bookstore sales; ticket and event sales; recreation center activity charges; and other miscellaneous operations. See "THE UNIVERSITY" for a description of the University's primary revenue generating facilities. Examples of revenues generated incidentally to education are unrestricted revenues generated by the University's testing and training services, labs, sales of scientific materials, sales of miscellaneous services or products, and sales of agriculture and forest products and publications. Sales and Services Revenues pledged for the Fiscal Years ended June 30, 2011, June 30, 2012 and June 30, 2013 were $43,068,366, $44,354,807, and $45,689,284, respectively.

Facilities and Administrative Recovery Revenues

Federal, state, and private funds provided to institutions for scientific research consist of two components. The first component is restricted for use by the institution to pay the direct costs of conducting research, such as the salaries for scientists and materials and labor used to perform each project. The second component is granted to pay for so-called "facilities and administrative costs," which encompass spending by the receiving institution on such items as facilities maintenance and renewal, heating and cooling, libraries, the salaries of departmental and central office staff, and other general administration costs. Such component constituting "facilities and administrative costs" is pledged to the Bonds as F&A Recovery Revenues.

The F&A Recovery Revenues pledged for the Fiscal Years ended June 30, 2011, June 30, 2012 and June 30, 2013 were $10,727,148, $10,590,922 and $10,408,306, respectively.

Other Operating Revenues

The University receives other miscellaneous revenues in the course of its operations. Examples of pledged revenues counted in Other Operating Revenues include fines and lease/rental revenues. In the Fiscal Years ended June 30, 2011, June 30, 2012 and June 30, 2013, the University generated pledged Other Operating Revenues in the amounts of $3,617,633, $3,495,016, and $2,983,307, respectively.

Investment Income

Investment Income, which includes all of the University's unrestricted investment income, is pledged to repayment of the Series 2014 Bonds and other Bonds issued under the Resolution. The amount of Investment Income pledged to the Bonds will not match the amount of investment income shown in the University's audited financial statements which includes restricted investment income. For the Fiscal Years ended June 30, 2011, June 30, 2012 and June 30, 2013, pledged Investment Income earned by the University was $1,454,834, $1,197,651, and $1,218,957, respectively.

Use of Pledged Revenues and Other Revenues Not Otherwise Obligated

After the University has made the payments and deposits required under the Resolution, Pledged Revenues and other amounts remaining in the Revenue Fund held under the Resolution in excess of the amounts necessary to make the required payments thereunder may be used for any legal purpose of the University, including operations and the redemption of the Bonds, subject to policies adopted by the Regents.

Covenants

Covenant to Maintain Coverage

The Regents are obligated under the Resolution to establish and maintain rates, fees, and charges in amounts sufficient to produce Pledged Revenues in each year equal to 100% of the Debt Service on the Bonds and any Additional Bonds outstanding for each Fiscal Year.

Issuance of Additional Bonds

The Resolution provides that Additional Bonds secured by Pledged Revenues may be issued by the Regents upon the satisfaction of various conditions specified therein. The amount of Additional Bonds that may be issued is not limited by law or the Resolution.

The Resolution provides for the issuance of Additional Bonds to finance projects or to refund the Bonds issued under the Resolution and other obligations of the Regents or the University. In connection with the issuance of Additional Bonds, the Regents are required to file, among other things, the following documents with the Trustee:

(i) A copy of the supplemental resolution authorizing the issuance of the Additional Bonds.

(ii) A Written Certificate of the University to the effect that, upon the delivery of the Additional Bonds, the University will not be in default in the performance of any of the covenants, conditions, agreements, terms, or provisions of the Resolution or any supplemental resolution with respect to any Bonds.

(iii) A Written Certificate of the University showing that Estimated Pledged Revenues (assuming completion of the proposed project on its then estimated completion date) will equal at least 100% of the Debt Service on all Outstanding Bonds and any Additional Bonds proposed to be issued for each Fiscal Year of the University during which any Bonds will be Outstanding following the estimated completion date of the project being financed by the Additional Bonds, if interest during construction of the project being financed by the Additional Bonds is capitalized, or (2) the University's current Fiscal Year and any succeeding Fiscal Year during which any Bonds issued will be Outstanding, if interest during construction of the project being financed by the Additional Bonds is not capitalized.

Refunding Bonds may be issued without compliance with the requirements above provided the Refunding Bonds do not increase Debt Service by more than $25,000 per year.

No Debt Service Reserve Account for the Series 2014 Bonds

The Resolution does not require the funding or maintenance of a Debt Service Reserve Account for the Bonds issued under the Resolution, including the Series 2014 Bonds, unless the Regents determine otherwise pursuant to a supplemental resolution. See "PLAN OF FINANCE." However, the Debt Service Reserve Account which was established in connection with the Series 2005A Bonds will continue to be maintained until such Series 2005A Bonds are retired. **Amounts in the Debt Service Reserve Account established for Series 2005A Bonds will not be available as security for the Series 2014 Bonds.**

Outstanding Bonds; Additional Bonds

The Regents have previously issued and have outstanding under the Resolution Bonds which, following issuance of the Series 2014 Bonds, are expected to be Outstanding in the aggregate principal amount of $___________.* The Series 2014 Bonds will be secured by the Pledged Revenues on a parity lien basis with the Outstanding Bonds. See "PLAN OF FINANCE" and "FINANCIAL OPERATIONS OF THE UNIVERSITY – Schedule of Outstanding Indebtedness." The Regents have the right under the Resolution to issue Additional Bonds if certain conditions for such issuance are met. See "Covenants – Issuance of Additional Bonds" under this caption for a list of some of such conditions.

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* Preliminary, subject to change.

PLAN OF FINANCE

Sources and Uses of Funds

The estimated sources and uses of funds relating to the issuance of the Series 2014 Bonds are shown below.

	Amounts
SOURCES OF FUNDS:	
Series 2014 Bonds Par Amount	$
Net Original Issue Premium (Discount)	
TOTAL SOURCES OF FUNDS	$
USES OF FUNDS:	
Deposit to the Series 2014 Project Account [(1)]	$
For payment of costs of issuance [(2)]	
TOTAL USES OF FUNDS	$

[(1)] See "Series 2014 Projects" under this caption.
[(2)] Includes Underwriter's discount, Trustee's fee, rating agencies' fees, printing costs, legal fees and other fees and expenses. See "UNDERWRITING" for a discussion of the Underwriter's compensation.
Source: The Underwriter

Series 2014 Projects

Proceeds from the sale of the Series 2014 Bonds will be used by the Regents to finance the Series 2014 Projects described below.

Construction and Equipping of the IRIC

Proceeds of the Series 2014 Bonds in an approximate amount of [$44 million]* will be used to finance, in part, the construction of a new facility referred to as the IRIC. This facility will be approximately 70,800 gross square feet and sited at a central location on the Moscow campus. The IRIC is being designed to foster interdisciplinary research and collaboration and interaction, and will include flexible systems and support infrastructure, allowing reconfiguration of spaces supporting changes in programs and research needs of the University over time. The total design and construction costs of the IRIC are estimated to be $49 million. In addition to Series 2014 Bond proceeds, State funds in an amount of $5 million will be used to finance the project costs. To date, the University has funded certain preplanning expenditures for the project in the approximate amount of $938,000. The design development phases for the IRIC are complete and the construction document phase for the project is approximately 90% complete. The University expects construction of the IRIC to commence in July 2014 following delivery of the Series 2014 Bonds and to be completed by the summer of 2016.

* Preliminary, subject to change.

Renovation of the College of Education Building

Proceeds of the Series 2014 Bonds in an approximate amount of [$7,552,500] * will be used to fund, in part, the renovation of the College of Education Building on the University's Moscow campus. This project will include asbestos remediation and complete renovation of the building to provide a safe, aesthetic, technology capable, flexible environment in which the College of Education can deliver programs. The total cost of the renovation project is estimated to be $17,160,000, to be funded with State funds (approximately $6.95 million) and other University moneys (approximately $2.66 million) in addition to such proceeds of the Series 2014 Bonds. The design phase is underway. Abatement of hazardous materials and demolition, the first phase of the project, are expected to take nine months and will begin during the summer of 2014. The renovation is anticipated to begin following phase one and to be completed in order for the facility to be fully functional and operational for the Fall Semester, 2016.

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* Preliminary, subject to change.

DEBT SERVICE REQUIREMENTS

The following table sets forth the Annual Debt Service Requirements for the Regent's Outstanding Bonds (taking into account the proposed issuance of the Series 2014 Bonds):

	Outstanding Bonds		Series 2014 Bonds		
Fiscal Year	Principal[(1)]	Interest[(2)]	Principal[(1)*]	Interest[(3)*]	Total[*]
2015	$	$	$	$	$
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
Total	$	$	$	$	$

(1) Payable April 1. In the case of certain Bonds, these principal payments are being made upon mandatory sinking fund redemption rather than at maturity.

(2) Payable April 1 and October 1. Interest requirements are stated net of Direct Payments associated with the Series 2010C Bonds. Direct Payments through the final maturity of the Series 2010C Bonds have been decreased by 7.2% to reflect the current and ongoing impact of federal sequestration. For the Series 2007B and the Series 2011 Adjustable Rate Bonds, interest payments are calculated based on an interest rate assumption of 4.50% following initial term period ending April 1, 2018 and April 1, 2021, respectively.

(3) Payable April 1 and October 1 commencing April 1, 2015. Calculated using assumed interest rates solely for purposes of this Preliminary Official Statement.

Source: The Underwriter

* Preliminary, subject to change.

HISTORICAL PLEDGED REVENUES

The following table shows the revenue sources that are pledged as part of the General Revenue Bond System.

	2009	2010	2011	2012	2013
Source of Pledged Revenues					
Tuition and Student Fees	$60,702,738	$65,097,956	$78,626,119	$78,338,457	$82,657,650
Sales and Services Revenues	38,608,143	39,694,341	43,068,366	44,354,807	45,689,284
Other Operating Revenues	3,747,033	2,358,795	3,617,633	3,495,016	2,983,307
Investment Income(1)	3,040,962	2,072,365	1,454,834	1,197,651	1,218,954
F&A Recovery Revenues	9,457,359	9,919,603	10,727,148	10,590,922	10,408,306
Direct Payments for Series 2010C Bonds	0	0	309,311	297,732	297,732
Total Pledged Revenues	$115,556,235	$119,143,060	$137,803,411	$138,274,585	$143,255,233
Debt Service on the Series 1996 Activity Center Bonds(2)	$855,490	$0	$0	$0	$0
Revenues Available for Debt Service	$114,700,745	$119,143,060	$137,803,411	$138,274,585	$143,255,233
Debt Service on Bonds(3)	$11,567,305	$11,110,027	$12,302,937	$12,902,303	$12,720,128
Debt Service Coverage	9.92x	10.72x	11.20x	10.72x	11.26x

(1) Differs from the information in the University's audited financial statements due to the inclusion of restricted investment income.

(2) These Series 1996 Activity Center Bonds were secured by certain of the Pledged Revenues on a senior basis to the Bonds, and were refunded in 2010.

(3) Represents actual gross debt service on the Outstanding Bonds due and paid during the Fiscal Years as indicated.

Source: The University's unaudited financial records.

The Debt Service Coverage of the Pledged Revenues in 2013 less the Direct Payments for the Series 2010C Bonds over the maximum annual debt service of Outstanding Bonds (after issuance of the Series 2014 Bonds) is estimated to be _____x* (2013 Pledged Revenues of $143,255,233 less Direct Payment of $_______ divided by gross maximum annual debt service on the Outstanding Bonds after issuance of the Series 2014 Bonds of $__________*). See "DEBT SERVICE REQUIREMENTS."

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* Preliminary subject to change.

THE UNIVERSITY

Generally

Student body representation at the University is from every state in the United States and approximately 80 foreign countries. The University alumni population exceeds 95,000. The University's main campus is located in Moscow, Idaho, a community of approximately 23,800 people in the northern portion of the State, about one-mile east of the Washington border and approximately 80 miles south of Coeur d'Alene, Idaho.

University property includes approximately 11,700 acres and 315 buildings, of which 1,585 acres and 251 buildings are located at its main campus in Moscow. The University operates twelve research centers and institutes and six demonstration and training farms with a total acreage of about 1,000 acres used by forestry and agricultural students. The University owns and actively manages 8,160 acres of forest lands, a wilderness field research station in Idaho's primitive area, a veterinary teaching center, and ten research and extension centers in agricultural areas throughout Idaho. The University also operates a Research Park in Post Falls and Resident Instructional Centers in Boise, Coeur d'Alene and Idaho Falls. The University's McCall Outdoor Science School ("**MOSS**") is located on the McCall Field Campus and borders Payette Lake and Ponderosa State Park. MOSS offers a one-of-a-kind learning experience for Idaho youth, graduate students, teachers and the local community, and was funded with proceeds of the Taxable Series 2013B Bonds.

The University's academic structure includes ten degree-granting colleges: the Colleges of Agricultural and Life Science; Art and Architecture; Business and Economics; Education; Engineering; Graduate Studies; Law; Letters, Arts and Social Sciences; Natural Resources; and Science. In addition to degree programs in each of these colleges, the University includes a College of Graduate Studies and offers medical training for students in association with the University of Washington, School of Medicine. The University has several cooperative programs with Washington State University (located in Pullman, Washington, eight miles from Moscow), including a joint veterinary medical program. This cooperative graduate program has veterinary training facilities in Caldwell, Idaho, which are operated by the University. The University has an optional officer education program, leading to a regular or reserve commission in the U.S. Army, Navy, Marines or Air Force.

Student Body

The University admits all Idaho residents who graduate from accredited high schools with an overall grade point average of at least 3.0 and who completed a defined set of core high school classes. Those with less than a 3.0 high school grade point average must meet set ACT or SAT scores. Home school students, graduates of non-accredited high schools, or students not meeting the admission criteria are considered by a special admission committee. Approximately 66% of the University's fall 2013 student body were residents of the State. The tables on the following page set out certain statistics concerning the University's enrollment for the Fall Terms of the years indicated.

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Five-Year Historical Enrollment Summary

(Fall Semester, 10th Day of Classes 2009-2011, Census Date 2012-2013) (1)

	2009	2010	2011	2012(2)	2013(2)
Students					
Full-Time Equivalents (FTE)	10,062.3	10,398.3	10,490.7	10,105.0	10,020.4
Head Count	11,957	12,302	12,312	12,420	12,024
Undergraduate Students	**Academic Head Count**				
Full-time:					
Residents	5,561	5,716	5,954	5,741	5,751
Non-residents	2,750	2,848	2,752	2,403	2,260
Subtotal	8,311	8,564	8,706	8,144	8,011
Part-time:					
Residents	1,031	1,029	864	1,672	1,328
Non-residents	292	250	240	305	201
Subtotal	1,323	1,279	1,104	1,977	1,529
Graduate Students					
Full-time:					
Residents	708	726	731	669	614
Non-residents	606	703	712	675	762
Subtotal	1,314	1,429	1,443	1,344	1,376
Part-time:					
Residents	689	705	700	642	674
Non-residents	320	325	359	313	434
Subtotal	1,009	1,030	1,059	955	1,108
Total Undergraduate	9,634	9,843	9,810	10,121	9,540
Total Graduate Students	2,323	2,459	2,502	2,299	2,484
Grand Total	11,957	12,302	12,312	12,420	12,024
Freshmen Students	**Freshman Class Statistics**				
Applying	5,110	5,906	8,248	7,467	7,994
Accepted	4,068	4,022	5,020	4,903	5,173
Enrolled	1,780	1,757	1,631	1,617	1,630
Resident	1,113	1,145	1,207	1,178	1,190
Average ACT Score	23.3	23.3	23.0	23.2	23.0
Average SAT Score	1098	1,090	1,088	1,085	1,045
Average High School GPA	3.38	3.35	3.34	3.38	3.40
Percentage graduating in the top 25% of their high school class	45.8	44.4	44.0	44.0	42.0

Source: The University

(1) In fall 2012 the University enrollment report date was changed from 10th day of classes to October 15th at the direction of the Regents.

(2) Headcount information is federally reported to IPEDS. Beginning in 2012, professional development only students or co-op students are not included while prior to 2012 IPEDS they were included.

Housing and Student Union Facilities

The University's housing and student union facilities (the revenues from which constitute Auxiliary Enterprise revenues pledged as part of the Pledged Revenues) currently include (i) 12 residence hall buildings containing dormitory style student living; (ii) three apartment complexes, providing housing for upper class students and students with families; (iii) the Idaho Commons Building (the "**Commons**"); and (iv) the Student Union Building (the "**Student Union**").

University Residence Halls. The 12 University residence hall buildings can accommodate up to 2,153 students. The University's residence halls offer a variety of amenities including: (i) computer labs and in-room wireless high-speed internet; (ii) recreational and lounge space; (iii) laundry facilities; (iv) kitchen areas; and (v) academic/study space. Over the past five Fiscal Years, the average occupancy rate for the University's residence halls was 86%, and the occupancy rate for Fall 2013 was 84%.

University Apartments. Currently, the University has three apartment complexes, which provide 215 apartments ranging in size from one-bedroom to four bedrooms available for occupancy by students and their families. Amenities available at University apartment complexes include: (i) high-speed wireless internet connections; (ii) in-apartment laundry hook-ups; (iii) play areas; and (iv) a community center. The average occupancy rate for the University's apartments over the past five Fiscal Years was 95%, and the occupancy rate for Fall 2013 was 90%.

Idaho Commons Building. Completed in 2000, the Idaho Commons Building is designed to be the center of campus life and provide programs, amenities, and services to enhance the educational experience of University students. The Commons is a multi-use facility with approximately 100,000 square feet. The facility houses offices for student government, other student organizations, conference rooms with state of the art technology, and academic support services. In addition, the Commons has an information desk, food court, coffee shop, convenience store, satellite University bookstore, credit union, copy center, art gallery, computer kiosks, ATMs and administrative offices. The facilities infrastructure includes high-speed LAN and video data capabilities, public lounges, wireless network, computer checkout, and flat screen monitors to provide information about building and campus activities.

Student Union Building. The approximately 103,500 square foot Student Union is a multi-use facility. Student services were relocated to the Student Union after completion of a renovation in 2000. Currently, the facility houses Student Accounts, the Registrar, Admissions, Student Financial Aid, New Student Services, Jazz Festival, College Assistance Migratory Program, and Student Media Services. In addition, the Student Union has an information desk, conference facilities, including a large ballroom, a movie theatre, and several small meeting rooms, a cafe, ATMs, and a computer lab.

Spectator and Recreation Facilities

The University's spectator and recreation facilities (the revenues from which constitute Auxiliary Enterprise revenues pledged as part of the Pledged Revenues) include the Kibbie Dome, the Memorial Gym, the Recreation Center, the Dan O'Brien Track Complex, and the University Golf Course. Following is a brief description of these facilities.

Kibbie Dome. The Kibbie Dome was originally constructed in 1972 and is North Idaho's largest athletic spectator facility. It is used for intercollegiate home football games, basketball games, indoor track and field events, as well as high school football playoffs, the Lionel Hampton Jazz Festival, concerts, sport camps, conferences, classes, intramurals, student club activities, and University commencements. In 1984, the "East End" was added to the Kibbie Dome and includes a weight room, recreational and varsity locker rooms, eight racquetball courts, and athletic training rooms and offices. In 2009, the University completed another expansion of the Kibbie Dome to add the "Vandal Athletic Center," which included a 7,000 square foot weight room, a 1,500 square foot exercise area, an aquatic exercise pool, and a new foyer. Improvements to the Kibbie Dome financed with proceeds of the Taxable Series 2010C Bonds and completed in 2011 included (i) the replacement of the west wall of the facility with translucent panels that will be part of a non-combustible construction assembly for that wall; (ii) replacement of the east end wall with noncombustible construction; (iii) the addition of west end exiting in the new wall; (iv) the addition of handrails in the seating aisles; and (v) the installation of smoke evacuation and associated fire detection alarm and suppression systems, roof ballasting and other miscellaneous items. Additional enhancements included (i) relocation and renovation of the press box to improve functionality with upgrades to telecommunications, video, and audio infrastructure; (ii) creation of the upper level Bud and June Ford Club Room with food and beverage service, restrooms, and gathering space for premium seat and suite buyers; and (iii) construction of eight new Premium Suites and a new President's Suite.

Memorial Gym. The Memorial Gymnasium, constructed in 1928, is the oldest athletic building on campus. The building serves as one of the University's indoor sports and entertainment complexes. In addition to hosting varsity volleyball and basketball, the Memorial Gym is used for concerts, community events, state gymnastics meets, regional basketball tournaments, intramural activities and physical education classes, and houses a gymnasium, multi-purpose room, combative room, locker rooms, and various offices.

The Recreation Center. The Student Recreation Center was completed in 2002. It is approximately 85,500 square feet in size, and includes more than 7,200 square feet of open recreational space, two regulation-size basketball courts, a multipurpose gymnasium, a large aerobics/cardiovascular multipurpose workout space, a running track, a climbing wall, a child care center, a first-aid and athletic training area, classroom and activity spaces, a cafeteria, and space for rental of recreational equipment.

Dan O'Brien Track Complex. The Dan O'Brien Track, named in 1996 for University alumnus and 1996 Olympic Decathlon Gold Medalist Dan O'Brien, was constructed in 1969, and serves as the University's outdoor varsity and recreational track facility. It consists of a 400-meter, 8-lane track, a long jump area, a throwing area, a high jump area, a pole vault area, coaches' offices, and spectator facilities that accommodate approximately 1,000 spectators. Over the winter of 2011-12, the 40-year-old facility underwent a $2.5 million renovation, which features a faster, safer running surface, more efficient use of the infield, and updated draining system.

University Golf Course. The University owns and operates an 18-hole golf course on the University's Moscow campus. The course is open to the public approximately eight months each year and provides lessons, cart and club rentals, and a retail pro shop.

Parking Facilities

Currently, the University operates and maintains 99 surface parking lots with a total of approximately 6,000 parking spaces. The University has a comprehensive parking plan to ensure that the Parking System is financially self-supporting.

Employees and Faculty

As of March 31, 2014, the University had 3,067 employees, consisting of 956 faculty, 589 Research Assistants/Teaching Assistants (which are not considered to be part of the faculty) and 1,522 staff and administration. The student to faculty ratio in the Fall of 2013 was 18 to 1. Employees are not subject to the State's civil service system; however, the University has adopted a personnel policy with respect to classified employees that is substantially similar to the State's civil service system. The University is not a party to any collective bargaining agreements, although there are employee associations that bring any salary issues and concerns to the attention of the University. The University considers its relations with its employees to be good.

Employee Retirement Plan; Post Retirement Health Benefits

Most employees of the University are eligible for one of two retirement plans: the State of Idaho's "Public Employees Retirement System of Idaho" ("**PERSI**") and the "Optional Retirement Plan" ("**ORP**"), which has been offered to non-classified employees since 1990.

PERSI provides a defined benefit plan and covers eligible classified and exempt personnel who work 20 hours or more per week. The membership of PERSI includes employees of the State of Idaho, teachers, firemen, police and employees of political subdivisions, local school districts, colleges and universities.

Faculty and exempt staff hired on or after July 1, 1990, have been enrolled in the ORP and faculty and exempt staff hired before that date were offered a one-time opportunity in 1990 to withdraw from PERSI and join the ORP. The ORP is a portable, defined contribution retirement plan with options offered by Teachers' Insurance and Annuity Association/College Retirement Equities Fund and Variable Annuity Life Insurance Company. The total contribution rate will be the same for all employees, with a portion of the employer's contribution for ORP members being credited to the employee's account and a portion to the PERSI unfunded liability until 2015. The ORP covers eligible exempt personnel who work 20 hours or more per week. Based on the audited financial statements for the Fiscal Year 2013, the University had unfunded obligations for post-employment retirement benefits in Fiscal Year 2013 of $41,691,000.

In addition, the University has taken proactive steps to effectively manage and reduce its GASB 45 liability for obligation of post-employment benefits (OPEB) related to retiree health. The University's GASB liability was recorded and recognized on its financial statements for the first time in Fiscal Year 2008. Program changes which include steeper eligibility requirements, retiree cost sharing, integration with Medicare Prescription Drug programs and elimination of some future benefits have reduced the Annual Required Contribution (ARC) from projections of $7.157 million as forecasted in Fiscal Year 2008 to $3.723 million for Fiscal Year 2013. The University has elected to fully fund its ARC in each Fiscal Year.

Beginning with the fiscal year that commences July 1, 2014, the University will be required to record a liability and expense equal to its proportionate share of the collective net pension liability and expense of PERSI due to the implementation of GASB 68. PERSI has not yet determined the University's or other cost-sharing employers' proportionate shares of such liability, and the University cannot determine at this time what its proportionate share will be or what impact any additional funding obligation of the University with respect to its proportionate share will have on the University. The University expects to receive a report from PERSI as to the allocation and effect of PERSI's unfunded liability in early calendar year 2015.

For information concerning post-retirement health benefits, see Note 14, "POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS AND RETIREE BENEFITS TRUST," in the audited financial statements included in "**Appendix A** – AUDITED FINANCIAL STATEMENTS OF THE UNIVERSITY FOR THE YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012."

Insurance

The University maintains liability, property, and employee fidelity insurance in amounts deemed adequate by University officials. The University has a full-time risk management staff that administers insurance coverage and claims, and reviews the adequacy of such policies and verifies the University's compliance with insurance requirements imposed by agreements, such as the Resolution. As of March 31, 2014, the total insured replacement value of the University's buildings, contents and improvements was approximately $1.63 billion.

The University began self-funding its medical and dental programs for active employee and retiree health starting July 1, 2005. Self-funding is a financial arrangement in which medical claims are administered by a third-party administrator, but paid directly from University funds instead of by an insurer. The financial risk of the self-funding arrangement is managed through the creation of a financial reserve established by the University to fund unexpected claims and incurred-but-not-reported claims in the event that the self-funding arrangement is ever terminated. In addition, the University's financial exposure for unexpected claims are limited through the purchase of reinsurance (stop-loss coverage) for both individual and aggregate claim liability. When comparing self-funded cost to a fully insured program, the University estimates an approximate savings of $1 million per year in cost under the self-funded health arrangement.

The University continues to take a proactive approach managing its health plans, including offering a High Deductible Health Plan with an HSA, expanding their coverage for wellness related services, and working with an employee advisory group to address needs and concerns of University employees.

FINANCIAL OPERATIONS OF THE UNIVERSITY

The University relies on a number of sources of funding for the achievement of its educational and research missions. The principal sources of revenues are: direct appropriation of State general account revenues by the Idaho Legislature, Tuition and Student Fees, federal government appropriations and grants, gifts to the University, Investment Income, revenues derived from property holdings of the University, land grant endowments received pursuant to the University's land grant status, Sales and Service Revenues and Other Revenues. See "**Appendix A** – AUDITED FINANCIAL STATEMENTS OF THE UNIVERSITY FOR THE YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012." Of these revenue sources, Tuition and Student Fees, Investment Income, Sales and Services Revenues, and Other Revenues are pledged to the Bonds, including the Series 2014 Bonds. See "SECURITY FOR THE SERIES 2014 BONDS" for a description of University revenues pledged to the Bonds. The University's other revenue sources not constituting Pledged Revenues are more fully discussed below.

State Appropriations

Legislatively approved State general account original appropriations in Fiscal Year 2014 represent slightly more than 35% percent of the total University budget. The State legislature meets beginning in January of each calendar year and sets budgets and appropriations for all agencies and departments of State government for the Fiscal Year beginning on the ensuing July 1. The legislature may also make adjustments to budgets and appropriations for the Fiscal Year during which the legislature is meeting.

If in the course of a Fiscal Year, the Governor determines that the expenditures authorized by the Legislature for the current Fiscal Year exceed anticipated revenues expected to be available to meet those expenditures, the Governor by executive order may reduce ("**Holdback**") the spending authority on file in the office of the Division of Financial Management for any department, agency, or institution of the State or request a reversion ("**Reversion**") of appropriations back to the State to balance the State budget.

The table below sets forth the legislative appropriation from the State General Fund for colleges and universities and for the University net of Reversions.

A reduction of approximately $19 million is shown from Fiscal Year 2010 to 2011 in University of Idaho State Appropriations. This was due to a capital project (Research Dairy) of $10 million being attributed to appropriations in 2010 (the project, ultimately, was not funded), holdbacks of $6.5 million, rescission of $1.5 million and reduction adjustments of $2.6 million.

Schedule of State General Account Appropriations

Fiscal Year	University of Idaho State Appropriations	Total State Appropriations Colleges & Universities	Total State General Fund	University of Idaho % of Total State General Fund
2014	$ 83,880,300	$236,543,600	$2,781,023,800	3.02%
2013	81,203,000	227,950,500	2,702,105,700	3.01
2012	77,171,800	209,828,300	2,528,960,600	3.05
2011	80,271,500	217,510,800	2,383,836,000	3.37
2010	99,442,400	253,278,100	2,506,580,100	3.97
2009	104,910,700	285,151,500	2,959,283,400	3.55

Grants and Contracts

The United States government and various other public and private sponsoring agencies, through various grant and contract programs, provide a substantial percentage of the University's operating revenues. The use of such funds is usually restricted to specific projects. Such revenues include grants and contracts for research, public service, instruction and training programs, fellowships, scholarships, endowment scholarship programs, and student aid programs, and grants for construction projects. The University believes it has complied with all material conditions and requirements of these various grants and contracts.

Financial Assistance

Financial assistance, primarily in the form of student loans, scholarships, grants, student employment, awards, and deferred payments, is available to students. The University believes that the amount of available financial aid is adequate. During the 2012-2013 academic year, the total financial assistance to students received at the University was approximately $114 million, of which approximately $69 million was in the form of direct student loans. No assurance can be given that the level of assistance available in the past will continue.

Federal Appropriations

In accordance with the University's designation as a land grant institution, the United States government provides the University with funds for specific programs. Like most federal governmental programs, however, there is no assurance that these funds will continue to be appropriated.

Land Grant Endowments

The University is the State's land grant university, and as such is entitled to revenues from certain State lands.

Budget Process/Financial Reports

The University operates on an annual budget system. Its Fiscal Year begins July 1 of each year. The budget process, as well as the administration of the expenditures authorized through the process, is administered through the offices of the President and the Vice President for Finance and Administration in collaboration with the departmental faculty and other administrative officers. The internal budget process concludes with a general budget proposal for the following Fiscal Year being submitted in consolidated form by the University administration to the Regents in August of each year.

The University's budget is approved by the Regents prior to the commencement of the Fiscal Year, usually at the June meeting. At that meeting, the Regents, in their capacity as members of the State Board of Education, approve the annual budgets for the other institutions of higher education as well.

Future Plans

A proposed future Research and Classroom building of approximately 80,000 square feet is planned by the University. The overall project cost of the building is estimated at $24 million. Funding is expected to come from bonds ($12 million), State funding ($8 million), federal funding ($1 million), and corporate private giving ($3 million). Timing of the project will be linked to the timing and availability of other fund sources, especially State funding, and is currently projected for FY2017.

Schedule of Outstanding Indebtedness

Set forth below is the schedule of outstanding indebtedness of the Regents as of June 1, 2014 incurred to provide funding for the University, which does not reflect the issuance of the Series 2014 Bonds.

Name of Issue [1]	Date Incurred	Final Maturity Date	Amount of Original Indebtedness	Amount of Debt Outstanding (June 1, 2014)
General Revenue Refunding Bonds, Series 2005A	2005	2026	$ 30,740,000	$ 22,285,000
Adjustable Rate General Revenue Bonds, Series 2007B	2007	2041	35,035,000	35,035,000
General Revenue Refunding Bonds, Series 2010A	2010	2016	10,230,000	2,700,000
General Revenue Bonds, Series 2010B	2010	2032	10,150,000	10,150,000
Taxable General Revenue Bonds, Series 2010C	2010	2041	13,145,000	13,145,000
Adjustable Rate General Revenue Refunding Bonds, Series 2011	2011	2041	60,765,000	57,940,000
General Revenue and Refunding Bonds, Series 2013A	2013	2033	8,745,000	7,720,000
Taxable General Revenue Bonds, Series 2013B	2013	2033	6,325,000	6,065,000
Total Bonded Indebtedness			$175,135,000	$155,040,000 [2]
Other indebtedness, consisting of notes payable and line-of-credit with interest rates ranging from 3.245% to 5.00%, due through the year 2019	2002	2019	$8,073,388	$1,080,589

[1] All of these Bonds are currently Outstanding under the Resolution.
[2] This amount does not take into account the issuance of the Series 2014 Bonds.
Source: The University

University Total Net Assets

The University's total net assets for the last five Fiscal Years are included in the table below. Financial information concerning the University is contained in the University's audited financial statements included in **Appendix A** hereto.

University of Idaho
Net Assets[1]

Fiscal Year	Unrestricted	Restricted Expendable	Restricted Nonexpendable	Invested in Capital Assets	Total
2013	$57,110,972	$28,851,316	$ 0[2]	$243,070,923	$329,033,211
2012[2]	63,954,298	24,796,022	74,859,032	239,981,523	403,590,875
2011[2]	52,713,170	24,613,253	78,191,004	246,836,404	402,353,831
2010	26,298,058	74,964,487	67,829,850	211,194,033	380,286,428
2009	36,245,034	68,225,541	62,391,971	205,937,863	372,800,409

(1) See "FINANCIAL OPERATIONS OF THE UNIVERSITY – University of Idaho Foundation" and "- Change in Reporting for CIT Assets – University Release and Waiver."

(2) During Fiscal Year 2012, the University, in reviewing authoritative guidance provided under GASB-34 concerning the proper classification of net assets, reclassified Fiscal Year 2011 and 2012 net asset category balances to be more accurately aligned with government reporting standards.

University and Foundation Total Net Assets

The University and Foundation consolidated total net assets for the last five Fiscal Years are included in the table below. Financial information concerning the University and the Foundation is contained in the University's audited financial statements included in **Appendix A** hereto.

University of Idaho and University of Idaho Foundation
Consolidated Net Assets

Fiscal Year	University	Foundation	Total
2013	$329,033,211	$243,417,063	$572,450,274
2012	403,590,875	148,173,954	551,764,829
2011	402,353,831	150,781,113	553,134,944
2010	380,286,428	129,372,417	509,658,845
2009	372,800,409	108,924,187	481,724,596

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University and Foundation Cash and Investments

The University and Foundation consolidated cash and investments for the last five Fiscal Years are detailed in the table below. Financial information concerning the University and the Foundation is contained in the University's audited financial statements included in **Appendix A** hereto.

University of Idaho and University of Idaho Foundation
Consolidated Cash and Investments

Fiscal Year	University Cash	Foundation Cash	University Investments	Foundation Investments[1]	Total
2013	$25,297,434	$23,604,007	$63,362,594	$225,208,891	$337,472,926
2012	15,610,602	21,943,845	69,794,350	205,440,387	312,789,184
2011	65,287,221	17,543,061	21,245,978	213,473,325	317,549,585
2010	57,390,936	23,692,355	38,183,910	174,912,118	294,179,319
2009	41,838,941	17,009,291	56,937,403	159,554,488	275,340,123

(1) Includes University Assets Held in Trust by Foundation. See "Change in Reporting for CIT Assets – University Release and Waiver" under this caption.

University of Idaho Foundation

The Foundation is a nonprofit corporation organized under Idaho law in 1970. Its purpose is to receive, manage and otherwise deal in property and apply the income, principal and proceeds of such property for the benefit of the University. A 25-member board of directors, elected annually by the Foundation members, manage the Foundation.

The Foundation receives all gifts to the University and transfers such gifts to the donor-designated area within the University on a regular schedule. In addition, it manages the endowment funds in a pooled investment fund referred to as the Consolidated Investment Trust (the "**CIT**"). Earnings from the CIT are transferred annually to the University. Some assets invested in the CIT (the "**Indenture Assets**") are held in trust for the University pursuant to an Indenture Agreement. The Indenture Assets were previously shown as an asset and liability on the Foundation financial statements. In 2013, the University agreed to waive restriction on the Indenture Assets, and as explained in greater detail under "Change in Reporting for CIT Assets – University Release and Waiver," this waiver effected completion of the full transfer of these assets to the Foundation such that dual reporting as asset and liability on the Foundation financial statements (as well as reporting those assets and the change in market value of those assets on the University financial statements) will no longer be necessary after Fiscal Year 2013.

Since Fiscal Year 2004, the University has been required to discretely present the Foundation as a component unit. Financial information concerning the Foundation is contained in Note 20 to the University's audited financial statements included in **Appendix A** hereto. The table below illustrates total net assets over the last five Fiscal Years.

University of Idaho Foundation
Net Assets

Fiscal Year	Unrestricted	Restricted Expendable	Restricted Nonexpendable	Total
2013	$5,049,512	$36,006,967	$202,360,584	$243,417,063
2012	5,219,854	32,145,781	110,808,319	148,173,954
2011	5,382,690	33,729,970	111,668,453	150,781,113
2010	4,380,322	29,719,205	95,272,890	129,372,417
2009	3,208,428	23,534,496	82,181,263	108,924,187

Change in Reporting for CIT Assets – University Release and Waiver

The CIT was established at the University of Idaho in July 1959 to allow pooling of endowment assets for investment purposes. In 1974, the Regents authorized the University to transfer the CIT to the Foundation in trust under the terms and conditions of an Indenture Agreement. The Foundation has managed the Indenture Assets transferred through the Indenture Agreement since that time. As of February 8, 2013, the value of the Indenture Assets transferred to the Foundation under the Indenture Agreement was $80,990,338. (See footnote 20 of the FY 2013 Audited Financial Statement in **Appendix A** hereto.)

The Indenture Assets were transferred pursuant to the Indenture Agreement to the Foundation "in trust," reserving the right in the Regents to revoke the Indenture Agreement or to withdraw the Indenture Assets at any time. Consequently, the transfer from the University to the Foundation was not a complete one, and generally accepted accounting principles ("**GAAP**") applicable to the financial statements for both the University and the Foundation required dual reporting on both the University and the Foundation financial statements of the Indenture Assets and related income (loss) arising from changes in the market value of the Indenture Assets.

Recognizing that the Foundation's total endowment portfolio has grown substantially over the past several decades, coupled with both entities' desire to report their annual financial statements in a clear and concise manner, the current senior leadership of both the University and the Foundation decided to take the steps necessary to eliminate the reporting constraints between the two entities caused by the incomplete nature of the transfer under the Indenture Agreement. Accordingly, on February 8, 2013, the University and the Foundation executed a Release and Waiver of Rights and Restrictions Agreement ("**Release**") that permanently eliminated the required dual reporting requirements associated with the Indenture Assets. The Release removed reference to "in trust" as well as the right to revoke or withdraw the Indenture Assets.

The effect of the Release was to remove the reporting of the Indenture Assets from the balance sheet of the University (reducing net assets by the market value of the Indenture Assets) and removing the corresponding gain (loss) arising from change in the market value of the Indenture Assets from the University income statement. There was a one-time, non-operating expense of $80,990,338 to the University in the amount of the fair market value of the Indenture Asset as of the date of transfer, February 8, 2013. The Foundation financial statements show an increase in net assets by the market value of the Indenture Assets, and fully show the corresponding gain (loss) arising from change in the market value of the Indenture Assets subsequent to the transfer date. The Foundation statements show a corresponding one-time, non-operating gain of $80,990,338 in the amount of the fair market value of the Indenture Assets as of the date of transfer, February 8, 2013.

While the Release brings about a change in accounting and financial statement reporting, the Foundation will continue to manage the Indenture Assets in the same fashion as it has since the original transfer in 1974. There will be no change in the transfer of income earned by the Indenture Assets from the Foundation to the University, and the University remains the sole beneficiary of the Indenture Assets.

UNIVERSITY GOVERNANCE AND ADMINISTRATION

The responsibility for overall management and determination of University policy and standards is vested with the Regents of the University of Idaho who also serve as the SBOE and simultaneously, among other duties, the Trustees for Boise State University, Idaho State University in Pocatello and Lewis-Clark State College in Lewiston and as the State Board for Professional – Technical Education. The combined boards are appointed by the Governor for five-year terms. The membership, terms, residences and occupations are listed below.

The Board of Regents of the University and The State Board of Education

Name	Residence	Occupation	Term Expires (June 30)
Emma Atchley (President)	Ashton	Board of Directors member for the Bank of Idaho, Teton Regional Land Trust, Flying A Ranch Inc., Cea Corp., and Ashton Hi-Tech Seed Co.	2015
Roderic W. Lewis (Vice President)	Boise	Retired, Vice President of Legal Affairs, General Counsel and Corporate Secretary for Micron Technology, Inc. of Boise	2015
Don Soltman (Secretary)	Twin Lakes	Retired, Served four years on the State of Idaho's Professional Standards Commission. Also served on the state committee that developed the graduation standards in science for Idaho students.	2019
Bill Goesling	Moscow	Retired, Served 24 years of active duty with the United States Navy.	2016
Tom Luna [(1)]	Boise	State Superintendent of Public Instruction	[(1)]
Milford Terrell [(2)]	Boise	President and Owner of DeBest Plumbing & Mechanical	2017
Richard Westerberg	Preston	Retired, PacifiCorp	2019

[(1)] Mr. Luna serves ex-officio to the SBOE in his capacity as State Superintendent of Public Instruction, which is a statewide elective office.

[(2)] Mr. Terrell is resigning effective June 30, 2014. The timeline for the appointment of a new Board member has not been determined.

The SBOE has a full–time professional staff headed by Mike Rush, Executive Director. His appointment became effective May 2008.

University Officers

The affairs of the University are managed by the President of the University and the staff. The President is appointed by, reports to, and serves at the pleasure of the Regents. Following is a brief biographical resume of President Staben and his executive staff at a Vice President level:

Chuck Staben, President, took office as the 18th president of the University Idaho March 1, 2014. Dr. Staben served as Provost and Vice President for Academic Affairs at the University of South Dakota from August 2008 to February 2014. Prior to his service at South Dakota, he served as the Associate Vice President for Research at the University of Kentucky from 2005 to 2009 and was a professor of biology from 1989 to 2008. Previously Dr. Staben was a postdoctoral researcher at Stanford University from 1987 to 1989 and at Chiron Research Laboratories from 1985 to 1986. He has served on National Science Foundation and National Institutes of Health grant review panels and recently served on a National Research Council committee that reviewed the Experimental Program to Stimulate Competitive Research and the Institutional Development Award programs for the U.S. Senate. Dr. Staben received a B.S. degree from the University of Illinois, Champaign-Urbana, and a Ph.D. in Biochemistry from the University of California, Berkeley.

Katherine G. Aiken, Interim Provost and Executive Vice President, served as the Dean of the College of Letters, Arts, and Social Sciences beginning in 2006 and has worked at the University of Idaho for 25 years. Dr. Aiken is a professor of history and currently serves on the Idaho State Board of Education's Professional Standards Commission and as chair for the Idaho Humanities Council. Dr. Aiken has won 15 teaching awards including the University of Idaho Award for Teaching Excellence, and has been named the ATHENA Woman of the Year. Dr. Aiken was the recipient of Boise State University's Women Making History Award and the Virginia Woolf Distinguished Service Award from the University of Idaho Women's Center. Dr. Aiken has also served as an Associate Dean and Director of Extended Learning at Lewis-Clark State College, Chair of History at University of Idaho and Associate Dean for both the University of Idaho College of Graduate Studies and the College of Letters, Arts and Social Sciences. Dr. Aiken received a Bachelor’s degree in history from the University of Idaho, her Master's degree in history from the University of Oregon and her Doctoral degree from Washington State University.

Ronald Smith, Vice President of Finance and Administration, assumed his position at the University of Idaho in July 2011. Dr. Smith was previously the vice president for finance and business affairs at Seattle University. Prior to his tenure in Seattle, Washington, he served as vice president for administrative services for Lewis-Clark State College in Lewiston, Idaho. He also served in several capacities at the University of Idaho for eight years in the late 1980s and early 1990s. A native of Bozeman, Montana, Dr. Smith earned a bachelor of science degree in commerce and accounting from Montana State University; master's degree in business administration from the University of Montana; and a doctorate in higher education administration from the University of Idaho.

John (Jack) K. McIver, Vice President of Research and Economic Development, assumed his position at the University in June 2008. Dr. McIver received his B.S. degree in Mechanical Engineering and Physics at the University of Rochester in 1971, his Masters of Science from the College of Engineering and Applied Sciences at the University of Rochester in 1972, and his Doctorate from the College of Engineering and Applied Sciences at the University of Rochester in 1979. He currently oversees, coordinates and facilitates all University research activities, including sponsored and internally funded research, center and institute research, interdisciplinary research programs, and research related to the University's land grant mission. He has responsibility for all policies and procedures relating to research, technology transfer, economic development, and regulatory compliance and works closely with the faculty to catalyze, encourage, and support research and scholarly activities. Dr. McIver also has management responsibility for the University of Idaho Office of Research and Economic Development, which includes the Office of Sponsored Programs, the Office of Research Assurances, the University institutes, and the Office of Technology Transfer. He is the principal point of contact for the University in all research related matters and represents the regional, national, and international research interests of the University to major research funding agencies and foundations, to regional and national research consortia, to national laboratories, to federal and state agencies, and to the private sector.

Christopher D. Murray, Vice President for University Advancement, assumed his position at the University in May 2006. Mr. Murray received his B.A. degree in Journalism at the University of Southern California in 1983, and his Masters of Business Administration at the University of Southern California in 1995. Prior to joining the University, he held academic positions at the University of Southern California (Director of Corporate Relations, Central Development, from 1991 to 1994; Director of Development, Marshall School of Business, from 1994 to 1996) and the University of Oregon (Associate Dean, External Affairs – Lundquist College of Business, from 1997 to 2006). He served as a director of The Muscular Dystrophy Association (MDA) from 1983 to 1991 and as Executive Director of The Scleroderma Research Foundation from 1996 to 1997. Mr. Murray is responsible for advancement efforts including designing, articulating and leading comprehensive fund raising, providing oversight and alignment of activities in the development office, alumni relations, and marketing communications programs. He also serves as executive director of the University of Idaho Foundation, responsible for organizing, supporting and directing volunteers in fundraising and advancement efforts.

Kent E. Nelson, was appointed as General Counsel to the University on September 17, 2006. Prior to his appointment he served from June 1998 to September 2006 as the Senior Deputy Attorney General in the Contracts and Administrative Law Division of the Idaho Attorney General, where he served as special projects counsel to the Idaho Board of Land Commissioners and as general counsel to various state agencies including the State Board of Education and Board of Regents of the University of Idaho. From September 1984 to June 1998 he was in general civil practice in Boise, Idaho with emphasis in real estate, transactions, creditors rights and civil litigation. Mr. Nelson received a bachelor's degree in accounting from the University of Idaho in 1980 and a Juris Doctor in law from the University of Idaho College of Law in 1984.

TAX MATTERS

The Series 2014 Bonds

Federal Income Tax

In the opinion of Skinner Fawcett, LLP and Ballard Spahr LLP, as Co-Bond Counsel to the Regents, interest on the Series 2014 Bonds is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Series 2014 Bonds, assuming the accuracy of the certifications of the Regents and continuing compliance by the Regents with the requirements of the Internal Revenue Code of 1986. Interest on the Series 2014 Bonds is not an item of tax preference for purposes of either individual or corporate federal alternative minimum tax ("**AMT**"); however, interest on Series 2014 Bonds held by a corporation (other than an S corporation, regulated investment company, or real estate investment trust) may be indirectly subject to federal AMT because of its inclusion in the adjusted current earnings of a corporate holder.

Original Issue Premium

Certain of the Series 2014 Bonds may be offered at a premium ("**original issue premium**") over their principal amount. For federal income tax purposes, original issue premium is amortizable periodically over the term of such Series 2014 Bond through reductions in the holder's tax basis for such Series 2014 Bond for determining taxable gain or loss from sale or from redemption prior to maturity. Amortization of premium does not create a deductible expense or loss. Holders should consult their tax advisors for an explanation of the amortization rules.

Original Issue Discount

Certain of the Series 2014 Bonds may be offered at a discount ("**original issue discount**") equal generally to the difference between public offering price and principal amount. Original issue discount on a Series 2014 Bond accrues as tax-exempt interest periodically over the term of the Series 2014 Bond. The accrual of original issue discount increases the holder's tax basis in the Series 2014 Bond for determining taxable gain or loss from sale or from redemption prior to maturity. Series 2014 Bondholders should consult their tax advisors for an explanation of the accrual rules.

State of Idaho Income Tax

Co-Bond Counsel is also of the opinion that interest on the Series 2014 Bonds is exempt from State of Idaho personal income taxes.

No Further Opinion

Co-Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on, the Series 2014 Bonds.

Changes in Federal and State Tax Laws

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Series 2014 Bonds or otherwise prevent holders of the Series 2014 Bonds from realizing the full benefit of the tax exemption of interest on the Series 2014 Bonds. Further, such proposals may impact the marketability or market value of the Series 2014 Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to Series 2014 Bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Series 2014 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2014 Bonds would be impacted thereby.

Purchasers of the Series 2014 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2014 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

UNDERWRITING

The Series 2014 Bonds are being purchased by George K. Baum & Company, acting as the Underwriter. The Bond Purchase Agreement relating to the Series 2014 Bonds, entered into between the Underwriter and the Regents, provides that the Underwriter will purchase the Series 2014 Bonds at an aggregate purchase price of $____________ representing (i) the $____________ aggregate par amount of the Series 2014 Bonds, plus (ii) net original issue premium of $__________, minus (iii) net original issue discount of $__________, and Underwriter's discount of $_________. After initial public offering, the public offering prices may vary from time to time. Under the Bond Purchase Agreement, the Underwriter is obligated to purchase all of the Series 2014 Bonds if any are purchased. The Underwriter reserves the right to join with dealers and other underwriters in offering the Series 2014 Bonds to the public.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates have provided, and may in the future provide, a variety of these services to the University, for which they received or will receive customary fees and expenses.

In the ordinary course of its various business activities, the Underwriter and its affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivative, loans, currencies and other financial instruments for its own account and for the accounts of its customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the University (directly, as collateral securing other obligations and otherwise) and/or persons and entities with relationships with University. The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or public or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that it should acquire, long and/or short positions in such assets, securities and instrument.

The Underwriter may offer and sell the Series 2014 Bonds to certain dealers (including dealers depositing the Series 2014 Bonds in investment trusts) and others at prices lower than the offering prices stated on the cover page of this Official Statement. The initial public offering prices stated on the inside cover page may be changed from time to time by the Underwriter.

RATINGS

Moody's Investors Service, Inc. ("**Moody's**") and Standard & Poor's Ratings Services ("**S&P**") have assigned underlying ratings of "___" and "___," respectively, to the Series 2014 Bonds. The ratings reflect only the views of the rating agencies, and an explanation of the significance of the ratings may be obtained from the rating agencies. There is no assurance that such ratings will continue for any given period of time or that the ratings may not be revised or withdrawn entirely if, in the judgment of the rating agencies, circumstances so warrant. Any downward revision or withdrawal of such ratings will be likely to have an adverse effect on the market price or marketability of the Series 2014 Bonds. The Regents, the University and the Underwriter have undertaken no responsibility to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

Upon delivery of the Series 2014 Bonds, the Regents and the Trustee are entering into a "Continuing Disclosure Agreement" pursuant to which the Regents will provide to the Trustee within 180 days following the end of its Fiscal Year, commencing with the Fiscal Year ended June 30, 2014, a copy of the University's annual audited financial statements and such other specified financial information and operating data for such Fiscal Year in form and scope similar to the financial information and operating data included in this Official Statement. The Regents will also agree to deliver to the Trustee notice of certain events described in Rule 15c2-12 as promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "**Rule**"). The Trustee will agree to deliver the information and the notices described in the preceding two sentences upon receipt thereof from the Regents to the Municipal Securities Rulemaking Board's (the "**MSRB**") Electronic Municipal Market Access system pursuant to the Rule. The Trustee will also agree that if it has knowledge that the Regents have not delivered the University's annual audited financial statements or have not provided the financial information and operating data as described above it will directly notify the MSRB of the Regents' failure to deliver such information. A failure by the Regents to comply with the Continuing Disclosure Agreement does not constitute an event of default under the Resolution and the sole remedy of the Bondholders (including any Beneficial Owner) in the event of any failure of the Regents to comply with the Continuing Disclosure Agreement is an action for specific performance.

Except as described in this paragraph and the following paragraph, the Regents have not failed in the past five Fiscal Years to perform any obligation with respect to any existing undertaking to provide continuing disclosure under the Rule. The University filed its audited financial statements for Fiscal Years 2009-2011 and 2013 on a timely basis in accordance with its existing undertakings. On February 6, 2013, the Trustee filed with the MSRB a notice of a failure to timely file the audited financial statements and annual financial information for Fiscal Year 2012 as required by the existing undertakings of the Regents. On February 18, 2013, such Fiscal Year 2012 audited financial statements were filed with the MSRB. The University had previously publically posted the Fiscal Year 2012 audited financial statements on its website on December 13, 2012.

The University has recently determined that certain of the annual financial information and operating data to be provided under its existing undertakings has not been fully updated as part of the annual filings of the audited financial statements. Specifically, the University is required under its existing undertakings to annually update the financial information and operating data set forth under the captions of its official statements entitled "Historical Pledged Revenues," "Tuition and Student Fees," "Sales and Services Revenues," "Facilities and Administrative Recovery Revenues," "Other Operating Revenues," "Investment Income," "Housing and Student Union Facilities, "Employee Retirement Plan; Post Retirement Health Benefits," "Insurance," "State Appropriations," "Financial Assistance," "Schedule of Outstanding Indebtedness" and "Five-Year Historical Enrollment Summary." While much of this financial information and operating data has been included in the University's audited financial statements filed with the MSRB, certain other information and data was made available only in a summary format in such audited financial statements or was included on the University's Institutional Research Department website but not by means of a required annual financial information report filed with the MSRB. The University has filed a notice with the MSRB of a failure to file such required information, and has filed a financial information report including all such required annual financial information and operating data for Fiscal Years 2009 through 2013.

A failure by the Regents to comply with the Continuing Disclosure Agreements must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2014 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2014 Bonds and their market price.

LITIGATION

The Regents have reported as of the date hereof that there is no litigation pending or threatened that, if decided adversely to the interests of the Regents or the University, would have a materially adverse effect on the operations or financial position of the Regents or the University. As of the date hereof, there is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Series 2014 Bonds or in any way contesting or affecting the validity of, or having a material adverse effect on, the Series 2014 Bonds, the pledge and application of Pledged Revenues or the existence or powers of the Regents or the University.

LEGAL MATTERS

All legal matters incident to the authorization and issuance of the Series 2014 Bonds are subject to the approval of Skinner Fawcett LLP, Boise, Idaho, and Ballard Spahr LLP, Salt Lake City, Utah, as Co-Bond Counsel to the Regents, whose Approving Opinions will be delivered with the Series 2014 Bonds and the form of which are attached as **Appendix F** to this Official Statement. Certain legal matters will be passed upon for the Regents and the University by the University's Counsel, Kent E. Nelson, Esq., Moscow, Idaho and for the Underwriter by Hogan Lovells US LLP, Denver, Colorado.

MUNICIPAL ADVISOR

The Regents have retained Piper Jaffray & Co. as its municipal advisor (the "**Municipal Advisor**") in connection with the issuance of the Series 2014 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. The Municipal Advisor will act as an independent advisory firm and will not be engaged in the business of remarketing, underwriting, trading or distributing the Series 2014 Bonds.

INDEPENDENT AUDITORS

The audited financial statements of the University as of and for the Fiscal Years ended June 30, 2013 and June 30, 2012, included in this Official Statement as **Appendix A**, have been audited by Moss Adams LLP, independent auditors, except that the financial statements of the University's discretely presented component unit as described in Note 18 to the University's audited financial statements, and the University of Idaho Health Benefits Trust as described in Note 12 to the University's audited financial statements, were audited by other auditors, as stated in their report appearing therein. These financial statements are the most recent audited financial statements of the University.

Moss Adams LLP has not been engaged to perform and has not performed, since the date of its report, any procedures on the audited financial statements addressed in the report. Moss Adams LLP has not performed any procedures relating to this Official Statement, and has not consented to the use of the audited financial statements of the University in this Official Statement.

MISCELLANEOUS

This Official Statement, and its distribution and use by the Underwriter, have been duly authorized and approved by the Regents.

Appendices A through **F** are an integral part of this Official Statement and must be read together with all other parts of this Official Statement.

THE REGENTS OF THE UNIVERSITY OF IDAHO

By: ______________________________________

Vice President for Finance and
Administration and Bursar

APPENDIX A

Audited Financial Statements of the University
for the Years ended June 30, 2013 and June 30, 2012

APPENDIX B
2014-2015 Tuition and Student Fees

University of Idaho Tuition and Fee Schedule

Academic Year 2014 - 2015

As Approved by the State Board of Education April 16, 2014

	Fall 2014 / Spring 2015 Moscow	Fall 2014 / Spring 2015 Centers / Distance	Summer 2015 (1) Moscow	Summer 2015 (1) Centers / Distance
Full-Time Tuition per Semester:				
Resident Undergraduate Tuition	$ 2,392.03	$ 3,067.00		
Non-Resident Undergraduate Tuition	$ 9,157.03	$ 9,832.00		
Resident Graduate Tuition	$ 2,941.03	$ 3,616.00		
Non-Resident Gradute Tuition	$ 9,706.03	$ 10,381.00		
Full-Time Fees per Semester: Paid in addition to above tuition				
Facility Fee	$ 395.25	$ 187.00		
Student Computing and Network Access Fee (Technology Fee)	62.70	60.00		
Activity Fees/Dedicated Fees (see Page 2)	542.02	78.00		
Total Fees:	$ 999.97	$ 325.00		
Summary: Total Full-Time Tuition and Fees per Semester				
Resident Undergraduate	$ 3,392.00	$ 3,392.00		
Non-Resident Undergraduate	$ 10,157.00	$ 10,157.00		
Resident Graduate	$ 3,941.00	$ 3,941.00		
Non-Resident Gradute	$ 10,706.00	$ 10,706.00		
Part-Time Tuition:				
Resident Undergraduate Tuition	$ 280.50	$ 306.50	$ 280.50	$ 306.50
Non-Resident Undergraduate Tuition	$ 957.50	$ 983.50	$ 280.50	$ 306.50
Resident Graduate Tuition	$ 379.50	$ 405.50	$ 379.50	$ 405.50
Non-Resident Gradute Tuition	$ 1,131.50	$ 1,157.50	$ 379.50	$ 405.50
Part-Time Fees: Paid in addition to above tuition				
Facility Fee	$ 18.70	$ 18.70	$ 18.70	$ 18.70
Student Computing and Network Access Fee	6.00	6.00	6.00	6.00
Activity Fees/Dedicated Fees (see Page 2)	33.80	7.80	33.80	7.80
Total Fees:	$ 58.50	$ 32.50	$ 58.50	$ 32.50
Summary: Total Part-Time Tuition and Fees				
Resident Undergraduate	$ 339.00	$ 339.00	$ 339.00	$ 339.00
Non-Resident Undergraduate	$ 1,016.00	$ 1,016.00	$ 339.00	$ 339.00
Resident Graduate	$ 438.00	$ 438.00	$ 438.00	$ 438.00
Non-Resident Gradute	$ 1,190.00	$ 1,190.00	$ 438.00	$ 438.00
Professional Fees: Paid in addition to above tuition and fees				
Law Fee Full-Time	$ 4,299.00	$ 4,299.00		
Law Fee Part-Time	$ 478.00	$ 478.00	$ 478.00	$ 478.00
Art & Architecture Full-Time	$ 534.00	$ 534.00		
Art & Architecture Part-Time Undergraduate	$ 53.00	$ 53.00	$ 53.00	$ 53.00
Art & Architecture Part-Time Graduate	$ 59.00	$ 59.00	$ 59.00	$ 59.00
Bioregional Planning Fee Full-Time	$ 525.00	$ 525.00		
Bioregional Planning Fee Part-Time	$ 53.00	$ 53.00	$ 53.00	$ 53.00
Other:				
In-Service Fee - Undergraduate	$ 103.00	$ 103.00	$ 103.00	$ 103.00
In-Service Fee - Graduate	$ 125.00	$ 125.00	$ 125.00	$ 125.00
Western Undergraduate Education Fee	$ 1,696.00			
Note 1: Additional non-resident tuition charges do not currently apply to summer session - policy subject to change				
Full-Time Dedicated Activity Fees Details				
Associated Students-Incl Diversity Ctr $2.00	$ 96.86	$ 26.00		
Campus Card	8.95			
Campus Rec: Intramurals/Sports Clubs	19.50			
Campus Rec: SRC Operations / R & R	48.62			
Commons/Union Operations / R & R	94.62			
Fine Arts	3.00			
Intercollegiate Athletics	127.96	30.00		
Kibbie Center Operations	28.83			
Marching Band	6.25			
Mem Gym Cage	3.36			
Native American Student Center	0.75			
Outdoor Programs	1.00			
Performing Arts	2.00			
Sales Tax (event tickets)	1.61			
Spirit Squad	3.00			
Student Alumni Relations Board	1.00			
Student Health Services	41.87	22.00		
Student Services - Alcohol Education	1.45			
Student Services - Campus Life	1.00			
Student Services - Counseling & Testing Center	16.36			
Student Services - Early Childhood	8.52			
Student Services - Minority Student Programs	3.75			
Student Services - New Student Orientation (see below)	-			
Student Services - Violence Prevention Program	4.00			
Student Services - LGBQTA	1.50			
Student Services - Women's Center	5.60			
Swim Center	5.16			
Sustainability Center	5.50			
Total Dedicated Activity Fees	$ 542.02	$ 78.00		
Part-Time Dedicated Activity Fees Details				
Associated Students	$ 2.60	$ 2.60	$ 2.60	$ 2.60
Associated Students - Other	1.25		1.25	
Campus Card	1.50		1.50	
Campus Rec: Intramurals/Sports Clubs	3.20		3.20	
Campus Rec: SRC Operations / R & R	2.90		2.90	
Commons/Union Operations / R & R	4.00		4.00	
Intercollegiate Athletics	3.00	3.00	3.00	3.00
Kibbie Center Operations	5.00		5.00	
Marching Band	1.25		1.25	
Mem Gym Cage	1.05		1.05	
Student Health Services	6.20	2.20	6.20	2.20
Student Services - Counseling & Testing Center	1.85		1.85	
Total Dedicated Activity Fees	$ 33.80	$ 7.80	$ 33.80	$ 7.80

APPENDIX C

Glossary of Certain Terms Used in the Resolution

[UPDATE]

Except as otherwise expressly provided in the Resolution, as supplemented by Supplemental Resolutions, including the 2014 Supplemental Resolution, or unless the context otherwise requires, the following terms shall have the following meanings (references herein to the "University" shall be deemed to refer to the Regents or other appropriate authority thereof pursuant to the Act and other applicable laws):

Act shall mean the Educational Institutions Act of 1935, codified in Title 33, Chapter 38, Idaho Code, as the same shall be amended from time to time.

Activity Fees means such fees designated and set from time to time by the Regents or the University, imposed upon each full-time and part-time on-campus student in attendance at the University for activities at the University. Currently such fees include: ASUI general, alumni association fee, campus card, cheerleader program, college dedicated fee, Commons/Union operations, fine arts, intercollegiate athletics, intramural/locker/recreational services, Kibbie Center operations (stadium), marching band, minority student program, sales tax, student advisory services, student recreation center operations, student benefits, health and wellness, and student health services.

Additional Bonds means any bonds which the Regents may issue pursuant to Article VII of the Resolution secured by all or a portion of the Pledged Revenues, as may be amended from time to time.

Amendments means, collectively, the 2005 Amendments, the 2007 Amendments, the 2010 Amendments, and the 2013 Amendments.

Approving Opinion means an Opinion of Counsel to the effect that an action being taken is authorized by the applicable provisions of the Resolution and will not adversely affect the tax-exempt status of interest on the Tax-Exempt Bonds or the status of the Series 2010B Bonds as Build America Bonds.

Authorized Denomination means $5,000 or any integral multiple thereof.

Authorized Officer of the University shall mean the Bursar or a representative designated by the Bursar.

Auxiliary Enterprises shall mean all facilities of the University generating Sales and Services Revenues, including the Housing System, Parking System, Non-Residential Food Service System, Bookstore, and recreational and event facilities.

Beneficial Owner(s) shall mean the owners of Bonds and any Additional Bonds issued pursuant to the Resolution, whose ownership is recorded under the Book-Entry-Only System maintained by the Securities Depository as described in the Resolution.

Bond Fund shall mean the fund created by the Resolution, consisting of two accounts: (1) Debt Service Account and (2) Debt Service Reserve Account.

Bond Purchase Agreement means the Bond Purchase Agreement dated June __, 2014, between the Regents and the Underwriter pursuant to which the Series 2014 Bonds and the Taxable Series 2014B Bonds are sold.

Bond Register shall mean the registration records of the Regents, maintained by the Trustee, on which shall appear the names and addresses of the Registered Owners of the Bonds and any Additional Bonds.

Bond Resolution or Resolution shall mean the Bond Resolution adopted by the Regents on November 22, 1991, providing for the issuance of General Revenue Bonds, as from time to time amended and supplemented by the Supplemental Resolutions.

Bond Year means the one-year period (or, in the case of the first Bond Year, the shorter period from the date of issue of the Bonds) selected by the University. If no date is selected by the University within five years of the date of delivery of a series of Bonds, each Bond Year shall end at the close of business on the date preceding the anniversary of the date of delivery of a series of Bonds.

Bonds shall mean, collectively, the Bonds issued pursuant to the Resolution and Additional Bonds issued pursuant to any Supplemental Resolutions.

Book-Entry System shall mean the book-entry system of registration of the Bonds and any Additional Bonds as described in the Resolution.

Build America Bonds means the interest subsidy bonds issuable by the University under Sections 54AA and 6431 of the Code and a qualified bond under Section 54AA(g)(2) of the Code or such other tax credit bonds of substantially similar nature which may be hereafter authorized.

Bookstore means the University's bookstore facilities located on the Moscow campus, in which books, supplies and merchandise are sold.

Bursar means the officer so designated by the University as chief financial officer of the University, currently the Vice President of Finance and Administration, including any acting Bursar designated by the University.

Business Day means, with respect to the Series 2014 Bonds, a day, other than Saturday or Sunday on which banks located in the State of Idaho or in the city where the principal corporate trust office of the Trustee is located are open for the purpose of conducting commercial banking business.

Cede & Co. shall mean Cede & Co., as nominee of DTC.

Code shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, and the regulations promulgated thereunder.

Construction Fund shall mean the special account created by the Resolution, from which the Costs of Acquisition and Construction of a Project shall be paid.

Continuing Disclosure Agreement means the Continuing Disclosure Agreement between the Regents and the Trustee as Dissemination Agent with respect to the Series 2014 Bonds.

Cost(s) of Issuance shall mean printing, Rating Agency fees, legal fees, underwriting fees, fees and expenses of the Trustee, bond insurance premiums, if any, and all other fees, charges, and expenses with respect to or incurred in connection with the issuance, sale, and delivery of a series of Bonds.

Debt Service for any period shall mean, as of any date of calculation, an amount equal to the Principal Installment and interest accruing during such period on the Bonds, plus any Payment due under a Parity Payment Agreement. Such Debt Service on the Bonds shall be calculated on the assumption that no portion of the Bonds Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of the Principal Installment on the Bonds on the due date thereof. For any Series of Variable Rate Bonds bearing interest at a variable rate which cannot be ascertained for any particular Fiscal Year, it shall be assumed that such Series of Variable Rate Bonds will bear interest at a fixed rate equal to the higher of (i) the average of the variable rates applicable to such Series of Variable Rate Bonds during any twenty-four month period ending within thirty (30) days prior to the date of computation, or (ii) 110% of the Bond Buyer 25 Revenue Bond Index most recently published prior to the computation date but bearing interest at a fixed rate. There shall be excluded from "Debt Service" (i) interest on Bonds (whether Cross-over Refunding Bonds or Cross-over Refunded Bonds) to the extent that Escrowed Interest is available to pay such interest, and (ii) principal on Cross-over Refunded Bonds to the extent that the proceeds of Cross-over Refunding Bonds are on deposit in an irrevocable escrow in satisfaction of the requirements of Section 57-504, Idaho Code, and such proceeds or the earnings thereon are required to be applied to pay such principal (subject to the possible use to pay the principal of the Cross-over Refunding Bonds under certain circumstances) and such amounts so required to be applied are sufficient to pay such principal.

Debt Service Account shall mean the account of that name created within the Bond Fund by the Resolution which acts as a reserve for certain Bonds, but not the 2014 Bonds.

Debt Service Reserve Account shall mean the account of that name created within the Bond Fund by the Resolution.

Direct Obligations means noncallable Government Obligations.

Direct Payments means the interest subsidy payments received by the University from the United States Treasury pursuant to Section 6431 of the Code or other similar programs with respect to Series 2010C Bonds issued under the Resolution.

DTC means The Depository Trust Company, New York, New York.

DTC Participants shall mean those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

Educational Activities Revenues shall mean revenues generated incidentally to the conduct of instruction, research and public service activities, such as unrestricted revenues generated by the University's testing and training services, labs, sales of scientific materials, sales of miscellaneous services and products, and agriculture and forest products.

Estimated Pledged Revenues means, for any year, the estimated Pledged Revenues for such year, based upon estimates prepared by the Bursar and approved in accordance with procedures established by the Regents. In computing Estimated Pledged Revenues, Pledged Revenues may be adjusted as necessary to reflect any changed schedule of fees or other charges adopted and to become effective not later than the next succeeding Fiscal Year of the University and any estimated gain in enrollments of students subject to payment of fees in the academic year next succeeding the delivery of a series of bonds in connection with which an estimate is made. In estimating Operation and Maintenance Expenses, recognition shall be given to any other revenues which may be designated by the Regents and to any anticipated change in the Operation and Maintenance Expenses. Amounts reasonably anticipated to be paid from sources other than Pledged Revenues may be excluded from the estimated Operation and Maintenance Expenses.

Event of Default shall mean one or more of the events enumerated in the Resolution and described here in **Appendix D** – "Events of Default and Remedies of Registered Owners."

F&A Recovery Revenues shall mean the revenues received by the University as reimbursement for facility and administrative costs in conjunction with grants and contracts for research activities conducted by the University.

Facility Fees shall mean such fees designated and set from time to time by the Regents and the University, imposed upon each full-time and part-time on-campus student in attendance at the University for facilities at the University.

Fiscal Year shall mean the annual accounting period of the University, beginning July 1 in a year and ending June 30 of the following year.

Fitch means Fitch Ratings, its successors and their assigns, and, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Regents, with notice to the Trustee.

General Account Appropriated Funds shall mean general account appropriated funds of the State of Idaho which in accordance with governmental accounting standards and the University's audited financial statements are treated as non-operating revenues and accordingly such revenues are not included in the definition of Other Operating Revenues for purposes of generating Pledged Revenues under the Resolution, and in any event are excluded from Pledged Revenues.

General Revenue Bond System means the single revenue bond system created under the Resolution under which the Series 2014 Bonds are issued and Additional Bonds may be issued.

Generally Accepted Accounting Principles shall mean those accounting principles applicable in the preparation of financial statements of business corporations as promulgated by the Financial Accounting Standards Board or such other body recognized as authoritative by the American Institute of Certified Public Accountants.

Government Obligations means solely one or more of the following:

(a) State and Local Government Series issued by the United States Treasury ("**SLGS**");

(b) United States Treasury bills, notes and bonds, as traded on the open market;

(c) Zero Coupon United States Treasury Bonds; and

(d) Any other direct obligations of or obligations unconditionally guaranteed by, the United States of America (including, without limitation, obligations commonly referred to as "**REFCORP strips**").

Housing System shall mean the University's system of (i) on campus, student group housing facilities and related facilities, including family student housing; and (ii) the Residence Hall System.

Investment Income shall include investment earnings on all unrestricted University funds and accounts.

Investment Securities shall mean and include any securities authorized to be acquired by the Treasurer of the State of Idaho pursuant to Section 67-1210 and 67-1210A, Idaho Code, or any successor Code section specifying legal investments.

Issue Date means, with respect to any Series 2014 Bonds, the date on which such Series 2014 Bonds are first delivered to the purchasers thereof.

Mandatory Redemption Amount(s) shall mean the mandatory deposits established for any Bonds as designated in a Supplemental Resolution. The portion of any Mandatory Redemption Amount remaining after the deduction of any amounts credited pursuant to the Resolution (or the original amount of any such Mandatory Redemption Amount if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Mandatory Redemption Amount for the purpose of calculation of Mandatory Redemption Amounts due on a future date.

Maximum Annual Debt Service shall mean an amount equal to the greatest annual Debt Service with respect to the Bonds for the current or any future Bond Year.

Moody's means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Fitch) designated by the Regents, with notice to the Trustee.

Net Proceeds, when used with reference to any series of Bonds, shall mean the aggregate principal amount of the series of Bonds, less the Costs of Issuance.

Non-Residential Food Service System means the University's system of providing food services for the University's students, faculty, staff, employees and invited guests at all University facilities on the Moscow campus, excluding board charges for food service in the University's Residence Hall System.

Opinion of Counsel means a written opinion of counsel satisfactory to the Regents and not objected to by the Trustee with respect to the Series 2014 Bonds.

Other Fees shall consist of the graduate/professional fee, law college dedicated fee, the architecture school dedicated fee, non-resident fee, the in service teacher education fee, and the western undergraduate education fee, general education fees for part-time and summer students which are currently designated by the Regents as the "Part-time Educational Fee" and "Summer School Fee" and such other fees as the University shall hereafter establish.

Other Operating Revenues shall mean revenues received by the University generated from miscellaneous sources, *i.e.*, fines and rent/lease revenues.

Outstanding, when used with reference to the Bonds, as of any particular date, shall mean the Bonds which have been issued, sold and delivered under the Resolution, except (i) the Bonds (or portion thereof) cancelled because of payment or redemption prior to their stated date of maturity, and (ii) the Bonds (or portion thereof) for the payment or redemption of which there has been separately set aside and held money for the payment thereof.

Parking System shall mean the on-campus parking system at the University campus in Moscow, Idaho.

Payment Date means, with respect to the Series 2014 Bonds, each April 1 and October 1, commencing April 1, 2015.

Pledged Revenues shall include (i) Tuition and Student Fees; (ii) Sales and Services Revenues; (iii) the F&A Recovery Revenues; (iv) Other Operating Revenues; (v) Investment Income; (vi) Direct Payments; (vii) proceeds from the sale of a Series of Bonds and moneys and investment earnings thereon, except as otherwise provided in the Resolution or a Supplemental Resolution; and (viii) such other revenues as the Regents shall designate as Pledged Revenues.

Notwithstanding the definition set forth above and, in particular, notwithstanding clause (viii) in no event shall Pledged Revenues include (i) General Account Appropriated Funds or (ii) Restricted Fund Revenues.

President shall mean the president of the Regents.

Principal Installment shall mean, as of any date of calculation and with respect to any series of Bonds then Outstanding, (A) the principal amount of Bonds of such series due on a certain future date for which no Mandatory Redemption Amounts have been established, or (B) the unsatisfied balance (determined as provided in the definition of Mandatory Redemption Amount in this section) of any Mandatory Redemption Amount due on a certain future date for Bonds of such series, plus the amount of the mandatory redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount equal to such unsatisfied balance of such Mandatory Redemption Amount, or (C) if such future dates coincide as to different Bonds of such series, the sum of such principal amount of Bonds and of such unsatisfied balance of such Mandatory Redemption Amount due on such future date plus such applicable redemption premiums.

Private Person shall mean any natural person engaged in a trade or business, the United States of America or any agency thereof, or any trust, estate, partnership, association, company or corporation. A state or local governmental unit is not a private person.

Private Person Use shall mean the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the Private Person as well as other arrangements that transfer to the private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at municipal meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the rental paid by any Private Person who desires to rent the property.

Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a de minimis fee to cover custodial expenses.

Project shall mean any "project" as defined in the Act that is financed with the proceeds of Bonds or Additional Bonds issued under the Resolution.

Project Account shall mean an account established by the Trustee within the Construction Fund for a Project.

Rating Agency means Fitch, S&P, Moody's or any other nationally recognized rating agency, in each case then providing or maintaining a rating on the Series 2014 Bonds at the request of the Regents.

Rebate Fund means the fund by that name established by the Resolution.

Record Date shall mean the 15th day of the calendar month next preceding any interest payment date, as provided in the Resolution.

Regents shall mean the Board of Regents of the University of Idaho.

Registered Owner or Owner(s) shall mean the person or persons in whose name or names the Bonds shall be registered in the Bond Register maintained by the Trustee in accordance with the terms of the Resolution.

Replacement Bonds shall mean the Bonds described as such in the Resolution, and any Additional Bonds issued as Replacement Bonds in accordance therewith.

Residence Hall System means the University's on-campus residence hall housing facilities, including the Wallace Residence Hall and Cafeteria Complex, the McConnell Residence Hall, the Gault-Upham Residence Hall and the Theophilus Tower Residence Hall, and food service and dining facilities and related and subordinate facilities.

Restricted Fund Revenues shall mean all revenues that the University is obligated to spend in accordance with restrictions imposed by external third parties, such as revenues from grants, contracts, gifts and scholarships.

Revenue Fund shall mean the Revenue Fund established by the Resolution.

S&P means Standard & Poor's Ratings Services, its successors and their assigns, and, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or Moody's) designated by the Regents, with notice to the Trustee.

Sales and Services Revenues shall include all revenues generated through operations of the Auxiliary Enterprises and the Educational Activities Revenues.

Secretary means the secretary of the Regents.

Securities Depository shall mean DTC, or any successor Securities Depository appointed pursuant to the Resolution.

Series 2005A Bonds means the $30,740,000 principal amount of General Revenue Refunding Bonds, Series 2005A.

Series 2007B Bonds means the $35,035,000 Adjustable Rate General Revenue Refunding Bonds, Series 2007B.

Series 2010A Bonds means the $3,975,000 principal amount of General Revenue Refunding Bonds, Series 2010A.

Series 2010B Bonds means the $10,150,000 principal amount of General Revenue Bonds, Series 2010B.

Series 2010C Bonds means the $13,145,000 principal amount of Taxable General Revenue Bonds, Series 2010C.

Series 2011 Bonds means the $58,930,000 principal amount of Series 2011 Bonds.

Series 2013A Bonds means the General Revenue and Refunding Bonds, Series 2013A, of the Regents authorized by the 2013 Supplemental Resolution.

Series 2014 Project means the financing of various capital improvements.

Series 2014 Project Account means the account established under the 2014 Supplemental Resolution into which shall be deposited certain proceeds of the Series 2014 Bonds.

Series 2014 Bondholder, Holder and Bondholder means the holder of any Series 2014 Bond.

Series 2014 Bonds means the General Revenue Bonds, Series 2014A.

Series 2014 Costs of Issuance shall mean the Costs of Issuance incurred in connection with the issuance, sale and delivery of the Series 2014 Bonds.

Series 2014 Costs of Issuance Fund shall mean the fund established pursuant to the 2014 Supplemental Resolution into which shall be deposited the portion of the proceeds of the Series 2014 Bonds necessary to pay the Series 2014 Costs of Issuance, as further provided in the 2014 Supplemental Resolution.

Student Fees shall consist of Tuition Fees, Activity Fees, Facility Fees, the Technology Fee, and Other Fees.

Supplemental Resolution means any resolution amending or supplementing the terms of the Resolution in full force and effect which has been duly adopted and approved by the University under the Act; but only if and to the extent that such Supplemental Resolution is adopted in accordance with the provisions of the Resolution.

Taxable Series 2013B Bonds means the Taxable General Revenue Bonds, Series 2013B of the Regents authorized by the 2013 Supplemental Resolution.

Technology Fee shall include the Student Computing and Network Access Fee to support the University's technological operations, as assessed against full-time and part-time students at the University and as said fees now exist and may hereafter be revised by the Regents or the University.

Terms Certificate means one or more certificates of the Regents signed by the Bursar or authorized designee in substantially the form attached to the 2014 Supplemental Resolution, specifying certain terms of the Series 2014 Bonds.

Trustee shall mean Wells Fargo Bank, N.A., Boise, Idaho, which shall also act as bond registrar, authenticating agent, paying agent and transfer agent with respect to the Series 2014 Bonds, or its successors in functions, as now or hereafter designated.

Tuition and Student Fees shall consist of the Tuition Fee, the Activity Fees, the Facility Fees, the Technology Fee, and Other Fees.

Tuition Fee(s) shall mean the student tuition established by the Regents. Tuition fees are defined as the fees charged for any and all educational costs at University. Tuition fees include, but are not limited to, costs associated with academic services; instruction; the construction, maintenance, and operation of buildings and facilities; student services; or institutional support.

2005 Amendments means amendments to the Resolution as described in the 2005A Supplemental Resolution.

2005A Supplemental Resolution means the Supplemental Resolution of the Regents adopted on January 24, 2005.

2007 Amendments means amendments to the Resolution as described in the 2007 Supplemental Resolution.

2007 Supplemental Resolution means the Supplemental Resolution of the Regents adopted on October 11, 2007, authorizing the Series 2007 Bonds and making the 2007 Amendments.

2010 Amendments means amendments to the Resolution as described in the 2010 Supplemental Resolution.

2010 Supplemental Resolution means the Supplemental Resolution of the Regents adopted on February 18, 2010, authorizing the Series 2010A Bonds, the Series 2010B Bonds, the Series 2010C Bonds and the Series 2011 Bonds.

2013 Amendments means amendments to the Resolution as described in the 2013 Supplemental Resolution.

2014 Supplemental Resolution means the Supplemental Resolution of the Regents adopted on June 19, 2014, authorizing the Series 2014 Bonds.

Underwriter shall mean George K. Baum and Company, or its successor in function, as the original purchaser of the Series 2014 Bonds.

University shall mean the University of Idaho, at Moscow, Idaho, a body politic and corporate pursuant to the provisions of Article 9, Section 10, Idaho Constitution and Section 33-2801, Idaho Code.

Written Certificate of the University shall mean an instrument in writing signed on behalf of the University by a duly Authorized Officer thereof. Every Written Certificate of the University, and every certificate or opinion of counsel, consultants, accountants or engineers provided for in the Resolution shall include: (A) a statement that the person making such certificate, request, statement or opinion has read the pertinent provisions of the Resolution to which such certificate, request, statement or opinion relates; (B) a brief statement as to the nature and scope of the examination or investigation upon which the certificate, request, statement or opinion is based; (C) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion with respect to the subject matter referred to in the instrument to which his signature is affixed; and (D) with respect to any statement relating to compliance with any provision hereof, a statement whether or not, in the opinion of such person, such provision has been complied with.

APPENDIX D

Summary of the Resolution

[UPDATE]

The following is a summary of certain provisions of the Resolution as supplemented and amended by Supplemental Resolutions, including the Supplemental Resolution adopted June 19, 2014 (the "**2014 Supplemental Resolution**"), and is not to be considered a full statement thereof. Reference is made to the Resolution and the 2014 Supplemental Resolution. The Resolution and all Supplemental Resolutions are on file at the University, c/o Ronald Smith, Bursar, Administration Building, Room 211, P.O. Box 443168, Moscow, Idaho 83844-3166; or at the office of the Trustee, Wells Fargo Bank, N.A., 877 Main Street, Third Floor, Boise, Idaho 83702. See also "THE SERIES 2014 BONDS" and "SECURITY FOR THE SERIES 2014 BONDS" in the body of the Official Statement.

GENERAL PROVISIONS RELATING TO THE BONDS

Authorization of Bonds

Bonds designated as "General Revenue Bonds" are authorized to be issued by the Regents under the Resolution. The maximum principal amount of the Bonds which may be issued is not limited; provided, however, that the Regents reserve the right to limit or restrict the aggregate principal amount of the Bonds which may at any time be issued or Outstanding under the Resolution. Bonds may be issued in such Series as from time to time shall be established and authorized by the Regents subject to the provisions of the Resolution. The Bonds may be issued in one or more Series pursuant to one or more Supplemental Resolutions. The designation of the Bonds shall include, in addition to the name "General Revenue Bonds," such further appropriate particular designation added to or incorporated in such title for the Bonds of any particular Series as the Regents may determine. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs. Each Bond shall recite in substance that it is payable from and secured by the Pledged Revenues of the University pledged for the payment thereof.

Terms of Bonds

The principal of and interest on, and the redemption price of the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Trustee or of any Paying Agent at the option of a Registered Owner. Payment of interest on any fully registered Bond shall be (i) made to the Registered Owner thereof and shall be paid by check or draft mailed to the Registered Owner thereof as of the close of business on the Record Date at his address as it appears on the registration books of the Trustee or at such other address as is furnished to the Trustee in writing by such Registered Owner, or (ii) with respect to units of $500,000 or more of Bonds, made by wire transfer to the Registered Owner as of the close of business on the Record Date next preceding the interest payment date if such Registered Owner shall provide written notice to the Trustee not less than fifteen (15) days prior to such interest payment date at such wire transfer address as such Registered Owner shall specify, except, in each case, that, if and to the extent that there shall be a default in the payment of the interest due on any interest payment date, such defaulted interest shall be paid to the Registered Owners in whose name any such Bond is registered at the close of business on the fifth Business Day next preceding the date of payment of such defaulted interest.

The Bonds of any Series may be issued only in fully registered form without coupons in Authorized Denominations.

Execution of Bonds

The Bonds shall be signed on behalf of the Regents by the manual or facsimile signature of its President, attested by the manual or facsimile signature of its Secretary, and countersigned by the manual or facsimile signature of the Bursar of the University, and the seal of the University shall be thereunto affixed by the Secretary of the Regents, which may be by a facsimile of the University's seal which is imprinted upon the Bonds.

Transfer or Exchange of Bonds

Any Bond shall be transferable by the Registered Owner thereof in person, or by his attorney duly authorized in writing, upon presentation and surrender of such Bond at the principal corporate trust office of the Trustee for cancellation and issuance of a new Bond registered in the name of the transferee, in exchange therefor; provided, however, the Trustee shall not be required to transfer the Bonds within fifteen (15) calendar days of a principal or interest payment.

Lost, Stolen, Mutilated or Destroyed Bonds

In case any Bond shall be lost, stolen, mutilated or destroyed, the Trustee may authenticate and deliver a new Bond or Bonds of like date, denomination, interest rate, maturity, number, tenor and effect to the Registered Owner thereof upon the Registered Owner's paying the expenses and charges of the University and the Trustee in connection therewith and upon his filing with the University and the Trustee evidence satisfactory to the University and the Trustee of his ownership thereof, and upon furnishing the University and the Trustee with indemnity satisfactory to the University and the Trustee.

Registration

In the Resolution, the University adopts a system of registration with respect to the Bonds as required by Title 57, chapter 9, Idaho Code, as amended.

Book-Entry-Only System

The Series 2014 Bonds shall initially be registered on the Bond Register in the name of Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Series 2014 Bonds, except in the event the Trustee issues Replacement Bonds as provided in the Resolution.

Additional Bonds

The University reserves the right to issue Additional Bonds secured equally and ratably with all Bonds issued under the Resolution by a pledge of (i) Pledged Revenues and (ii) the funds established by the Resolution, upon the conditions set forth in Article VII of the Resolution and as described in the Official Statement.

Investment of Funds

Monies held by the University or the Trustee in funds or accounts under the Resolution shall be invested in Investment Securities.

PLEDGE OF REVENUES; ESTABLISHMENT OF FUNDS AND ACCOUNTS

Pledge of Pledged Revenues

In the Resolution, the University pledges for the payment of the Bonds, equally and ratably, the Pledged Revenues. The Pledged Revenues shall not, except as provided in the Resolution, be used for any other purpose while any of the Bonds issued under the Resolution, including the Series 2014 Bonds, remain Outstanding. Except as provided in the Resolution, this pledge shall constitute a first and exclusive lien on the Pledged Revenues for the payment of the Bonds in accordance with the terms of the Resolution.

Confirmation and Establishment of Funds

The following Funds are established under the Resolution:

A. Revenue Fund to be held by the University;

B. Construction Fund to be held by the University;

C. Bond Fund, consisting of a Debt Service Account and a Debt Service Reserve Account (only with respect to the Series 2005A Bonds), to be held by the Trustee;

D. Cost of Issuance Fund to be held by the University;

E. Rebate Fund to be held by the University.

The 2014 Supplemental Resolution also creates in the Construction Fund the "Series 2014 Project Account" (related to the Series 2014 Bonds) and the "Series 2014 Costs of Issuance Account," all of which accounts are to be held by the University.

The Trustee may establish one or more separate and segregated subaccounts within the Debt Service Account or the Debt Service Reserve Account, if any, from time to time as shall be necessary.

Revenue Fund; Bond Fund; Flow of Funds

A. Required Deposits. The University shall deposit as received all Pledged Revenues into the Revenue Fund. The University shall deposit into the Debt Service Account in the Bond Fund the accrued interest, if any, received from the sale of a series of Bonds to the initial purchasers thereof. The University shall also deposit into the Debt Service Account the portion, if any, of the Net Proceeds designated as capitalized interest on a series of Bonds.

B. Permitted Deposits. At any time the University may deposit into the Revenue Fund or the Bond Fund such other funds and revenues that do not constitute Pledged Revenues, as the University may in its discretion determine.

C. Required Transfers. Moneys in the Revenue Fund shall be transferred to the Trustee for deposit in the Debt Service Account in the Bond Fund not later than five (5) days before any Payment Date, an amount equal to Debt Service coming due on such Payment Date. There may be credited against the foregoing transfer, however, any moneys deposited in the Debt Service Account which are available to pay Debt Service on the Bonds and which have not previously been taken as a credit against the required transfers. Moneys in the Revenue Fund shall secondarily be transferred to the Trustee for deposit in the Debt Service Reserve Account in the Bond Fund as soon as practicable after moneys are withdrawn from the Debt Service Reserve Account in accordance with the Resolution.

The Trustee shall pay out of the Debt Service Account to the Registered Owners of the Bonds entitled to such payment on or before each Payment Date the amount of Debt Service payable on such date.

D. Remaining Amounts. Amounts remaining in the Revenue Fund at any time in excess of the amounts necessary to make the payments required above may be applied by the University, free and clear of the lien of the Resolution, to the extent permitted by law, (i) to the redemption of Bonds in accordance with the Resolution or (ii) for any other lawful purpose of the University.

Construction Fund/Project Account

There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of the Resolution or any Supplemental Resolution.

The University may establish within the Construction Fund separate Project Accounts and may establish one or more subaccounts in each Project Account. Income received from the investment of moneys in any Project Account in the Construction Fund shall be credited to such Project Account. Upon completion of any Project, the relevant Project Account shall be closed, and all remaining amounts in such Project Account shall be transferred to the Debt Service Account in the Bond Fund.

Before any payment is made from any Project Account in the Construction Fund, the University shall execute a Written Certificate showing with respect to each payment to be made the name of the person to whom payment is due and the amount to be paid and certifying that the obligation to be paid was incurred and is a proper charge against the Project Account in the Construction Fund and in a reasonable amount against the Project Account in the Construction Fund and has not been theretofore included in a prior Written Certificate, and that insofar as any such obligation was incurred for work, materials, equipment or supplies, such work was actually performed, or such materials, equipment or supplies were actually installed in furtherance of the acquisition of the Project or delivered at the site of the Project for that purpose or delivered for storage or fabrication or as a progress payment due on equipment being fabricated to order.

Before any payment is made from the Project Account in the Construction Fund for the payment of Costs of Issuance, the University shall execute its Written Certificate, signed by an Authorized Officer of the University, stating, in respect of each payment to be made, (a) the name and address of the person, firm or corporation to whom payment is due, (b) the amount to be paid, (c) the particular item of the Cost of Issuance to be paid, and (d) that the cost or obligation in this stated amount is a proper item of the Cost of Issuance and has not been paid.

Bond Fund – Debt Service Reserve Account

There is no Debt Service Reserve Account for the Series 2014 Bonds and the Series 2014 Bonds are not secured by amounts on deposit in the Debt Service Reserve Account established with respect to the Series 2005A Bonds. See "SECURITY FOR THE SERIES 2014 BONDS – No Debt Service Reserve Account for the Series 2014 Bonds" in the front portion of the Official Statement to which this **Appendix D** is attached.

A. The University may not substitute a Reserve Account Credit Enhancement for the funds on deposit in the Debt Service Reserve Account, without the prior written consent of all insurers of Outstanding Series 2005A Bonds.

B. If on any Payment Date the amount in the Debt Service Account is less than the amount required to pay such Debt Service, the Trustee shall apply amounts from the Debt Service Reserve Account to the extent necessary to make said payments.

C. Any deficiency in the Debt Service Reserve Account created by a withdrawal as authorized by the preceding paragraph shall be replaced as soon as practicable by deposits of legally available moneys from the Revenue Fund, as provided in the Resolution, until the Debt Service Reserve Account is restored to the Reserve Account Requirement.

PAYMENT AGREEMENTS

The Resolution authorizes the Regents to enter into a Payment Agreement and to make a Payment Agreement Payment thereunder on a parity of lien with the payment of the Bonds if the Payment Agreement satisfies the requirements for Additional Bonds described in the Resolution (See "SECURITY FOR THE SERIES 2014 BONDS – Covenants – *Issuance of Additional Bonds*" in the front part of the Official Statement to which this **Appendix D** is attached for a description of requirements for issuance of Additional Bonds), taking into consideration regularly scheduled Payment Agreement Payments and Receipts (if any) under the Payment Agreement. The following shall be conditions precedent to the use of any Payment Agreement on a parity with the Bonds:

(i) The University shall obtain an opinion of Bond Counsel on the due authorization and execution of such Payment Agreement, the validity and enforceability thereof and opining that the action proposed to be taken is authorized or permitted by the Resolution or the applicable provisions of any Supplemental Resolution and will not adversely affect the excludability for federal income tax purposes of the interest on any Outstanding Bonds.

(ii) Prior to entering into a Payment Agreement, the University shall adopt a resolution which shall:

A. set forth the manner in which the Payments and Receipts are to be calculated and a schedule of Payment Agreement Payment Dates;

B. establish general provisions for the rights of the parties to Payment Agreements; and

C. set forth such other matters as the University deems necessary or desirable in connection with the management of Payment Agreements as are not clearly inconsistent with the provisions of the Resolution.

The Payment Agreement may oblige the University to pay, on one or more scheduled and specified Payment Agreement Payment Dates, the Payments in exchange for the Payor's obligation to pay or to cause to be paid to the University, on scheduled and specified Payment Agreement Payment Dates, the Receipts. The University may also enter into Payment Agreements that are not reciprocated by the other party to the agreement.

If the University enters into a Parity Payment Agreement, Payments shall be made from the Debt Service Account and Annual Debt Service shall include any regularly scheduled University Payments adjusted by any regularly scheduled Receipts during a Fiscal Year. Receipts shall be paid directly into the Debt Service Account. Obligations to make unscheduled payments, such a termination payments, may not be entered into on a parity with the Bonds. To the extent that a Parity Payment Agreement has been designated as a hedge of the interest rate features of either Fixed Rate Bonds or Bonds bearing variable rates of interest, Annual Debt Service during the term of such Parity Payment Agreement shall be modified to reflect such Parity Payment Agreement.

Nothing in the Resolution precludes the University from entering into Payment Agreements with a claim on Pledged Revenues junior to that of the Bonds. Furthermore, nothing in the Resolution precludes the University from entering into obligations on a parity with the Bonds in connection with the use of Payment Agreements or similar instruments if the University obtains an opinion of Bond Counsel that the obligations of the University thereunder are consistent with the Resolution.

For purposes of the foregoing Payment Agreements provisions of the Resolution, the following terms have the following meanings:

"Payment" means any payment required to be made by or on behalf of the University under a Payment Agreement and which is determined according to a formula set forth in the Payment Agreement.

"Parity Payment Agreement" means a Payment Agreement under which the University's payment obligations are expressly stated to be secured by a pledge of and lien on Pledged Revenues on an equal and ratable basis with the Pledged Revenues required to be paid into the Bond Fund to pay and secure the payment of the principal of and interest on Outstanding Bonds.

"Payment Agreement" means a written agreement, for the purpose of managing or reducing the University's exposure to fluctuations or levels of interest rates, currencies or commodities or for other interest rate, investment, asset or liability management purposes, entered into on either a current or forward basis by the University and a Qualified Counterparty, all as authorized by any applicable laws of the State. Such agreement may or may not be characterized by a structure of reciprocity of payment.

"Payment Agreement Payment Date" means any date specified in the Payment Agreement on which a Payment or Receipt is due and payable under the Payment Agreement.

"Receipt" means any payment (designated as such by a resolution) to be made to, or for the benefit of, the University under a Payment Agreement by the Payor.

"Payor" means a Qualified Counterparty to a Payment Agreement that is obligated to make one or more payments thereunder.

"Qualified Counterparty" means a party (other than the University or a party related to the University) who is the other party to a Payment Agreement that has or whose obligations are unconditionally guaranteed by a party whose long term debt is rated "A" or higher by Moody's and S&P and who is otherwise qualified to act as the other party to a Payment Agreement under any applicable laws of the State of Idaho.

COVENANTS CONCERNING THE TRUSTEE

Wells Fargo Bank, N.A., acts as Trustee under the Resolution and also acts as paying agent, bond registrar, authenticating agent, and transfer agent with respect to the Bonds. The Trustee makes no representations as to the validity or sufficiency of the Resolution or of any Bonds issued thereunder or as to the security afforded by the Resolution, and the Trustee shall not incur any liability in respect thereof. The Trustee shall not be liable in connection with the performance of its duties under the Resolution except for its own negligence, misconduct or default.

The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Resolution. In case an Event of Default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by the Resolution and use the same degree of care and skill in its exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The Trustee, after a successor Trustee has been duly appointed and has accepted the duties of Trustee in writing, may at any time resign and be discharged of the duties and obligations created by the Resolution by giving not less than sixty (60) days' written notice to the University and to insurers of any outstanding Bonds.

The Trustee may be removed at any time by the University or by insurers of outstanding Bonds, so long as the respective insurer of any Bonds is not in default under its respective policy. Any Trustee appointed in succession to the Trustee shall (1) be a bank or trust company or national banking association, duly authorized to exercise trust powers, and (2) have a reported capital and surplus of not less than $75,000,000.

MODIFICATION OR AMENDMENT OF RESOLUTION

The Resolution or any Supplemental Resolution and the rights and obligations of the University and of the Registered Owners of the Bonds may be modified or amended at any time by a Supplemental Resolution and pursuant to the affirmative vote at a meeting of Registered Owners, or with the written consent without a meeting, (1) of the Registered Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding, (2) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Registered Owners of at least sixty percent (60%) in principal amount of the Bonds of each Series so affected and then Outstanding, and (3) in case the modification or amendment changes the terms of any Mandatory Redemption Amounts, of the Registered Owners of at least sixty percent (60%) in principal amount of the Bonds of the particular Series and maturity entitled to such Mandatory Redemption Amounts and then Outstanding; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series remain Outstanding, the consent of the Registered Owners of Bonds of such Series shall not be required and Bonds of such Series shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this section. No such modification of amendment shall (x) extend the fixed maturity of any Bond, or reduce the principal amount or redemption price thereof, or reduce the rate or extend the time of payment of interest thereon, without the consent of the Registered Owner of each Bond so affected, or (y) reduce the aforesaid percentage of Bonds required for the affirmative vote or written consent to an amendment or modification of the Resolution, without the consent of the Registered Owners of all of the Bonds then Outstanding, or (z) without its written consent thereto, modify any of the rights or obligations of the Trustee.

The Resolution or any Supplemental Resolution and the rights and obligations of the University and of the Registered Owners of the Bonds may also be modified or amended at any time by a Supplemental Resolution, without the consent of any Registered Owners, but only to the extent permitted by law and only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the University in the Resolution contained, other covenants and agreements thereafter to be observed, or to surrender any right or power reserved in the Resolution to or conferred upon the University;

(2) to make such provisions for the purpose of curing any ambiguity, or of curing or correcting any defective provision contained in the Resolution, or in regard to questions arising under the Resolution, as the University may deem necessary or desirable, and which shall not adversely affect the interests of the Trustee or the Registered Owners of the Bonds;

(3) to provide for the issuance of a Series of Bonds, and to provide the terms and conditions under which such Series of Bonds may be issued, subject to and in accordance with the provisions of Article VII of the Resolution;

(4) to provide for the issuance of the Bonds pursuant to a book-entry system or as uncertificated public obligations pursuant to the provisions of the Registered Public Obligations Act, Chapter 9 of Title 57, Idaho Code; and

(5) during the term of any credit enhancement agreements (including, without limitation, standby bond purchase agreements and letters of credit) permitted in Section 57-231, Idaho Code, to amend any provisions of the Resolution which is intended solely to be for the benefit of the issuer of the credit enhancement agreement.

Such Supplemental Resolution shall become effective as of the date of its adoption or such later date as shall be specified in such Supplemental Resolution.

Copies of any modification or amendment to the Resolution shall be sent to any Rating Agency maintaining a rating on the Bonds at least ten (10) days prior to the effective date thereof.

EVENTS OF DEFAULT AND REMEDIES OF REGISTERED OWNERS

Events of Default

If any one or more of the following Events of Default shall occur, it is an "event of default" under the Resolution:

(1) failure to make the due and punctual payment of any Principal Installment of a Bond when and as the same shall become due and payable, whether at maturity, by call for redemption, or declaration or otherwise;

(2) failure to make the due and punctual payment of any installment of interest on any Bond or any Mandatory Redemption Amount, when and as such interest installment or any Mandatory Redemption Amount shall become due and payable;

(3) failure by the University to perform or observe any other of the covenants, agreements, or conditions on its part in the Bond Resolution or in the Bonds contained, and such default shall continue for a period of thirty (30) days after written notice thereof to the University by the Trustee specifying such failure and requiring the same to remedied, which period of thirty (30) days may not be extended by more than thirty (30) additional days without the prior written consent of all insurers of outstanding Bonds issued under the Resolution;

(4) a judgment for the payment of money shall be rendered against the University, and any such judgment shall not be discharged within one hundred twenty (120) days of the entry thereof, or an appeal shall not be taken therefrom or from the order, decree of process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to set aside or stay the execution of or levy under such judgment, or order, decree or process or the enforcement thereof;

(5) dissolution or liquidation of the University or the filing by the University of a voluntary petition in bankruptcy, or the commission by the University of any act of bankruptcy, or adjudication of the University as a bankrupt, or assignment by the University for the benefit of its creditors, or the entry by the University into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the University in any proceeding for its reorganization instituted under the provisions of the federal bankruptcy act, as amended, or under any similar act in any jurisdiction which may now be in effect or which may hereafter be enacted;

(6) if an order or decree shall be entered, with the consent or acquiescence of the University, appointing a receiver or receivers of the Project, or any part thereof, or if such order or decree, having been entered without the consent and acquiescence of the University, shall not be vacated or discharged or stayed within ninety (90) days after the entry thereof; and

(7) any event of default specified in a Supplemental Resolution;

then, and in each and every such case, so long as such Event of Default shall not have been remedied, unless the Outstanding amount of the Bonds shall have already become due and payable, the Trustee (by thirty (30) days' written notice to the University), or the Registered Owners of not less than twenty five percent (25%) of the Bonds then Outstanding (by notice in writing to the University and the Trustee) may declare the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately and upon any such declaration the same shall become and be immediately due and payable, anything in the Resolution or in the Bonds contained to the contrary notwithstanding.

Notwithstanding the foregoing, neither the Registered Owners of twenty-five percent (25%) of the Uninsured Bonds then Outstanding, nor the Owners of twenty-five percent (25%) of any series of Bonds then Outstanding, nor the Trustee, may declare any other series of Bonds immediately due and payable without the prior written consent of the relevant insurer of such series of Bonds.

Rights and Remedies of Registered Owners

A. No Registered Owner of any Bond shall have any right to institute any proceeding, judicial or otherwise, with respect to the Resolution, or for the appointment of a receiver or trustee, or for any other remedy thereunder, unless

(1) such Registered Owner has previously given written notice to the Trustee of a continuing Event of Default;

(2) the Registered Owners of not less than twenty-five percent (25%) in principal amount of the Bonds shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee;

(3) such Registered Owners have offered to the Trustee reasonable indemnity against the costs, expenses, and liabilities to be incurred in compliance with such request;

(4) the Trustee for sixty (60) days after its receipt of such notice, request, and offer of indemnity has failed to institute any such proceedings; and

(5) no direction inconsistent with such written request has been given to the Trustee during such sixty (60) day period by the Registered Owners of a majority in principal amount of the Bonds; it being understood and intended that no one or more Registered Owner of Bond shall have any right in any manner whatever by virtue of, or by availing of, any provision of the Resolution to affect, disturb, or prejudice the rights of any other Registered Owner of Bonds, or to obtain or to seek to obtain priority or preference over any other Registered Owner, or to enforce any right under the Resolution, except in the manner provided and for the equal and ratable benefit of all the Registered Owners of Bonds.

B. The Registered Owners of a majority in principal amount of the Outstanding Bonds shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee, provided that:

(1) such direction shall not be in conflict with any rule of law or the Resolution,

(2) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the Registered Owners not taking part in such direction, and

(3) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

DEFEASANCE

A. If the University shall pay or cause to be paid, or there shall otherwise be paid, to the Registered Owners of all Bonds the principal of or redemption price, if applicable, and interest due or to become due thereon, if applicable, at the times and in the manner stipulated therein and in the Resolution, or such Bonds shall have been deemed to have been paid as provided in the Supplemental Resolution authorizing a Series of Bonds, then the pledge of any Pledged Revenues, and other moneys, securities and funds pledged under the Resolution and all covenants, agreements and other obligations of the University to the Registered Owners, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the University to be prepared and filed with the University and, upon the request of the University, shall execute and deliver to the University all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the University all moneys or securities held by it pursuant to the Resolution which are not required for the payment of principal or redemption price, if applicable, on Bonds.

B. Bonds or interest installments the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit by the University of funds for such payment or redemption or otherwise) at the maturity shall be deemed to have been paid within the meaning and with the effect expressed in subsection (A) of this section. All Outstanding Bonds of any Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (A) of this section if (1) in case any of said Bonds are to be redeemed on any date prior to their maturity, the University shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail to the Registered Owners of such Bonds, notice of redemption of such Bonds on said date, (2) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Investment Securities, as approved by insurers of any Outstanding Bonds, (including any Investment Securities issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or redemption price, as applicable, and interest due and to become due, if applicable, on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, without adversely affecting the tax-exempt status of the interest on said Bonds taxable under the Code, and (3) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the University shall have given the Trustee in form satisfactory to it irrevocable instructions to mail, first class postage prepaid, a notice to the Registered Owners of such Bonds that the deposit required by (2) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, as applicable, and interest due and to become due if applicable on said Bonds.

The 2007 Supplemental Resolution amended the defeasance provisions of the Resolution described in paragraph (B)(2) above to permit investment of escrowed funds in certain noncallable governmental obligations without consent of insurers of any Outstanding Bonds to such investment.

APPENDIX E

Depository Trust Company Information

The following information concerning DTC and DTC's book-entry-only system has been extracted from a schedule prepared by DTC entitled "SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE," a source that the Regents, the University and the Underwriter believe to be reliable, but the Regents, the University and the Underwriter take no responsibility for the accuracy thereof. The contents of the DTC website referenced below are not incorporated in this Official Statement by such reference.

The Depository Trust Company ("**DTC**"), New York, NY, will act as securities depository for the Series 2014 Bonds. The Series 2014 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each of the Series 2014 Bonds, as set forth on the cover page hereof, each in the aggregate principal amount of each maturity of the Series 2014 Bonds and deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Series 2014 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2014 Bonds on DTC's records. The ownership interest of each actual purchaser of Series 2014 Bonds ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in Series 2014 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2014 Bonds, except in the event that use of the book-entry system for a series of Series 2014 Bonds is discontinued.

To facilitate subsequent transfers, all the Series 2014 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of a series of Series 2014 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Series 2014 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts Series 2014 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

As long as the book-entry system is used for Series 2014 Bonds, the Trustee and the Regents will give any notices required to be given to Owners of Series 2014 Bonds only to DTC. Any failure of DTC to advise any Direct Participant, or of any Direct Participant to notify any Indirect Participant, or of any Direct Participant or Indirect Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity of the action premised on such notice. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2014 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2014 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Resolution. For example, Beneficial Owners of Series 2014 Bonds may wish to ascertain that the nominee holding the Series 2014 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners, in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them. Redemption notices shall be sent to DTC as long as it is securities depository for the Series 2014 Bonds. If less than all of the Series 2014 Bonds of a single maturity are being redeemed, DTC's practice is to determine by lot the amount of interest of each Direct Participant in such issue to be redeemed. Redemption notices shall be sent to DTC. If less than all of the Series 2014 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2014 Bonds unless authorized by a Direct Participant on accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Regents as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2014 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any, and interest payments on the Series 2014 Bonds are to be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Regents or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or its nominee, the Paying Agent or the Regents, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Regents or the Paying Agent; disbursement of such payments to Direct Participants shall be the responsibility of DTC; and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2014 Bonds at any time by giving reasonable notice to the Regents or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2014 Bonds are required to be printed and delivered.

The Regents may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates for the Series 2014 Bonds will be printed and delivered.

APPENDIX F

Opinions of Co-Bond Counsel for Series 2014 Bonds

July __, 2014

University of Idaho
P.O. Box 443168
Moscow Idaho 83844-3168

RE: The Regents of the University of Idaho General Revenue Bonds, Series 2014A

We have acted as co-bond counsel to the Regents of the University of Idaho (the "Regents") in connection with the issuance by the Regents of their General Revenue Bonds, Series 2014A (the "Bonds"). The Bonds are being issued pursuant to (i) Title 57, Chapter 5 and Title 33, Chapter 38, Idaho Code, as amended and (ii) a Resolution, adopted by the Regents on November 22, 1991, as heretofore amended, supplemented, and restated, and as further supplemented and amended by a supplemental resolution of the Regents adopted on June 19, 2014 (collectively, the "Resolution"). The Bonds are being issued (i) to finance certain capital improvements of the University of Idaho (the "University"), and (ii) to pay costs of issuance associated with the Bonds. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Resolution.

Our services as co-bond counsel have been limited to the preparation of the legal proceedings and supporting certificates authorizing the issuance of the Bonds under the applicable laws of the State of Idaho and to a review of the transcript of such proceedings and certificates. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. Our examination has been limited to the foregoing as they exist or are in effect as of the date hereof. Our opinion is limited to the matters expressly set forth herein, and we express no opinion concerning any other matters.

Based on our examination and the foregoing, we are of the opinion as of the date hereof and under existing laws as follows:

1. The Resolution has been duly adopted by the Regents and constitutes a valid and binding obligation of the Regents enforceable upon the Regents.

2. The Resolution creates a valid lien on the amounts pledged thereunder for the security of the Bonds.

3. The Bonds are valid and binding limited obligations of the Regents, payable solely from the Pledged Revenues and other amounts pledged therefor under the Resolution.

4. Based on an analysis of currently existing laws, regulations, decisions and interpretations, interest on the Bonds is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Bonds, assuming the accuracy of the certifications of the Regents and continuing compliance by the Regents with the requirements of the

Internal Revenue Code of 1986. Interest on the Bonds is not an item of tax preference for purposes of either individual or corporate federal alternative minimum tax; however interest on the Bonds held by a corporation (other than an S corporation, regulated investment company, or real estate investment trust) may be indirectly subject to federal alternative minimum tax because of its inclusion in the adjusted current earnings of a corporate holder; interest on the Bonds is exempt from State of Idaho personal income taxes;

In rendering our opinion, we wish to advise you that:

(i) The rights of the Owners of the Bonds and the enforceability thereof and of the Resolution may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases;

(ii) We express no opinion herein as to the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Bonds; and

(iii) Except as set forth above, we express no opinion regarding any other tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on the Bonds.

Respectfully submitted,

SKINNER FAWCETT LLP

BALLARD SPAHR LLP

THE REGENTS OF THE UNIVERSITY OF IDAHO

Supplemental Resolution Authorizing the
Issuance and Sale of

up to $52,000,000
General Revenue Bonds
Series 2014

Adopted June 19, 2014

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ARTICLE VI MISCELLANEOUS

SUPPLEMENTAL RESOLUTION

A SUPPLEMENTAL RESOLUTION of the Regents of the University of Idaho authorizing the issuance and sale of General Revenue Bonds, Series 2014, in the principal amount of up to $52,000,000 (the "Series 2014 Bonds"), authorizing the execution and delivery of a Bond Purchase Agreement, Continuing Disclosure Agreement, Preliminary Official Statement, Final Official Statement and other documents, and providing for other matters relating to the authorization, issuance, sale and payment of the Series 2014 Bonds.

WHEREAS, the University of Idaho (the "University") is a state institution of higher education and body politic and corporate organized and existing under and pursuant to the Constitution and laws of the State of Idaho; and

WHEREAS, the Regents of the University of Idaho (the "Regents") are authorized, pursuant to the Educational Institutions Act of 1935, the same being Chapter 38, Title 33, Idaho Code (the "Act"), and the Constitution of the State of Idaho, to issue bonds for "projects" as defined in said Act; and

WHEREAS, the Regents are authorized pursuant to said Act and pursuant to Title 57, Chapter 5, Idaho Code, to issue bonds for "projects" as defined in said Act; and

WHEREAS, on November 22, 1991, the Regents adopted a Resolution, which has been subsequently amended and supplemented (as so amended and supplemented, the "Resolution" or "Bond Resolution") relating to the issuance and sale of facility revenue bonds, and providing among other things for the issuance of additional bonds for future projects or refunding purposes (the "Additional Bonds"), secured by Pledged Revenues (as defined in the Resolution); and

WHEREAS, the University is authorized under the provisions of Article VII of the Resolution to issue series of Additional Bonds upon compliance with the requirements of Section 7.2 of the Resolution; and

WHEREAS, the Regents have determined it is both necessary and economically feasible to equip and construct a research center and renovation of an education building and other improvements for the campus, including reimbursement for expenses already incurred (collectively, the "Series 2014 Project") by the issuance of facility revenue bonds in the manner provided by the Act; and

WHEREAS, the Regents have determined that the Series 2014 Project can be financed as a "project" in accordance with the Act; and

WHEREAS, in order to finance the Series 2014 Project, the Regents desire to issue the Series 2014 Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE REGENTS OF THE UNIVERSITY OF IDAHO AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions.

(a) Except as provided in subparagraph (b) of this Section, all defined terms contained in this Supplemental Resolution shall have the same meanings as set forth in the Resolution.

(b) As used in this Supplemental Resolution, unless the context shall otherwise require, the following terms shall have the following meanings:

"Approving Opinion" means an Opinion of Counsel to the effect that an action being taken is authorized by the applicable provisions of the Resolution and will not adversely affect the tax-exempt status of interest on the Series 2014 Bonds.

"Authorized Denomination" means $5,000 or any integral multiple thereof.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the Regents and the Underwriter pursuant to which the Series 2014 Bonds are to be sold.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement between the Regents and the Trustee, as Dissemination Agent, with respect to the Series 2014 Bonds.

"Electronic Notice" means notice through telecopy, telegraph, telex, facsimile transmission, internet, e-mail or other electronic means of communication.

"Fitch" means Fitch Ratings, its successors and their assigns, and, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Regents, with notice to the Trustee.

"Issue Date" means, with respect to any Series 2014 Bonds, the date on which such Series 2014 Bonds are first delivered to the purchasers thereof.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Fitch) designated by the Regents, with notice to the Trustee.

"Nominee" means Cede & Co., as nominee of DTC, the initial Securities Depository for the Series 2014 Bonds, and any successor nominee of DTC and, if another Securities Depository replaces DTC as Securities Depository hereunder, any nominee of such substitute Securities Depository.

"Notice by Mail" or "notice" of any action or condition "by Mail" means a written notice meeting the requirements of this Supplemental Resolution mailed by first class mail, postage prepaid.

"Opinion of Counsel" means a written opinion of counsel satisfactory to the Regents and not objected to by the Trustee with respect to the Series 2014 Bonds.

"Parameters" means the maximum terms established hereby for the Series 2014 Bonds, within which the terms of the Series 2014 Bonds may be established in the Terms Certificate, such Parameters being set in Exhibit B attached hereto.

"Payment Date" means each April 1 and October 1, commencing on the date specified in the Terms Certificate.

"Preliminary Official Statement" means the Preliminary Official Statement of the Regents with respect to the Series 2014 Bonds.

"Principal Office" of the Trustee means the principal corporate trust office of the Trustee designated in writing to the University or such other office designated by the Trustee from time to time.

"Project Proceeds" means the portion of the proceeds due the Regents from the Underwriter to purchase the Series 2014 Bonds pursuant to Section 3.3(a) of this Supplemental Resolution for purposes of financing the Series 2014 Project.

"Rating Agency" means Fitch, S&P, Moody's or any other nationally recognized rating agency, in each case then providing or maintaining a rating on the Series 2014 Bonds at the request of the Regents.

"Resolution" means the Resolution adopted by the Regents on November 22, 1991, as previously amended and supplemented, including the Amendments as defined in the Supplemental Resolution dated January 24, 2005, the Supplemental Resolution dated October 11, 2007, the Supplemental Resolution dated March 17, 2010, the Supplemental Resolution dated February 18, 2010, the Supplemental Resolution dated April 18, 2013 and as amended and supplemented by this Supplemental Resolution.

"S&P" means Standard & Poor's Ratings Services, its successors and their assigns, and, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or Moody's) designated by the Regents, with notice to the Trustee.

"Series 2014 Bondholder," "Holder" and "Bondholder" mean the holder of any Series 2014 Bond.

"Series 2014 Costs of Issuance" means the Costs of Issuance incurred in connection with the issuance, sale and delivery of the Series 2014 Bonds.

"Series 2014 Costs of Issuance Fund" means the fund established pursuant to Section 3.2(b) hereof into which shall be deposited the portion of the proceeds of the Series 2014 Bonds necessary to pay the Series 2014 Costs of Issuance, as further provided in Article III hereof.

"Series 2014 Bonds" means the General Revenue Bonds, Series 2014, of the Regents authorized by this Supplemental Resolution.

"Series 2014 Project" means the financing of construction and equipping of a research center and renovation of an education building and other improvements for the campus.

"Series 2014 Project Account" means the account established under Section 3.2(a) hereof into which shall be deposited the Project Proceeds.

"Supplemental Resolution" means this Supplemental Resolution adopted by the Regents on June 19, 2014, authorizing the Series 2014 Bonds.

"Terms Certificate" means one or more certificates of the Regents signed by the Bursar, or authorized designee, in substantially the form of Exhibit C attached hereto, specifying certain terms of the Series 2014 Bonds.

"Tax Compliance Policies" means the tax compliance policies relating to tax-exempt governmental bonds previously adopted by the Regents.

"Underwriter" means George K. Baum & Company, or its successor in function, as the original purchaser of the Series 2014 Bonds.

Section 1.2 Authority for Supplemental Resolution; References to University. This Supplemental Resolution is adopted pursuant to the provisions of the Act and the Resolution. References herein to the "University" shall be deemed to refer to the Regents or other appropriate authority thereof pursuant to the Act and other applicable laws.

ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF SERIES 2014 BONDS

Section 2.1 Authorization of Series 2014 Bonds, Principal Amount, Designation and Series; Confirmation of Pledged Revenues. The Series 2014 Bonds are hereby authorized for issuance, to be sold at a price not less than par and subject to the Parameters, in order to provide sufficient funds for (i) the financing of the Series 2014 Project, and (ii) paying costs of issuance, and in accordance with and subject to the terms, conditions and limitations established in the Resolution, as previously amended and as amended by this Supplemental Resolution. The Series 2014 Bonds shall be issued only in fully registered form, without coupons. The Series 2014 Bonds are secured by the pledge of the Pledged Revenues under Section 5.1 of the Resolution equally and ratably with all Outstanding Bonds issued under the Resolution.

Section 2.2 Finding and Purpose. The Regents hereby find, determine and declare:

(a) pursuant to Section 33-3805, Idaho Code, the Series 2014 Project are desirable and necessary for the proper operation of the University and are economically feasible;

(b) pursuant to Section 33-3805A, Idaho Code, the Series 2014 Project will not require state general account appropriated funds for construction, operation or maintenance;

(c) pursuant to Section 33-3806, Idaho Code, fees, rentals and other charges from those that are served by the Series 2014 Project shall be the same as those applicable to any existing project similar in nature and purpose, provided that there may be allowed reasonable differentials based on the condition, type, location and relative convenience of such other project, but the differentials shall be uniform as to all those similarly accommodated;

(d) pursuant to Section 33-3809, Idaho Code, this Supplemental Resolution does not contract a debt on behalf of, or in any way obligate the State of Idaho, or pledge, assign or encumber in any way, or permit the pledging, assigning or encumbering in any way of, appropriations made by the Legislature, or revenue derived from the investment of the proceeds of the sale, and from the rental of such lands as have been set aside by the Idaho Admission Bill approved July 3, 1890, or other legislative enactments of the United States, for the use and benefit of the respective state educational institutions;

(e) pursuant to Section 33-3810, Idaho Code, the Series 2014 Bonds shall be exclusively obligations of the University, payable only in accordance with the terms thereof and shall not be obligations general, special or otherwise of the State of Idaho; and

(f) the applicable requirements of Article VII of the Resolution relating to issuance of Additional Bonds will have been complied with upon the delivery of the Series 2014 Bonds.

Section 2.3 Issue Date. The Series 2014 Bonds shall be dated the date of original delivery thereof.

Section 2.4 Series 2014 Bonds.

(a) The Series 2014 Bonds shall be limited to the aggregate principal amount specified in the Terms Certificate, but within the Parameters, and shall be designated "General Revenue Bonds, Series 2014" or such other designation as the Regents may determine upon the issuance of said Bonds. The Series 2014 Bonds may have serial or other maturities, may be initially sold at a premium, and may have separate bonds with different interest rates but the same maturity, all within the Parameters and as specified in the Terms Certificate.

The Series 2014 Bonds shall bear interest at the rates and mature on the dates and in the principal amounts in each year as specified in the Terms Certificate. The Series 2014 Bonds shall bear interest from the date of original delivery, payable on the dates as specified in the Terms Certificate. Interest on the Series 2014 Bonds shall be computed upon the basis of a 360-day year, consisting of twelve 30-day months.

Section 2.5 Sale of Series 2014 Bonds.

(a) The Series 2014 Bonds authorized to be issued herein are hereby authorized for sale to the Underwriter in a principal amount (plus any original issue discount or premium) in compliance with the Parameters and as specified in the Terms Certificate. The Series 2014 Bonds may be sold with an Underwriter's discount or fee (but without a net reoffering discount) not exceeding the Parameters and as specified in the Terms Certificate, on the terms and conditions set forth in the Bond Purchase Agreement.

(b) To evidence the acceptance of the Bond Purchase Agreement, the Bursar is hereby authorized to execute and deliver the Bond Purchase Agreement in substantially the form presented at this meeting and with such final rates and terms for the Series 2014 Bonds as are within the Parameters.

(c) The Preliminary Official Statement of the Regents prepared in connection with the offering of the Series 2014 Bonds, in substantially the form presented at this meeting, with such changes, omissions, insertions and revisions as the Bursar shall approve, is hereby authorized for use by the Underwriter for distribution to prospective purchasers of the Series 2014 Bonds and other interested persons. The Bursar or authorized designee is hereby authorized to sign a certificate to "deem final" the Preliminary Official Statement pursuant to SEC Rule 15c2-12 in connection with the offering of the Series 2014 Bonds.

In order to comply with subsection (b)(5) of SEC Rule 15c2-12, the Underwriter shall provide in the Bond Purchase Agreement that it is a condition to delivery of the Series 2014 Bonds that the Regents and the Trustee shall have executed and delivered the related Continuing Disclosure Agreement. The Continuing Disclosure Agreement is proposed to be entered into between the Trustee and Regents and is hereby approved in all respects in substantially the form presented to the Regents with such changes, omissions, insertions and revisions as the Bursar shall approve, and the Bursar or authorized designee is hereby authorized to execute and deliver the Continuing Disclosure Agreement with respect to the Series 2014 Bonds.

The Bursar of the University and the President, Vice President, Vice President for Finance and Administration, and Secretary of the Regents, and any authorized designee of the same, are, and each of them is, hereby authorized to do or perform all such acts as may be necessary or advisable to comply with this Supplemental Resolution and/or the Bond Purchase Agreement and to carry the same into effect.

The final Official Statement of the Regents for the sale of the Series 2014 Bonds, in substantially the form of the Preliminary Official Statement presented at this meeting, with such changes, omissions, insertions and revisions as the Bursar shall approve, is hereby authorized, and the Bursar shall sign such final Official Statement and deliver such final Official Statement to the Underwriter for distribution to prospective purchasers of the Series 2014 Bonds and other interested persons, which signature shall evidence such approval.

Section 2.6 Delivery of Series 2014 Bonds. The Series 2014 Bonds shall be delivered to the Underwriter upon compliance with the provisions of the Resolution, at such times and places as provided in, and subject to, the provisions of the Bond Purchase Agreement.

Section 2.7 Form of Series 2014 Bonds. The form of the Series 2014 Bonds is attached to this Supplemental Resolution as Exhibit A and is incorporated herein by this reference.

Section 2.8 Book-Entry Only System.

(a) The Series 2014 Bonds shall initially be registered on the Bond Register in the name of Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Series 2014 Bonds, except in the event the Trustee issues Replacement Bonds as provided below. It is anticipated that during the term of the Series 2014 Bonds, the Securities Depository will make book-entry transfers among the DTC Participants and receive and transmit payments of principal of and interest on the Series 2014 Bonds until and unless the Trustee authenticates and delivers Replacement Bonds to the Beneficial Owners as described below. So long as any of the Series 2014 Bonds are registered in the name of Cede & Co, as nominee of the DTC, all payments with respect to principal of, premium, if any, and interest on the Series 2014 Bonds and all notices with respect to the Series 2014 Bonds shall be made and given in the manner provided in the Representations Letter.

(b) If the Securities Depository determines to discontinue providing its services with respect to the Series 2014 Bonds and the University cannot obtain a qualified successor Securities Depository, or if the University determines not to use the Book-Entry System of the Securities Depository, the University shall execute and the Trustee shall authenticate and deliver one or more Series 2014 Bond certificates (the "Replacement Bonds") to the DTC Participants in principal amounts and maturities corresponding to the identifiable Beneficial Owners' interests in the Series 2014 Bonds, with such adjustments as the Trustee may find necessary or appropriate as to accrued interest and previous calls for redemption, if any. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Series 2014 Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Trustee, to the extent applicable with respect to such Replacement Bonds.

(c) With respect to Series 2014 Bonds registered in the name of Cede & Co. as nominee for the Securities Depository, neither the University nor the Trustee shall have any responsibility to any Beneficial Owner with respect to:

(i) the sending of transaction statements, or maintenance, supervision, or review of records of the Securities Depository;

(ii) the accuracy of the records of the Securities Depository or Cede & Co. with respect to any ownership interest in the Series 2014 Bonds;

(iii) the payment to any Beneficial Owner, or any person other than the Securities Depository, of any amount with respect to principal of, interest on, or redemption premium, if any, on the Series 2014 Bonds; or

(iv) any consent given or other action taken by the Securities Depository or Cede & Co. as owner of the Series 2014 Bonds.

(d) The University has executed and delivered to DTC the Representations Letter with respect to Bonds issued under the Resolution. Such Representations Letter is for the purpose of effectuating the initial Book-Entry System for the Series 2014 Bonds through DTC as Securities Depository and shall not be deemed to amend, supersede or supplement the terms of this Bond Resolution which are intended to be complete without reference to the Representations Letter. In the event of any conflict between the terms of the Representations Letter and the terms of this Supplemental Resolution, the terms of this Supplemental Resolution shall control. The Securities Depository may exercise the rights of a Registered Owner hereunder only in accordance with the terms hereof applicable to the exercise of such rights.

Section 2.9 Successor Securities Depository. In the event the Securities Depository resigns, is unable to properly discharge its responsibilities or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable state or federal statute or regulation, the Trustee, with the written consent of the University, may appoint a successor Securities Depository, provided the Trustee receives written evidence satisfactory to the Trustee with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable state or federal statute or regulation. Upon the appointment of a successor Securities Depository, the Trustee shall cause the authentication and delivery of Series 2014 Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

Section 2.10 Submittal to Attorney General. There shall promptly be submitted to the Attorney General of the State of Idaho by the Secretary of the Regents a certified copy of this Supplemental Resolution, together with the proceedings had in its adoption, in order that the Attorney General may examine into and pass upon the validity of the Series 2014 Bonds and the regularity of such proceedings, in the manner and with the effect specified in chapter 38 of Title 33, Idaho Code, as amended.

Section 2.11 Further Authority. The Bursar or any authorized designee thereof and such other officers of the Regents or University as may be required, are hereby authorized and directed to execute all such certificates, documents and other instruments as may be necessary or advisable to provide for the issuance, sale, registration and delivery of the Series 2014 Bonds, including, without limitation, the Official Statement and the Terms Certificate.

Section 2.12 Tax Exemption of Bonds.

(a) The Bursar is hereby authorized and directed to execute such Tax Certificates as shall be necessary to establish that (i) the Series 2014 Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations, (ii) the Series 2014 Bonds are not and will not become "private activity bonds" within the meaning of Section 141 of the Code, (iii) all applicable requirements of Section 149 of the Code are and will be met, (iv) the covenants of the Regents contained in this Section 2.12 will be complied with and (v) interest on the Series 2014 Bonds is not and will not become includible in gross income for federal income tax purposes under the Code and applicable Regulations.

(b) The Regents and the University covenant and certify to and for the benefit of the Series 2014 Bondholders from time to time of the Series 2014 Bonds that:

(i) the University will at all times comply with the provisions of any Tax Certificates;

(ii) the University will at all times comply with the rebate requirements contained in Section 148(f) of the Code, including, without limitation, the entering into any necessary rebate calculation agreement to provide for the calculations of amounts required to be rebated to the United States, the keeping of records necessary to enable such calculations to be made and the timely payment to the United States, of all amounts, including any applicable penalties and interest, required to be rebated;

(iii) no use will be made of the proceeds of the issue and sale of the Series 2014 Bonds, or any funds or accounts of the University which may be deemed to be proceeds of the Series 2014 Bonds, pursuant to Section 148 of the Code and applicable Regulations, which use, if it had been reasonably expected on the date of issuance of the Series 2014 Bonds, would have caused the Series 2014 Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code;

(iv) the University will not use or permit the use of any of its facilities or properties in such manner that such use would cause the Series

2014 Bonds to be "private activity bonds" described in Section 141 of the Code;

(v) no bonds or other evidences of indebtedness of the University that are reasonably expected to be paid out of substantially the same source of funds as the Series 2014 Bonds have been or will be issued, sold or delivered within a period beginning 15 days prior to the sale of the Series 2014 Bonds and ending 15 days following the delivery of the Series 2014 Bonds, other than the Series 2014 Bonds; and

(vi) the University will not take any action that would cause interest on the Series 2014 Bonds to be or to become ineligible for the exclusion from gross income of the Series 2014 Bondholders of the Series 2014 Bonds as provided in Section 103 of the Code, nor will it omit to take or cause to be taken, in timely manner, any action, which omission would cause interest on the Series 2014 Bonds to be or to become ineligible for the exclusion from gross income of the Series 2014 Bondholders of the Series 2014 Bonds as provided in Section 103 of the Code.

Pursuant to these covenants, the Regents and the University obligate themselves to comply throughout the term of the issue of the Series 2014 Bonds with the requirements of Section 103 of the Code and the Regulations proposed or promulgated thereunder.

ARTICLE III

CREATION OF ACCOUNTS; APPLICATION OF SERIES 2014 BOND PROCEEDS

Section 3.1 Pledge of Pledged Revenues. Subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Pledged Revenues have been and are hereby irrevocably pledged as described in Section 5.3 of the Resolution first, to the payment of the principal of, premium, if any, and interest on all Bonds Outstanding under the Resolution (including the Series 2014 Bonds), second, to the replenishment of any Debt Service Reserve Account as may be required by Section 5.5 of the Resolution, and thereafter for the purposes specified in Section 5.3D of the Resolution.

Section 3.2 Creation of Funds and Accounts. In connection with the issuance of the Series 2014 Bonds, the University hereby establishes the following funds and accounts:

(a) Within the Construction Fund, the Series 2014 Project Account to be held by the University; and

(b) the Series 2014 Costs of Issuance Fund, to be held by the University.

Section 3.3 Application of Proceeds of Series 2014 Bonds. Proceeds of the sale of the Series 2014 Bonds shall be applied as follows:

(a) The Project Proceeds, in the amount specified in the Terms Certificate, shall be deposited to the Series 2014 Project Account, held by the University. Upon completion of the Series 2014 Project and payment of all costs related thereto, any remaining proceeds in the Series 2014 Project Account shall be transferred by the University to the Trustee for deposit in the Debt Service Account in the Bond Fund for payment of the Series 2014 Bonds; and

(b) The amount necessary to pay the Series 2014 Costs of Issuance, in the amount specified in the Terms Certificate, shall be deposited to the Series 2014 Costs of Issuance Fund held by the University. Any balance remaining in the Series 2014 Costs of Issuance Fund, after payment of the Series 2014 Costs of Issuance, shall be deposited to the Series 2014 Project Account.

Section 3.4 Investment of Moneys. Any moneys in any of the funds and accounts to be established by the Trustee pursuant to this Supplemental Resolution (other than the Bond Purchase Fund) shall be invested pursuant to the terms of the Resolution.

Section 3.5 Repayment to the Regents. When there are no longer any Series 2014 Bonds Outstanding under the Resolution, and all fees, charges and expenses of the Trustee, and the Regents have been paid or provided for, and all other amounts payable hereunder have been paid, the Trustee shall pay to the University any amounts remaining in any fund established and held hereunder for the Series 2014 Bonds.

ARTICLE IV

REDEMPTION OF SERIES 2014 BONDS

Section 4.1 Redemption of Series 2014 Bonds.

(a) *Optional Redemption*. The Series 2014 Bonds shall be subject to optional redemption as described in the Terms Certificate.

(b) *Mandatory Sinking Fund Redemption*. The Series 2014 Bonds shall be subject to mandatory sinking fund redemption as described in the Terms Certificate.

Section 4.2 Selection of Series 2014 Bonds for Redemption. The principal amount on maturity of the Series 2014 Bonds to be redeemed shall be as specified by the University. If less than all of the Series 2014 Bonds of a series and maturity are called for redemption, the Trustee shall select the Series 2014 Bonds or any given portion thereof of such series and maturity to be redeemed by lot in such manner as it may determine. For the purpose of any such selection the Trustee shall assign a separate number for each minimum Authorized Denomination of each Series 2014 Bond of such maturity of a denomination of more than such minimum; provided, that following any such selection, the portion of such Series 2014 Bond to remain Outstanding shall be in an Authorized Denomination. The Trustee shall promptly notify the University in writing of the numbers of the Series 2014 Bonds or portions thereof so selected for redemption. Notwithstanding the foregoing, if less than all of the Series 2014 Bonds of a maturity are to be redeemed at any time while the Series 2014 Bonds of such maturity are Book-Entry Bonds, selection of the Series 2014 Bonds to be redeemed shall be made in accordance with customary practices of DTC or any other applicable Securities Depository, as the case may be.

Section 4.3 Notice of Redemption.

(a) Unless waived by any Holder of the Series 2014 Bonds, the Trustee, for and on behalf of the University, shall give notice of the redemption of any Series 2014 Bond pursuant to the terms of the Resolution, including the following: by first class mail, postage prepaid, not less than thirty-five (35) days nor more than sixty (60) days prior to the redemption date (i) to the registered owner of such Series 2014 Bond at the address shown on the Bond Register on the date such notice is mailed and (ii) to one or more national information service that disseminate notices of redemption of obligations such as the Series 2014 Bonds. Each notice of redemption shall state the date of such notice, the Issue Date, the redemption date, the redemption price, the place of redemption (including the name and appropriate address or addresses of the Trustee) and, if less than all of the Series 2014 Bonds are to be redeemed, the distinctive certificate numbers of the Series 2014 Bonds to be redeemed and, in the case of Series 2014 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that the interest on the Series 2014 Bonds designated for redemption shall cease to accrue from and after such redemption date and that on said date there will become due and payable on each of said Series 2014 Bonds the principal amount thereof to be redeemed, interest accrued thereon, if any, to the redemption date and the premium, if any, thereon (such premium to be specified) and shall require that such Series 2014 Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice. Failure to mail the notices required by this paragraph to any Holder of any Series 2014 Bonds designated for redemption, or any defect in any notice so mailed and shall not affect the validity of the proceedings for redemption of any other Series 2014 Bonds.

(b) With respect to any notice of redemption of Series 2014 Bonds by the University, unless at the time of giving such notice the Trustee shall hold moneys sufficient to pay the principal of, premium, if any, and interest to the redemption date on the Series 2014 Bonds to be redeemed, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of funds sufficient to pay the principal of, and premium, if any, and interest on, such Series 2014 Bonds to be redeemed, and that if such funds shall not have been so received said notice shall be of no force and effect, Series 2014 Bonds shall not be subject to redemption on such date and the Series 2014 Bonds shall not be required to be redeemed on such date. In the event that such notice of redemption contains such a condition and such funds are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such funds were not so received.

Section 4.4 Partial Redemption of Series 2014 Bonds. Upon surrender of any Series 2014 Bond redeemed in part only, the Trustee shall exchange the Series 2014 Bond redeemed for a new Series 2014 Bond of like tenor and in an Authorized Denomination without charge to the Holder in the principal amount of the portion of the Series 2014 Bond not redeemed. In the event of any partial redemption of a Series 2014 Bond which is registered in the name of the Nominee, DTC may elect to make a notation on the Series 2014 Bond certificate which reflects the date and amount of the reduction in principal amount of said Series 2014 Bond in lieu of surrendering the Series 2014 Bond certificate to the Trustee for exchange. The Regents, the Trustee and the University shall be fully released and discharged from all liability upon, and to the extent of, payment of the redemption price for any partial redemption and upon the taking of all other actions required hereunder in connection with such redemption.

Section 4.5 Effect of Redemption. Notice of redemption having been duly given as aforesaid, and funds for payment of the redemption price being held by the Trustee, the Series 2014 Bonds so called for redemption shall, on the redemption date designated in such notice, become due and payable at the redemption price specified in such notice, interest on the Series 2014 Bonds so called for redemption shall cease to accrue, said Series 2014 Bonds shall cease to be entitled to any lien, benefit or security under the Resolution, and the Holders of said Series 2014 Bonds shall have no rights in respect thereof except to receive payment (but only from the funds provided in connection with such redemption) of the redemption price thereof (including interest, if any, accrued to the redemption date), without interest accruing on any funds held after the redemption date to pay such redemption price.

All Series 2014 Bonds fully redeemed pursuant to the provisions of this Article IV shall upon surrender thereof be cancelled by the Trustee, who shall deliver a certificate evidencing such cancellation to the University. The Trustee shall destroy such Series 2014 Bonds.

ARTICLE V

AMENDMENTS TO RESOLUTION

Section 5.1 The University hereby adopts the Amendments to the Resolution as further described in this Article V. The Amendments described in this Section 5.1 hereof shall take effect upon issuance of the Series 2014 Bonds.

(a) The defined terms “Activity Center Complex Fee”, “Recreation Center Fee”, “Residential Campus Development Fee” and “Student Building Fee” as used in Section 1.1 of Article I of the Resolution (including all supplements thereto) are hereby deleted as these fees have been merged into the Facility Fee.

(b) The following definition under Section 1.1 of Article I of the Resolution is hereby amended to read as follows:

“Facility Fees” shall mean such fees designated and set from time to time by the Regents and the University, imposed upon each full-time and part-time on campus student in attendance at the university for facilities at the University.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Governing Law. By the acceptance of the Series 2014 Bonds, the Holders of the Series 2014 Bonds shall be deemed to agree that the rights of the Holders of the Series 2014 Bonds shall be governed by the laws of the State of Idaho.

Section 6.2 Partial Invalidity. If any one or more of the covenants or agreements, or portions thereof, provided in this Supplemental Resolution on the part of the University (or of the Trustee or of any paying agent) to be performed should be contrary to law, then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall be deemed separable from the remaining covenants and agreements or portions thereof and shall in no way affect the validity of this Supplemental Resolution or of the Series 2014 Bonds; but the Holders of the Series 2014 Bonds shall retain all the rights and benefits accorded to them under the Act or any other applicable provisions of law.

Section 6.3 Beneficiaries. This Supplemental Resolution shall be deemed to be a contract between the Regents, the Trustee, and the Holders of the Series 2014 Bonds.

Section 6.4 Savings Clause. Except as amended by this Supplemental Resolution, the Resolution shall remain in full force and effect.

Section 6.5 Conflicting Resolutions. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 6.6 Perfection of Security Interest.

(a) The Resolution creates a valid and binding pledge and assignment of security interest in all of the Pledged Revenues under the Resolution as security for payment of the Series 2014 Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) Under the laws of the State of Idaho, such pledge and assignment and security interest is automatically perfected by Section 57-234 Idaho Code, as amended, and is and shall have priority as against all parties having claims of any kind in tort, contact, or otherwise hereafter imposed on the Pledged Revenues.

ADOPTED AND APPROVED this 19th day of June, 2014.

THE REGENTS OF THE UNIVERSITY
OF IDAHO

[SEAL]

By:__________________________________
President

By:__________________________________
Bursar

ATTEST:

By:__________________________________
Secretary

EXHIBIT A

FORM OF SERIES 2014 BOND

Unless this certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

R-__________ $_______________

UNITED STATES OF AMERICA
STATE OF IDAHO
UNIVERSITY OF IDAHO
GENERAL REVENUE BONDS
SERIES 2014

Interest Rate	Maturity Date	Dated Date	CUSIP

Registered Owner: CEDE & CO.

Principal Amount: ____________________ DOLLARS************************

KNOW ALL MEN BY THESE PRESENTS that the University of Idaho, a body politic and corporate and an institution of higher education of the State of Idaho (the "University"), for value received, hereby promises to pay, from the Bond Fund hereinafter defined, to the registered owner identified above, or registered assigns, on the maturity date specified above, the principal sum indicated above, and to pay interest thereon from the Bond Fund from the dated date hereof, or the most recent date to which interest has been paid or duly provided for, at the rate per annum specified above, payable on each Payment Date, until the date of maturity or prior redemption of this Bond.

This Bond is an obligation of the University payable solely in accordance with the terms hereof and is not an obligation, general, special, or otherwise of the State of Idaho, does not constitute a debt, legal, moral, or otherwise, of the State of Idaho, and is not enforceable against the State, nor shall payment hereof be enforceable out of any funds of the University other than the revenues, fees, and charges pledged thereto in the Resolution (defined herein). Pursuant to the Resolution, certain revenues have been pledged and will be set aside into the Bond Fund (as defined in the Resolution) to provide for the prompt payment of the principal of, interest on, and redemption price of the Bonds of which this Bond is a part. For a more particular description of the Bond Fund, the revenues to be deposited therein, and the nature and extent of the security afforded thereby, reference is made to the provisions of the Resolution.

The principal of, premium, if any, and interest on this Bond are payable in lawful money of the United States of America to the registered owner hereof whose name and address shall appear on the registration books of the University (the "Bond Register") maintained by the Corporate Trust Department of Wells Fargo Bank, N. A. (the "Trustee"). Interest shall be paid to the registered owner whose name appears on the Bond Register on the fifteenth day of the calendar month next preceding the interest payment date, at the address appearing on the Bond Register, and shall be paid by check or draft of the Trustee mailed to such registered owner on the due date at the address appearing on the Bond Register, or at such other address as may be furnished in writing by such registered owner to the Trustee. Principal shall be paid to the registered owner upon presentation and surrender of this Bond at the principal corporate trust office of the Trustee, on or after the date of maturity or prior redemption.

This Bond is one of a duly authorized issue of Bonds of like date, tenor, and effect, except for variations required to state numbers, denominations, rates of interest, and dates of maturity, aggregating $____________ in principal amount. The Bonds are issued pursuant to and in full compliance with the Constitution and statutes of the State of Idaho, particularly Chapter 38, Title 33, Idaho Code, and proceedings duly adopted and authorized by the Regents on behalf of the University, more particularly the Resolution adopted by the Regents on November 22, 1991, as previously amended, supplemented, and restated from time to time, including with respect to the Bonds by a Supplemental Resolution adopted by the Regents on June 19, 2014, authorizing the issuance of the Bonds (collectively, the "Resolution"). All capitalized terms used but not herein defined shall have the meanings ascribed to them in the Resolution. The Series 2014 Bonds are not secured by the Debt Service Reserve Account previously created under the Resolution.

This Bond is one of the General Revenue Bonds, Series 2014, of the University (the "Series 2014 Bonds") issued under the provisions of Chapter 38, Title 33, Idaho Code, for the purpose of providing funds with which to (i) finance the construction and equipping of a research center and renovation of an education building and other improvements for the campus of the University (the "Series 2014 Project") and (ii) pay issuance expenses properly incident thereto. The principal of, interest on, and redemption price of the Series 2014 Bonds are payable from revenues and funds of the University pledged therefor and certain other fees and revenues, as more particularly set forth in the Resolution.

The Series 2014 Bonds are issuable as fully registered bonds without coupons in Authorized Denominations of $5,000 or any integral multiple in excess thereof. Subject to the limitations and upon payment of the charges, if any, provided in the Resolution, Bonds may be exchanged at the Principal Office of the Trustee for a like aggregate principal amount of Series 2014 Bonds of other Authorized Denominations.

This Series 2014 Bond is transferable by the Holder hereof, in person, or by its attorney duly authorized in writing, at the Principal Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Series 2014 Bond. Upon such transfer a new fully registered Bond or Bonds of like tenor in Authorized Denominations, for the same aggregate principal amount, will be issued to the transferee in exchange herefor.

Each Bond shall bear interest from the Payment Date to which interest has been paid as of the date on which it is authenticated or, if it is authenticated on or before the Record Date for the first Payment Date, from the Issue Date; provided, however, that if, at the time of authentication of any Bond, interest is in default on Outstanding Bonds, such Bond shall bear interest from the Payment Date to which interest has previously been paid or made available for payment on the Outstanding Bonds. Both the principal of and premium, if any, on the Series 2014 Bonds shall be payable upon surrender thereof at the Principal Office of the Trustee.

Interest on the Series 2014 Bonds will be paid on each Payment Date provided that if any Payment Date is not a Business Day, such interest shall be paid as provided above on the next succeeding Business Day with the same effect as if made on the day such payment was due. Interest on the Series 2014 Bonds shall be computed upon the basis of a 360-day year, consisting of twelve 30-day months. Interest on the Series 2014 Bonds shall bear interest from and including the Issue Date until payment of the principal or redemption price thereof has been made or provided for on the due date thereof, whether at maturity, upon redemption or otherwise.

The Series 2014 Bonds are subject to redemption, [including mandatory sinking fund redemption], with notice, in whole, or in part, in Authorized Denominations, prior to their maturity date, as described in the Resolution.

The Series 2014 Bonds are initially issued in the form of a separate single certificated fully registered Bond for each maturity and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC").

Unless this Bond is presented by an Authorized Officer of DTC to the University or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an Authorized Officer of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an Authorized Officer of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Upon any partial redemption of this Bond, Cede & Co., in its discretion, may request the Trustee to authenticate a new Series 2014 Bond or shall make an appropriate notation on this Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this Bond must be presented to the Trustee prior to payment.

The Series 2014 Bonds shall not be transferable or exchangeable except as set forth in the Resolution.

This Bond is transferable by the registered owner hereof in person or by his attorney duly authorized in writing upon presentation and surrender of this Bond at the principal corporate trust office of the Trustee. Upon such transfer, a new Bond, of the same denomination, maturity, and interest rate will be issued to the transferee in exchange therefor.

Reference is hereby made to the Resolution for the covenants and declarations of the University and other terms and conditions under which this Bond and the Series 2014 Bonds of this issue have been issued. The covenants contained herein and in the Resolution may be discharged by making provisions at any time for the payment of the principal of and interest on this Bond in the manner provided in the Resolution.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been manually signed by the Trustee.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions, and things required by the Constitution and statutes of the State of Idaho to exist, to have happened, been done, and performed precedent to and in the issuance of this Bond have happened, been done, and performed, and that the issuance of this Bond and the Series 2014 Bonds of this issue does not violate any Constitutional, statutory, or other limitation upon the amount of bonded indebtedness that the University may incur.

IN WITNESS WHEREOF, the Board of Regents of the University of Idaho (the "Regents"), has caused this Bond to be executed by the manual or facsimile signature of the President of the Regents and of the Bursar of the University and attested by the manual or facsimile signature of the Secretary of the Regents, and a facsimile or original of the official seal of the University to be imprinted hereon, as of the dated date set forth above.

THE REGENTS OF THE UNIVERSITY OF IDAHO

By:__________________________________
President

COUNTERSIGNED:

(SEAL)

By:__________________________________
Bursar

ATTEST:

By:__________________________________
Secretary

CERTIFICATE OF AUTHENTICATION

This Bond is one of the General Revenue Bonds, Series 2014, of the University of Idaho, described in the within-mentioned Resolution.

WELLS FARGO BANK, N.A., as Trustee

By:__________________________________
Authorized Signature

Date of Authentication: ________________________

VALIDATION CERTIFICATE

I hereby certify that I have examined a certified copy of the record of proceedings taken preliminary to and in the issuance of the within bond; that such proceedings and such bond conform to and show lawful authority for the issuance thereof in accordance with the provisions of Title 57, Chapter 5 and Title 33, Chapter 38, Idaho Code, as amended. Such bond has been issued in accordance with the Constitution and laws of the State of Idaho and shall in any suit, action or proceeding involving its validity be conclusively deemed to be fully authorized by Title 57, Chapter 5 and Title 33, Chapter 38, Idaho Code, and to have been issued, sold, executed, and delivered in conformity with the Constitution and laws of the State of Idaho and to be valid and binding and enforceable in accordance with its terms, and such bond is incontestable for any cause.

By:________________________________

Attorney General

ASSIGNMENT

FOR VALUE RECEIVED, ____, the undersigned sells, assigns and transfers unto:

____
(Social Security or Other Identifying Number of Assignee)

____
(Please Print or Typewrite Name and Address of Assignee)

the within Bond and hereby irrevocably constitutes and appoints _________________________ of _________________________ to transfer the said bond on the books kept for registration thereof with full power of substitution in the premises.

Dated:_____________________________________

Signature:______________________

NOTICE: The signature on this assignment must correspond with the name(s) of the Registered owner as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED:

____

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company and must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT B

PARAMETERS

SERIES 2014 BONDS:

The Purchase Price for the Series 2014 Bonds shall not be less than the aggregate par amount thereof.

Principal amount not to exceed $52,000,000.

Effective True Interest Cost (TIC) not to exceed 5.50% per annum.

Underwriter's Discount or fee not to exceed .425% of the principal amount of the Bonds plus any reoffering premium, as more fully described in the Bond Purchase Agreement.

Final Maturity not to exceed 31 years from date of issuance.

EXHIBIT C

TERMS CERTIFICATE

In connection with a Supplemental Resolution of the Regents (the "Regents") of the University of Idaho adopted on June 19, 2014 (the "2014 Supplemental Resolution") authorizing the issuance and sale of the Regent's General Revenue Bonds, Series 2014 (the "Series 2014 Bonds"), the undersigned hereby executes and delivers this Terms Certificate (as such term is defined in the 2014 Supplemental Resolution) specifying certain terms of the Series 2014 Bonds:

Series 2014 Bonds:

a. Principal amount:

b. Dated Date: ___________, 2014

c. Date of Delivery: ______________, 2014

d. Closing Date: _______________, 2014, or such other date agreed upon by the Underwriters and the University

e. Underwriter's discount or fee of $_________ ($____ per $1,000 of par amount plus any reoffering premium, as more fully described in Bond Purchase Agreement)

f. Purchase Price: ___________

g. Initial Payment Date, Maturity Date(s) and Interest Rate(s):

h. Optional Redemption: The Series 2014 Bonds are [not] subject to optional redemption [as follows:

The Series 2014 Bonds maturing on or before April 1, 20___, shall not be subject to optional call or redemption prior to their stated dates of maturity. On any day on or after [April 1, 20___], at the election of the University, the Series 2014 Bonds maturing after [April 1, 20___], shall be subject to redemption, in whole or in part, in maturities selected by the University and within each maturity as selected by lot by the Trustee, at par, plus accrued interest to the redemption date.]

i. Mandatory Sinking Fund Redemption Schedule (See Attached Schedule A-1 as attached hereto)

j. Sources and Uses of Series 2014 Bond proceeds:

Executed and delivered this _________, 2014 on behalf of the Regents pursuant to the 2014 Supplemental Resolution.

THE REGENTS OF THE UNIVERSITY OF IDAHO

By:___________________________________
Bursar

Schedule A-1

The Series 2014 Bonds are subject to mandatory sinking fund redemption as described below. The Series 2014 Bonds maturing on April 1, ____, shall be subject to mandatory redemption and retirement prior to maturity, in part, by lot in such manner as the Trustee shall determine, on April 1 in the years ____ through ____, inclusive, at 100% of the principal amount thereof plus accrued interest to the date of redemption, from Mandatory Redemption Amounts (which are hereby established) in the amounts set forth below:

Series 2014 Bonds

Mandatory Redemption Date (April 1)	Mandatory Redemption Amount
	$

* Principal remaining at maturity

Upon redemption of any Series 2014 Bonds other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited toward a part or all of any one or more of such mandatory sinking fund redemption amounts, if any, for the Series 2014 Bonds in such order of mandatory sinking fund date as shall be directed by the University.

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BOND PURCHASE AGREEMENT

June __, 2014

The Regents of the University of Idaho
University of Idaho
Administration Building, Room 211
851 Campus Drive
Moscow, Idaho 83844-3168

$__________
THE REGENTS OF THE UNIVERSITY OF IDAHO
General Revenue Bonds
Series 2014A

Ladies and Gentlemen:

The undersigned, George K. Baum & Company (the "**Underwriter**"), offers to enter into this Bond Purchase Agreement (this "**Bond Purchase Agreement**") with the Regents of the University of Idaho (the "**Regents**") which, upon your acceptance of this offer, will be binding upon you and upon the Underwriter. ***Terms used herein that are not otherwise defined herein shall have the same meanings assigned to them in the Resolution (as hereinafter defined).***

This offer is made subject to your acceptance of this Bond Purchase Agreement on or before 5:00 p.m. Pacific Time, on June __, 2014, and, if not so accepted by the Regents, will be subject to withdrawal by the Underwriter upon notice delivered to the Regents at its address set forth above, at any time prior to the acceptance hereof by the Regents. This offer is also subject to the provisions included in this Bond Purchase Agreement.

1. Purchase and Sale of the Series 2014 Bonds. Upon the terms and conditions and in reliance upon the respective representations, warranties and covenants herein, the Underwriter hereby agrees to purchase from the Regents, and the Regents hereby agree to sell and deliver to the Underwriter, all (but not less than all) of the Regents' General Revenue Bonds, Series 2014A (the "**Series 2014 Bonds**"), at an aggregate purchase price of $__________ (the "**Series 2014 Purchase Price**"), representing (i) the $__________ principal amount of the Series 2014 Bonds, plus (ii) net original issue premium of $__________, minus (iii) net original issue discount of $_________, and minus (iv) an Underwriter's discount of $__________. Payment of the Purchase Price for the Series 2014 Bonds shall be made through wire transfer of immediately available federal funds to the Trustee for the account of the Regents at or prior to the Closing (as defined herein), and, upon satisfaction of the conditions for the issuance and sale of the Series 2014 Bonds set forth herein, the Series 2014 Bonds shall be released for delivery no later than the Closing (as defined herein).

The Regents acknowledge and agree that (a) the purchase and sale of the Series 2014 Bonds pursuant to this Bond Purchase Agreement is an arm's length commercial transaction between the University and the Underwriter; (b) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agency or a fiduciary of the Regents; (c) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Regents with respect to the offering of the Series 2014 Bonds or the process leading hereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the University on other matters) or any other obligation to the University except the obligations expressly set forth in this Bond Purchase Agreement; and (d) the Regents have consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Series 2014 Bonds. Furthermore, the Regents have received and acknowledged the letter dated April 15, 2014 delivered by the Underwriter. The Regents have retained Piper Jaffray & Company as a municipal advisor in this transaction.

The Series 2014 Bonds will be issued in accordance with the provisions of the Educational Institutions Act, constituting chapter 38, Title 33, Idaho Code and Chapter 5, Title 57, Idaho Code (the "**Act**"), the Constitution of the State of Idaho (the "**State**"), and pursuant to a Supplemental Resolution with respect to the Series 2014 Bonds adopted by the Regents on June 19, 2014 (the "**2014 Supplemental Resolution**") supplementing that certain Resolution adopted by the Regents on November 22, 1991 (as subsequently amended and supplemented, the "**Original Resolution**" and, together with the 2014 Supplemental Resolution, referred to herein as the "**Resolution**"). The Series 2014 Bonds shall mature on April 1 in each of the years and amounts, and bear interest at the rates, all as set forth on Schedule 1 hereto and subject to further terms as are reflected in the Official Statement (as hereinafter defined).

The Regents will apply the proceeds of the Series 2014 Bonds to finance the acquisition and construction of the Integrated Research and Innovation Center, to finance the renovation of the College of Education Building and other improvements at the Moscow campus of the University of Idaho (the "**University**"), and to pay costs of issuance associated with the Series 2014 Bonds.

2. Authority of the Underwriter. The Underwriter hereby represents and warrants that it has full corporate power and authority to execute and deliver this Bond Purchase Agreement and to perform all acts on its part herein required.

3. Public Offering of the Series 2014 Bonds. The Underwriter agrees to make a bona fide public offering of the Series 2014 Bonds at not in excess of the initial public offering price therefor as set forth on the inside cover page of the final Official Statement, as defined below. In connection with the public offering of the Series 2014 Bonds, the Regents shall cause the preparation of the Official Statement, with completion of information relating to the interest rate, selling compensation, aggregate principal amount, delivery date, ratings and other terms of the Series 2014 Bonds depending on such matters as acceptable to the Regents and the Underwriter to reflect such terms as contemplated by this Bond Purchase Agreement and with such other additions, deletions and revisions as shall be acceptable to the Regents and the Underwriter. Copies of the Official Statement, signed by an authorized representative of the Regents will be delivered to the Underwriter within seven (7) business days of the date of this Bond Purchase Agreement, in sufficient quantity as may be reasonably requested by the Underwriter in order for the Underwriter to comply with the rules of the Municipal Securities Rulemaking Board (the "**MSRB**"). The Regents hereby authorize the use by the Underwriter of the Official Statement in connection with the offering of the Series 2014 Bonds to the public.

The Underwriter reserves the right (a) to over-allot or effect transactions that stabilize or maintain the market price of the Series 2014 Bonds at a level above that which might otherwise prevail in the open market, and (b) to discontinue such stabilizing, if commenced, at any time. A public offering shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Series 2014 Bonds are sold.

Following the Closing Date, the Underwriter shall submit electronically a copy of the Official Statement to the MSRB at its Electronic Municipal Market Access system in accordance with the rules of the MSRB.

The Regents agree that if, through the 25th day after the Closing Date, the Regents become aware of the occurrence of an event that might cause the Official Statement to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, to notify the Underwriter, and, if in the opinion of the Underwriter such event requires the preparation and distribution of a supplement or an amendment to the Official Statement, the Regents, at their expense, at the request of the Underwriter, shall cause such a supplement or an amendment, satisfactory to the Underwriter, to be prepared and delivered to the Underwriter in such quantities as the Underwriter may reasonably request.

4. Representations, Warranties and Agreements by the Regents. In order to induce the Underwriter to enter into this Bond Purchase Agreement, and in consideration of the foregoing and of the execution and delivery of this Bond Purchase Agreement by the Underwriter, the Regents represent and warrant to and covenant with the Underwriter that, as of the date hereof and on and as of the date of the Closing:

(a) The Regents are a body politic and corporate organized and existing under and pursuant to the Constitution and laws of the State, have full legal right, power and authority pursuant to the Constitution, the Act and the Resolution to consummate all transactions contemplated by (i) this Bond Purchase Agreement, the Resolution, the Continuing Disclosure Agreement dated as of July __, 2014 between the Regents and the Trustee, as dissemination agent (collectively, the "**Regents' Documents**"), the Series 2014 Bonds and any and all other agreements and instruments relating to the issuance and sale of the Series 2014 Bonds; and (ii) the Preliminary Official Statement relating to the Series 2014 Bonds, including all appendices and supplements thereto, dated June __, 2014 (the "**Preliminary Official Statement**") and the final Official Statement, including all appendices thereto, dated as of the date hereof (the final Official Statement, including all appendices, supplements and amendments thereto, collectively is referred to as the "**Official Statement**"); to enter into the Regents' Documents; to issue the Series 2014 Bonds; to approve the Official Statement; to carry out all of its obligations thereunder and to comply with the terms and conditions hereof and thereof applicable to the Regents.

(b) The Regents have duly adopted the Resolution and have duly authorized all necessary action to be taken by them for: (i) the issuance and sale of the Series 2014 Bonds upon the terms and conditions set forth herein, in the Official Statement, and in the Resolution; (ii) the approval and execution, as relevant, of each Regents' Document and the Series 2014 Bonds; and (iii) the execution, delivery or receipt of and performance of the Regents' obligations under each Regents' Document and the Series 2014 Bonds, and any and all such other agreements and documents as may be required to be executed, delivered or received by the Regents in order to carry out, effectuate and consummate the transactions contemplated herein and therein.

(c) The Regents have previously provided the Underwriter with the Preliminary Official Statement, and as of its date, the Preliminary Official Statement has been "deemed final" by the Regents for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "**Rule**").

(d) Except as disclosed in the Official Statement, the Regents have never failed to comply in all material respects with any continuing disclosure undertaking with regard to the Rule to provide annual reports or notices of material events specified in the Rule.

(e) The Regents have duly approved and authorized the execution, delivery and distribution of the Official Statement.

(f) The information contained in the Official Statement with respect to forward-looking statements and in the sections thereof titled "INTRODUCTION – The Regents and the University of Idaho" and "– Purpose of the Series 2014 Bonds," "SECURITY FOR THE SERIES 2014 BONDS," "PLAN OF FINANCE – Series 2014 Projects," "HISTORICAL PLEDGED REVENUES," "THE UNIVERSITY," "FINANCIAL OPERATIONS OF THE UNIVERSITY," "UNIVERSITY GOVERNANCE AND ADMINISTRATION," "CONTINUING DISCLOSURE" and "LITIGATION" and in Appendices A and B (collectively, all such sections and appendices are herein referred to as the "**Relevant Portions**") is, and at the Closing will be, true and correct in all material respects and does not, and at the Closing will not, contain any untrue or misleading statement of a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) At the time of the Regents' acceptance hereof and (unless an event occurs of the nature described in the last paragraph of Section 3 hereof) at all times subsequent thereto during the period up to and including twenty-five (25) days after the Closing Date, the information contained in the Relevant Portions of the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(h) If the information contained in the Relevant Portions of the Official Statement is supplemented or amended pursuant to the last paragraph of Section 3 hereof, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including twenty-five (25) days after the Closing Date, the information contained in the foregoing sections of the Official Statement, as so supplemented or amended, will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) Neither the execution and delivery of any Regents' Document, the Series 2014 Bonds, nor the consummation of the transactions contemplated herein or therein or the compliance with the provisions hereof or thereof, will conflict with, or constitute on the part of the Regents a violation of, or a breach of or default under, (i) any indenture, mortgage, commitment, note or other agreement or instrument to which the Regents is a party or by which it is bound, or (ii) any existing law, statute, rule, regulation (other than any state blue sky law) or resolution or judgment, order or decree of any court or governmental agency or body having jurisdiction over the Regents or any of its activities or properties. All consents, approvals, certificates of need, authorizations and orders of governmental or regulatory authorities (other than any state blue sky authorities) which are required for the execution and delivery of, consummation of the transactions contemplated by, and compliance with the provisions of, the Regents' Documents and the Series 2014 Bonds by the Regents have been obtained or will be obtained when required.

(j) Except as is specifically disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the Regents, threatened against or affecting (i) the financial condition of the Regents, the University, the Series 2014 Projects, the application of the Pledged Revenues to payment of the Series 2014 Bonds or the operation by the Regents or the University of its properties, or (ii) the corporate existence of the Regents, the offices held by the members of the Regents and officers of the University and their respective rights or powers, their legal existence, or the actions taken or contemplated to be taken by them, or (iii) the transactions contemplated in the Regents' Documents or the Series 2014 Bonds, or (iv) the validity or enforceability in accordance with their respective terms of the Series 2014 Bonds, any Regents' Document or any material agreement or instrument by which the Regents, the University or their respective properties is or may be bound, and, to the knowledge of the Regents, is there any basis therefor wherein an unfavorable decision, ruling or finding would materially adversely affect any of the foregoing described in clauses (i) through (iv).

(k) The Regents will not take or omit to take any action which will in any way cause or result in the proceeds of the sale of the Series 2014 Bonds being applied in a manner other than as provided in the Resolution or as described in the Official Statement.

(l) The Regents have not been at any time in default as to principal or interest with respect to any obligation issued by or guaranteed by the Regents or with respect to which the Regents are an obligor.

(m) The audited financial statements of the University for the periods ended June 30, 2013 and June 30, 2012 are a fair presentation of the financial position of the University, the results of the University's operations and the University's changes in its net assets for the periods specified as of the dates indicated.

(n) Except as described in the Preliminary Official Statement, since June 30, 2013, there has been no material adverse change in the condition, financial or otherwise, of the University from that set forth in the audited financial statements as of and for the period ended that date; and except as described in the Preliminary Official Statement, the University, since June 30, 2013, has not incurred any material liabilities, directly or indirectly, except in the ordinary course of the University's operations.

(o) Between the date of this Agreement and the date of the Closing, except as contemplated by the Official Statement, the Regents will not incur and will not cause the University to incur any material liabilities, direct or contingent, or enter into any material transaction, in either case other than in the ordinary course of business.

(p) As of the date of this Bond Purchase Agreement, no event of default has occurred and is continuing and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute an event of default under any instrument to which the Regents or the University is a party and which is material to the business or operations of the Regents or the University.

(q) The Regents agree to furnish or cause to be furnished such information, execute or cause to be executed such instruments and take such other action in cooperation with Underwriter's Counsel as it may reasonably request (i) in any endeavor to qualify the Series 2014 Bonds for offering and sale under the securities or "Blue Sky" laws or regulations of such jurisdictions of the United States of America as the Underwriter may request, (ii) for the application for exemption from such qualification, (iii) for the determination of the Series 2014 Bonds' eligibility for investment under the laws of such jurisdictions as the Underwriter designates and (iv) to provide for the continuance of such qualifications or exemptions in effect for so long as required for distribution or marketing of the Series 2014 Bonds, but not to exceed six (6) months after the date of Closing; provided, however, that the Regents shall not be required to qualify to do business in any jurisdiction where it is not now so qualified, or to take any such action which would subject it to general service of process in any jurisdiction where it is not now so subject.

(r) The Regents will comply and will use its best efforts to insure compliance with the applicable representations, warranties, covenants and obligations of the Regents contained in this Bond Purchase Agreement.

(s) Any certificate signed by any officer of the Regents or the University and delivered to the Underwriter shall be deemed a representation and warranty by the Regents to the Underwriter as to the truth of the statements therein contained

5. Closing. At 9 a.m., Pacific Time, on July __, 2014, or at such other time and/or date as shall have been mutually agreed upon by the Regents and the Underwriter (the "**Closing Date**"), the Regents will deliver, or cause to be delivered, to the Underwriter through the facilities of DTC the Series 2014 Bonds in definitive form duly executed by the Regents and authenticated by the Wells Fargo Bank, N.A., as Trustee in accordance with the Resolution, by delivering one fully registered Bond for each maturity of the Series 2014 Bonds in the principal amount of the related maturity of the Series 2014 Bonds, registered in the name of Cede & Co., as nominee of DTC, to the Trustee as custodian for DTC; and the Underwriter will accept such delivery of the Series 2014 Bonds and pay the Purchase Price of the Series 2014 Bonds to the Trustee for the account of the Regents by wire transfer or other direct transfer of immediately available funds payable to the order of the Trustee.

The activities relating to the final execution and delivery of the Series 2014 Bonds and the final execution and delivery of the Regents' Documents and the certificates, opinions and other instruments as described in Section 7 of this Bond Purchase Agreement shall occur at the offices of Skinner Fawcett LLP, Boise, Idaho or at such other location which shall be mutually agreed upon by the Regents and the Underwriter. The payment of the Purchase Price for the Series 2014 Bonds and simultaneous delivery of the Series 2014 Bonds to the Underwriter is herein referred to as the "**Closing**."

The Series 2014 Bonds will be made available for inspection by the Underwriter, at such place in Boise, Idaho as the Underwriter and the Trustee shall agree, not less than 24 hours prior to the Closing. The definitive Series 2014 Bonds shall bear proper CUSIP numbers (provided, however, that neither the printing of the wrong CUSIP number on any Series 2014 Bond nor the failure to print a CUSIP number thereon shall constitute cause to refuse to accept delivery of any Series 2014 Bond).

6. Termination. The Underwriter shall have the right to terminate its obligations hereunder by notice given to the Regents prior to delivery of and payment for the Series 2014 Bonds, if at any time prior to such time:

(a) Legislation not yet introduced in Congress shall be enacted or actively considered for enactment by the Congress, or recommended by the President of the United States of America to the Congress for passage, or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States of America or the United States Tax Court shall be rendered, or a ruling, regulation (proposed, temporary or final) or Official Statement by or on behalf of the Treasury Department of the United States of America, the Internal Revenue Service or other agency or department of the United States of America shall be made or proposed to be made which has the purpose or effect, directly or indirectly, of imposing federal income taxes upon interest on the Series 2014 Bonds under the Internal Revenue Code of 1986, as amended (the "**Code**"); or

(b) Any other action or event shall have transpired which has the purpose or effect, directly or indirectly, of materially adversely affecting the federal income tax consequences of any of the transactions contemplated in connection herewith or contemplated by the Official

Statement, and, in the reasonable judgment of the Underwriter, materially adversely affects the market for the Series 2014 Bonds or the sale, at the contemplated offering prices (or yields), by the Regents, of the Series 2014 Bonds; or

(c) Legislation shall be enacted, or actively considered for enactment by the Congress, with an effective date on or prior to the date of Closing, or a decision by a court of the United States of America shall be rendered, or a ruling or regulation by the Securities and Exchange Commission (the "**SEC**") or other governmental agency having jurisdiction over the subject matter shall be made, the effect of which is that (i) the Series 2014 Bonds are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or (ii) the Resolution is not exempt from the registration, qualification or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect; or

(d) A stop order, ruling or regulation by the SEC shall be issued or made, the effect of which is that the issuance, offering or sale of the Series 2014 Bonds, as contemplated herein or in the Official Statement, is in violation of any provision of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(e) There shall exist any fact or there shall occur any event which, in the reasonable judgment of the Underwriter, either (i) makes untrue or incorrect in any material respect any statement or information contained in the Official Statement or (ii) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect and, in either such event the Regents refuse to permit the Official Statement to be supplemented to correct or supply such statement or information, or the Official Statement as so corrected or supplemented is such as, in the judgment of the Underwriter, would materially adversely affect the market for the Series 2014 Bonds or the sale, at the contemplated offering prices (or yields), by the Regents of the Series 2014 Bonds; or

(f) There shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the reasonable judgment of the Underwriter, impractical or inadvisable to proceed with the offering or delivery of the Series 2014 Bonds as contemplated by the final Official Statement (exclusive of any amendment or supplement thereto); or

(g) Trading in the Regents' outstanding securities shall have been suspended by the Securities and Exchange Commission or trading in securities generally on the New York Stock Exchange shall have been suspended or limited or minimum prices shall have been established on such Exchange; or

(h) A banking moratorium shall have been declared either by federal or New York State authorities; or

(i) There occurs any material adverse change in the affairs, operation or financial condition of the University, except as set forth or contemplated in the Official Statement, the effect of which is, in the reasonable judgment of the Underwriter, to materially adversely affect the market for the Series 2014 Bonds or the sale, at the contemplated prices (or yields) by the Regents of the Series 2014 Bonds; or

(j) The Official Statement is not executed, approved and delivered in accordance with the terms hereof; or

(k) In the reasonable judgment of the Underwriter, the market price of the Series 2014 Bonds, or the market price generally of obligations of the general character of the Series 2014 Bonds, would be adversely affected because: (i) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, or (ii) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Series 2014 Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, underwriters; or

(l) Any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance, sale or delivery of the Series 2014 Bonds or in any way contesting or affecting any authority for or the validity of the Series 2014 Bonds, the Regents' Documents, or the existence or powers of the Regents or any of the transactions described herein or in the Official Statement; or

(m) Any underlying rating on the Series 2014 Bonds or other Bonds of the Regents which are secured by a pledge of the Pledged Revenues on a parity with the pledge of the Series 2014 Bonds thereon is reduced or withdrawn or placed on credit watch with negative outlook by any major credit rating agency.

7. <u>Conditions to Purchase</u>. The Underwriter has executed and delivered this Bond Purchase Agreement in reliance upon the representations, warranties and obligations of the Regents contained herein. Accordingly, the Underwriter's obligations under this Bond Purchase Agreement shall be subject to the following conditions:

(a) The representations and warranties of the Regents contained herein shall be true and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing and will be confirmed by certificates of the appropriate Regents' or University official or officials, dated the Closing Date, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects at the Closing; and the Regents shall be in compliance with each of the warranties, agreements and covenants made by them in this Bond Purchase Agreement.

(b) At the Closing, the following conditions shall have been satisfied:

(1) the Series 2014 Bonds shall be executed by the Regents, authenticated by the Trustee and delivered to the Underwriter for purchase as described in Section 5 hereof;

(2) all actions which, in the opinion of Co-Bond Counsel and the Underwriter, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect;

(3) the Regents shall perform or shall have performed all of their obligations required under or specified in this Bond Purchase Agreement and the Official Statement to be performed at or prior to the Closing;

(4) all necessary resolutions and other official action of the Regents relating to the Regents' Documents and the issuance and sale of the Series 2014 Bonds, and all necessary resolutions and other official action of the Regents relating to all other agreements or documents to be executed and delivered by the Regents in connection with the issuance and sale of the Series 2014 Bonds shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect, except with the consent of the Underwriter;

(5) each of the Regents' Documents and the Series 2014 Bonds shall have been fully executed by the relevant parties and shall be in full force and effect;

(6) the Official Statement, executed by the Regents and in form and substance acceptable to the Underwriter, shall have been delivered to the Underwriter; and

(7) evidence satisfactory to the Underwriter of filing a report with the State Treasurer pursuant to Idaho Code Section 67-1222 shall have been delivered to the Underwriter.

(c) At or prior to the Closing, the Underwriter shall receive the following documents in such number of counterparts as shall be mutually agreeable to the Regents and the Underwriter:

(1) Certified copies of the 2014 Supplemental Resolution and all resolutions of the Regents relating to the Series 2014 Bonds and approving the execution and delivery of each Regents' Document and the Official Statement;

(2) Copies of the Series 2014 Bonds;

(3) Executed copies of the Continuing Disclosure Agreement, a Tax Certificate relating to the Series 2014 Bonds delivered by the Regents, and the Representations Letter;

(4) The Official Statement executed on behalf of the Regents by their duly authorized officer;

(5) The approving opinions of Co-Bond Counsel, dated the Closing Date, in substantially the forms set forth in Appendix F to the Official Statement;

(6) Supplemental opinions of Co-Bond Counsel, dated the Closing Date, in substantially the form set forth in **Exhibit A** hereto;

(7) An opinion of Underwriter's Counsel, dated the Closing Date, in substantially the form acceptable to the Underwriter;

(8) A certificate of the Attorney General of the State, dated the Closing Date, relating to validity of the Series 2014 Bonds;

(9) An opinion of Counsel to the Regents and the University addressed to the Underwriter, the Regents, and Co-Bond Counsel, dated the Closing Date, in form and substance satisfactory to the Underwriter, to the effect that (i) the University is an

institution of higher education and a body politic of the State, duly and validly created and existing pursuant to the laws of the State with, and the Regents have, full legal right, power and authority to issue the Series 2014 Bonds, to adopt the Resolution, to pledge the Pledged Revenues, to enter into the Regents' Documents, and to consummate the transactions contemplated by the Resolution and the Regents' Documents, (ii) the Resolution was duly adopted by the Regents, (iii) the adoption of the Resolution by the Regents and the execution and delivery of the Regents' Documents and the performance by the Regents or the University of the transactions contemplated thereby will not conflict with or constitute a breach of, or default under, any provision of the applicable law, rule, regulation, ordinance, judgment, order or decree to which the Regents or the University is subject, or any commitment, note, agreement or other instrument to which the University or Regents is a party or by which it or any of their respective property is bound; (iv) the Relevant Portions of the Official Statement are true and correct in all material respects and do not omit to state a material fact; (v) except as disclosed in the Official Statement, there is no action, suit, proceeding, official inquiry or investigation, at law or in equity, pending or, to the knowledge of such Counsel, threatened (and there is no basis for such action, suit, proceeding, official inquiry or investigation) which (1) questions the existence or powers of the Regents or the University or any of their respective officers; (2) seeks to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2014 Bonds or the authorization, execution and delivery of the Resolution or any Regent Document or validity of the proceedings taken by the Regents in connection with the issuance of the Series 2014 Bonds; (3) affects the collection of the Pledged Revenues pledged or to be pledged to pay the principal of and interest on the Series 2014 Bonds; or (4) contests the completeness or accuracy of the Official Statement;

(10) Letters from Moody's and S&P to the effect that the Series 2014 Bonds have received ratings of ["Aa3" from Moody's and "A+" from S&P,] both of which ratings shall be in effect at Closing;

(11) A certificate of the Regents, dated the Closing Date, in substantially the form acceptable to the Co-Bond Counsel and the Underwriter;

(12) A certificate of the Trustee, dated the Closing Date, to the effect that the Trustee (i) is duly organized and validly existing under the laws of the United States of America, with full corporate trust powers, (ii) has full right, power and authority to enter into and perform the obligations under the Resolution, and (iii) has validly accepted its obligations under the Resolution, which obligations are legally valid and binding obligations of the Trustee;

(13) A certificate of the Regents, dated the Closing Date, required by Sections 7.2 (2) and 7.2(4) of the Original Resolution; and

(14) Such additional legal opinions, certificates, proceedings, instruments and other documents as Co-Bond Counsel may reasonably request to evidence compliance by the Regents with legal requirements, the truth and accuracy, as of the time of Closing, of the respective representations of the Underwriter and the Regents herein contained and the due performance or satisfaction by each of them at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by each of them.

If the Regents shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Bond Purchase Agreement, or if the obligations of the Underwriter to place and accept delivery of the Series 2014 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriter nor the Regents shall be under further obligation hereunder; except that the Regents' obligations to pay fees and expenses, as provided in Section 9 hereof, shall continue in full force and effect. The Underwriter shall have the right to waive any of the conditions to its obligations contained in this Bond Purchase Agreement.

8. Survival of Representations, Warranties and Agreements. All representations, warranties and agreements of the Regents and the Underwriter shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter or the Regents and shall survive the Closing. The obligations of the Regents and the Underwriter under Section 9 hereof shall survive the Closing and any termination of this Bond Purchase Agreement by the Underwriter pursuant to the terms hereof.

9. Fees and Expenses. The Regents will pay or cause to be paid all reasonable expenses incident to the performance of its obligations under this Bond Purchase Agreement, including, but not limited to, mailing or delivery of the Series 2014 Bonds, costs of printing of the Series 2014 Bonds, the Preliminary Official Statement, the final Official Statement and any amendment or supplement to the Official Statement, fees and disbursements of Co-Bond Counsel and Underwriter's Counsel, fees and expenses of the accountants of and counsel to the Regents, any fees charged by rating agencies for the ratings of the Series 2014 Bonds, and any fees and expenses of the Trustee.

10. Notices. Any notice or other communication to be given to the Regents under this Bond Purchase Agreement may be given by delivering the same in writing at its address set forth above and to the attention of President and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to George K. Baum & Company, 1400 Wewatta Street, Suite 800, Denver, Colorado 80202, Attention: Lee White, Executive Vice President.

11. Benefit. This Bond Purchase Agreement is made solely for the benefit of the Regents and the Underwriter (including the successors or assigns of the Underwriter) and no other person, including any purchaser of the Series 2014 Bonds, shall acquire or have any right hereunder or by virtue hereof. This Bond Purchase Agreement shall be binding upon the successor and assigns, if any, of the Regents and the Underwriter.

12. Governing Law. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State, without giving effect to its principles of conflicts of laws.

[Signature Page Follows]

13. Effective Date. This Bond Purchase Agreement shall become effective upon your acceptance hereof and may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

Very truly yours,

GEORGE K. BAUM & COMPANY

By: ____________________________________
[Name; Title]

Accepted and agreed to as of
the date first above written:

THE REGENTS OF THE UNIVERSITY OF IDAHO

By: ____________________________________
Ronald E. Smith, Vice President for
Finance and Administration and Bursar

Time of Execution: ___________________

SCHEDULE 1

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES

$__________
THE REGENTS OF THE UNIVERSITY OF IDAHO
General Revenue Bonds, Series 2014A

Maturity Date (April 1)	Principal Amount	Interest Rate	Price	CUSIP
2015	$	%	%	914318 ___
2016				914318 ___
2017				914318 ___
2018				914318 ___
2019				914318 ___
2020				914318 ___
2021				914318 ___
2022				914318 ___
2023				914318 ___
2024				914318 ___
2025				914318 ___
2026				914318 ___
2027				914318 ___
2028				914318 ___

$_______ Term Bond due April 1, ____, Interest Rate: _____%, Price: ____% CUSIP: 914318 ___

EXHIBIT A

Supplemental Opinion of Co-Bond Counsel

July __, 2014

George K. Baum & Company
Denver, Colorado

Re: The Regents of the University of Idaho General Revenue Bonds, Series 2014

This letter is being delivered to you pursuant to Section 7(c)(6) of the Bond Purchase Agreement (the "Purchase Agreement") dated June __, 2014 between George K. Baum & Company (the "Underwriter"), and the Regents of the University of Idaho (the "Regents"), which Purchase Agreement relates to the purchase by the Underwriter of $_______________ aggregate principal amount of the Regents' General Revenue Bonds, Series 2014 (the "Series 2014 Bonds"). Capitalized terms which are used herein but which are not otherwise defined shall have the meanings assigned to them in the Purchase Agreement.

We have acted as co-bond counsel to the Regents in connection with the issuance of the Series 2014 Bonds and, in that capacity, have examined executed counterparts of the Purchase Agreement, the Resolution, the Continuing Disclosure Agreement and the Official Statement of the Regents with respect to the Series 2014 Bonds dated June __, 2014 (the "Official Statement"). We have also examined the originals or copies, certified or otherwise identified to our satisfaction, of such other documents, records and other instruments as we have deemed necessary or advisable for purposes of this letter.

On the basis of such examination, we are of the opinion as of the date hereof and under currently existing law as follows:

1. The Purchase Agreement and the Continuing Disclosure Agreement have each been duly authorized, executed and delivered by the Regents.

2. The Series 2014 Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

3. The statements contained in the Official Statement under the captions "INTRODUCTION—Authority for Issuance," "—Terms of the Series 2014 Bonds," "—Payment and Security for the Series 2014 Bonds," "THE SERIES 2014 BONDS," "SECURITY FOR THE SERIES 2014 BONDS–Pledged Revenues," "—Covenants," "—No Debt Service Reserve Account for the Series 2014 Bonds," and "TAX MATTERS," and in APPENDIX C, and APPENDIX F to the Official Statement insofar as the statements contained under such captions purport to summarize and/or extract certain provisions of the Series 2014 Bonds, the Resolution, and our opinion with respect to the status of interest on the Series 2014 Bonds, present an accurate summary and/or extract of such provisions in all material respects.

Because the primary purpose of our professional engagement as co-bond counsel was not to establish factual matters and because of the wholly or partially nonlegal character of many determinations involved in the preparation of the Official Statement, except with regards to the matters contained in Paragraph 3 above, we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. However, in our capacity as co-bond counsel, during the course of preparation of the Official Statement, we met in conferences with representatives of and counsel to the Regents and the University, your representatives and counsel, and others, during which conferences the contents of the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences, and in reliance thereon and on the certificates and other documents herein mentioned, we advise you that no information came to the attention of the attorneys in our firm rendering legal services in such connection which caused them to believe that the Official Statement as of its date and as of the date of this letter contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that no opinion or belief is expressed herein as to financial statements, financial, economic demographic or statistical data, forecasts, charts, estimates, projections, assumptions, expressions of opinion, any information about book-entry and The Depository Trust Company, and information contained in Appendix A, Appendix B, and Appendix E to the Official Statement).

We have on this day rendered our approving opinion as Co-Bond Counsel to the Regents with respect to the Series 2014 Bonds. You are entitled to rely on such opinion as if it were addressed to you.

This letter is furnished by us as co-bond counsel to the Regents. No attorney-client relationship has existed or exists between our firm and you in connection with the Series 2014 Bonds or by virtue of this letter. We disclaim any obligation to update this letter. This letter is delivered to you solely for your benefit and may not be relied upon by any other persons. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by the owners of the Series 2014 Bonds or by any party to whom it is not addressed.

Respectfully submitted,

SKINNER FAWCETT LLP

BALLARD SPAHR LLP

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CONTINUING DISCLOSURE AGREEMENT

Between

THE REGENTS OF THE UNIVERSITY OF IDAHO

and

WELLS FARGO BANK, N.A.
as Trustee and Dissemination Agent

Dated as of July __, 2014

Relating to

$___________

THE REGENTS OF THE UNIVERSITY OF IDAHO
General Revenue Bonds
Series 2014A

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "**Agreement**") dated as of July __, 2014, is entered into by and between THE REGENTS OF THE UNIVERSITY OF IDAHO (the "**Regents**"), a body politic and corporate organized and existing under and pursuant to the Constitution and laws of the State of Idaho (the "**University**"), and WELLS FARGO BANK, National Association, (the "**Trustee**" and as more particularly defined below, the "**Dissemination Agent**") in connection with the issuance by the Regents of its $_________ General Revenue Bonds, Series 2014A (the "**Bonds**"). The Bonds are being issued pursuant to a Supplemental Resolution adopted by the Regents on June 19, 2014 (the "**2014 Supplemental Resolution**") supplementing that certain Resolution adopted by the Regents on November 22, 1991 (as subsequently amended and supplemented and together with the 2014 Supplemental Resolution, referred to herein as the "**Resolution**").

The Regents covenant and agree as follows:

SECTION 1. Purpose of the Agreement. This Agreement is being executed and delivered by the Regents for the benefit of the Bondowners and in order to allow the Participating Underwriters (as defined by Rule 15c2-12) to comply with Rule 15c2-12.

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"**Annual Financial Information**" means the financial information or operating data with respect to the University and the Pledged Revenues, delivered at least annually pursuant to Section 3 hereof, of the type set forth in the Official Statement, including but not limited to, such Pledged Revenues and debt service coverage information of the type set forth under the caption "HISTORICAL PLEDGED REVENUES," provided that such information shall be provided only on an actual basis, financial information and operating data set forth under the captions "SECURITY FOR THE SERIES 2014 BONDS – Tuition and Student Fees," "– Sales and Services Revenues," "– Facilities and Administrative Recovery Revenues," "– Other Operating Revenues" and "– Investment Income," "THE UNIVERSITY – Housing and Student Union Facilities," "– Employee Retirement Plan; Post Retirement Health Benefits" and "– Insurance," "FINANCIAL OPERATIONS OF THE UNIVERSITY – State Appropriations," "– Financial Assistance" and "– Schedule of Outstanding Indebtedness," the table titled "Five-Year Historical Enrollment Summary" under the caption "THE UNIVERSITY – Student Body," and the table in Appendix B titled "2014-2015 Tuition and Student Fees."

"**Audited Financial Statements**" means the annual financial statements for the University, prepared in accordance with generally accepted accounting principles as in effect from time to time, audited by a firm of certified public accountants.

"**Bondowner**" or "**owner of the Bonds**" means the registered owner of the Bonds, and so long as the Bonds are subject to the book-entry system, any Beneficial Owner as such term is defined in the Resolution.

"**Dissemination Agent**" means Wells Fargo Bank, National Association, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Regents and which has filed with the Trustee under the Resolution a written acceptance of such designation.

"**Events**" means any of the events listed in Section 4(a) and 4(b) of this Agreement.

"**MSRB**" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to Rule 15c2-12. Unless otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) system of the MSRB, currently located at http://emma.msrb.org.

"**Official Statement**" means the final Official Statement dated June __, 2014 delivered in connection with the issue and sale of the Bonds.

"**Rule 15c2-12**" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Information.

(a) Commencing with the Fiscal Year ended June 30, 2014, and annually while the Bonds remain outstanding, the Regents shall provide to the Dissemination Agent Annual Financial Information and Audited Financial Statements.

(b) Such Annual Financial Information shall be provided by the Regents not later than 180 days after the end of each Fiscal Year. The Audited Financial Statements will be provided when available but in no event later than 180 days after the end of each Fiscal Year.

(c) The Regents may provide Annual Financial Information and Audited Financial Statements with respect to the University and the Pledged Revenues by specific cross-reference to other documents which have been submitted by the Dissemination Agent to the MSRB or filed with the Securities and Exchange Commission. If the document so referenced is a final official statement within the meaning of Rule 15c2-12, such final official statement must also be available from the MSRB. The Regents shall clearly identify each such other document so incorporated by cross-reference.

(d) The Dissemination Agent shall provide Annual Financial Information and Audited Financial Statements to the MSRB on or before the tenth day after the Dissemination Agent receives such Annual Financial Information and Audited Financial Statements from the Regents. The Regents shall include with each submission of Annual Financial Information to the Dissemination Agent a written representation addressed to the Dissemination Agent to the effect that the Annual Financial Information is the Annual Financial Information required by this Agreement and that it complies with the applicable requirements of this Agreement.

SECTION 4. Reporting of Events.

(a) At any time the Bonds are outstanding, in a timely manner not in excess of ten (10) business days after the occurrence of an Event, the Regents shall provide or cause to be provided to the MSRB notice of any of the following Events with respect to the Bonds:

(1) Principal and interest payment delinquencies;

(2) Unscheduled draws on debt service reserves reflecting financial difficulties;

(3) Unscheduled draws on credit enhancements reflecting financial difficulties;

(4) Substitution of credit or liquidity providers, or their failure to perform;

(5) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(6) Defeasances;

(7) Rating changes;

(8) Tender offers; and

(9) Bankruptcy, insolvency, receivership, or similar event of the Obligated Person.

For the purposes of the event identified in paragraph (4)(a)(9) hereof, the event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) At any time the Bonds are outstanding, in a timely manner not in excess of ten (10) business days after the occurrence of an Event, the Regents shall provide or cause to be provided to the MSRB notice of any of the following Events with respect to the Bonds, if material:

(1) Non-payment related defaults;

(2) Modification to the rights of the beneficial owners of the Bonds;

(3) Bond calls;

(4) Release, substitution or sale of property securing repayment of the Bonds;

(5) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and

(6) Appointment of a successor or additional trustee or a change in the name of a trustee.

Whenever the Regents obtain knowledge of the occurrence of an Event specified in paragraph 4(b), the Regents shall as soon as possible determine if such Event would constitute material information for owners of Bonds.

(c) If the Regents determine that knowledge of the occurrence of an Event listed in Section 4(b) would be material, the Regents shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to Section 4(d) hereof.

(d) If the Dissemination Agent has been instructed by the Regents to report the occurrence of an Event listed in Section 4(a) or Section 4(b), the Dissemination Agent shall in a timely manner not in excess of ten (10) business days after the occurrence of an Event file a notice of such occurrence with the MSRB with a copy to the Regents.

(e) The Dissemination Agent, if the Dissemination Agent is also the Trustee, shall promptly advise the Regents whenever, in the course of performing its duties as Trustee under the Resolution, it identifies an occurrence of an Event which could require the Regents to provide a notice pursuant to this Section 4; provided that the failure of the Dissemination Agent so to advise the Regents of such occurrence shall not constitute a breach by the Dissemination Agent, in its capacity as Trustee, of any of its duties and responsibilities hereunder or under the Resolution.

(f) At any time the Bonds are outstanding, the Dissemination Agent shall, without further direction or instruction from the Regents, provide in a timely manner to the MSRB notice of any failure by the Regents to provide Annual Financial Information and Audited Financial Statements (in substantially the form attached as Exhibit A to this Agreement) as specified in Section 3 hereof.

SECTION 5. Filing. The filing of Annual Financial Information, Audited Financial Statements, notices of Events or any other notice required by this Agreement shall be effected by sending the filing or notice to the MSRB, in such designated electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

SECTION 6. Concerning the Dissemination Agent.

(a) The Dissemination Agent shall not have any obligation to examine or review the Annual Financial Information and Audited Financial Statements and neither shall it have a duty to verify the accuracy or completeness of the Annual Financial Information and Audited Financial Statements.

(b) Solely for the purpose of (i) defining the standards of care and performance, including indemnification, applicable to the Dissemination Agent in the performance of its obligations under this Agreement, (ii) the manner of execution by the Dissemination Agent of those obligations, and (iii) matters of removal, resignation, succession of the Dissemination Agent under this Agreement, Article VIII of the Resolution is hereby made applicable to this Agreement as if this Agreement was (solely for this purpose) contained in the Resolution; provided that the Dissemination Agent shall have only such duties under this Agreement as are specifically set forth in this Agreement. Except as provided in Section 4(e) hereof, the Dissemination Agent shall have no duty to investigate or monitor compliance by the Regents with the terms of this Agreement. The Disseminating Agent shall have no obligation to examine or review the Annual Financial Information, Audited Financial Statements and notices of Events provided to it pursuant to the terms of this Agreement, and shall have no liability or responsibility for the form of, or the accurateness or completeness of, the Annual Financial Information, Audited Financial Statements and notices of Events disseminated by the Dissemination Agent hereunder.

Notwithstanding the provisions of Section 6 above, the Regents hereby agree to the extent permitted by law to hold harmless and to indemnify the Dissemination Agent, its employees, officers, directors, agents and attorneys from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever (including attorneys' fees and expenses, whether incurred before trial, at trial, or on appeal, or in any bankruptcy or arbitration proceedings), which may be incurred by the Dissemination Agent by reason of or in connection with the disclosure of information in accordance with this Agreement, except to the extent such claims, damages, losses, liabilities, costs or expenses result directly from the negligence or willful misconduct of the Dissemination Agent in the performance of its duties under this Agreement. In no event shall Disclosure Agent be liable for special, indirect, or consequential losses or damages of any kind whatsoever (including but not limited to lost profits) even if Disclosure Agent has previously been advised of such losses and damages. This Section shall survive the termination of the Agreement, payment of the Bonds, and the removal or resignation of the Dissemination Agent.

SECTION 7. Term. This Agreement shall be in effect from and after the issuance and delivery of the Bonds and shall extend to the earliest of (a) the date all principal and interest on the Bonds shall have been deemed paid pursuant to the terms of the Resolution; (b) the date that the Regents shall no longer constitute an "obligated person" with respect to the Bonds within the meaning of Rule 15c2-12; and (c) the date on which those portions of Rule 15c2-12 which require this Agreement are determined to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds, which determination may be made in any manner deemed appropriate by the Regents, including by an opinion of any attorney or firm of attorneys experienced in federal securities laws selected by the Regents. The Regents shall provide a notice of any such termination with the Dissemination Agent who shall file such notice with the MSRB.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the Regents may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is consistent with Rule 15c2-12. Written notice of any such amendment or waiver shall be provided by the Regents to the Dissemination Agent who shall file it with the MSRB, and the Annual Financial Information shall explain the reasons for the amendment and the impact of any change in the type of information being provided. If any amendment changes the accounting principles to be followed in preparing financial statements, the Annual Financial Information for the year in which the change is made will present a comparison between the financial statement or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the Regents from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other annual information or notice of occurrence of an event which is not an Event, in addition to that which is required by this Agreement; provided that the Regents shall not be required to do so. If the Regents choose to include any annual information or notice of occurrence of an event in addition to that which is specifically required by this Agreement, the Regents shall have no obligation under this Agreement to update such information or include it in any future annual filing or notice of occurrence of an Event.

SECTION 10. Default and Enforcement. If the Regents fail to comply with any provision of this Agreement, any Bondowner may take action to seek specific performance by court order to compel the Regents to comply with its undertaking in this Agreement; provided that any Bondowner seeking to require the Regents to so comply shall first provide at least 30 days' prior written notice to the Regents of the Regents' failure (giving reasonable details of such failure), following which notice the Regents shall have 30 days to comply and, provided further, that only the owners of no less than a majority in aggregate principal amount of the Bonds may take action to seek specific performance in connection with a challenge to the adequacy of the information provided by the Regents in accordance with this Agreement, after notice and opportunity to comply as provided herein, and such action shall be taken only in a court of jurisdiction in the State of Idaho. A DEFAULT UNDER THIS AGREEMENT SHALL NOT BE DEEMED AN EVENT OF DEFAULT UNDER THE RESOLUTION OR THE BONDS, AND THE SOLE REMEDY UNDER THIS AGREEMENT IN THE EVENT OF ANY FAILURE OF THE REGENTS TO COMPLY WITH THIS AGREEMENT SHALL BE AN ACTION TO COMPEL PERFORMANCE.

SECTION 11. Beneficiaries. The Agreement shall inure solely to the benefit of the Regents, the Participating Underwriters and owners from time to time of the Bonds, and shall create no rights in any other person or entity.

THE REGENTS OF THE UNIVERSITY OF IDAHO

By:________________________________
Ronald E. Smith, Vice President
for Finance and Administration and
Bursar

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee and Dissemination Agent

By:________________________________
Name:______________________________
Title:______________________________

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION AND/OR AUDITED FINANCIAL STATEMENTS

Name of Authority:	The Regents of the University of Idaho
Name of Bond Issue:	The Regents of the University of Idaho General Revenue Bonds, Series 2014A
Name of Borrower:	UNIVERSITY OF IDAHO
Date of Issuance:	July __, 2014

NOTICE IS HEREBY GIVEN that the Borrower has not provided Annual Financial Information and/or Audited Financial Statements with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Agreement dated as of July __, 2014, adopted by the Regents of the University of Idaho. The Borrower anticipates that the Annual Financial Information and/or Audited Financial Statements will be filed by [Date].

Dated: _______ __, 20__

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By:________________________________
Authorized Signatory

cc: Borrower

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[On University of Idaho Letterhead]

July __, 2014

The Regents of the University of Idaho
University of Idaho
Moscow, ID 83844

Skinner Fawcett LLP
P.O. Box 700
515 South Sixth Street
Boise, ID 83701

Ballard Spahr LLP
201 South Main Street, Suite 800
Salt Lake City, UT 84111

George K. Baum & Company
1400 Wewatta Street, Suite 800
Denver, CO 80202

Office of the Idaho Attorney General
Statehouse, Second Floor
Boise, Idaho 83720

Wells Fargo Bank, National Association
1300 SW 5th Ave.
Portland, OR 97201

Re: The Regents of the University of Idaho, General Revenue Bonds, Series 2014 in the Principal Amount of $________________ (the "Series 2014 Bonds").

Ladies and Gentlemen:

As University Counsel to The Regents ("Regents") of the University of Idaho (the "University"), I have reviewed certain documents in connection with the issuance and sale by the Regents of the above-captioned bonds (the "2014 Bonds"), including the Resolution of the Regents adopted on November 22, 1991, as previously restated, amended and supplemented, and the Supplemental Resolution of the Regents dated June 19, 2014, authorizing the issuance and sale of the Series 2014 Bonds (collectively, the "Resolution"), the Preliminary Official Statement dated June __, 2014, the Official Statement dated June __, 2014 (the "Official Statement"), and such other documents as I deemed necessary to render this opinion.

ATTACHMENT 7

Capitalized terms used as defined terms in this opinion have the meaning assigned to such terms in the Resolution. This opinion is rendered under the Bond Purchase Agreement dated June __, 2014 (the "Bond Purchase Agreement") between the Regents and George K. Baum & Company (the "Underwriter"), wherein the Regents agree to issue and sell to the Underwriter the Series 2014 Bonds.

Based upon my examination, it is my opinion that:

1. The University is an institution of higher education and a body politic of the State of Idaho, duly and validly created and existing pursuant to the laws of the State of Idaho, with, and the Regents have, full legal right, power, and authority (i) to issue bonds of the University pursuant to the Resolution; (ii) to adopt the Resolution; (iii) to enter into the Bond Purchase Agreement, the Continuing Disclosure Agreement and the other agreements contemplated or required by the Resolution and the Bond Purchase Agreement; (iv) to pledge the Pledged Revenues (as defined in the Resolution) to secure the payment of the principal of and interest on the Series 2014 Bonds; and (v) to carry out and consummate the transactions contemplated by the Resolution, the Official Statement, the Continuing Disclosure Agreement and the Bond Purchase Agreement.

2 The meeting of the Regents on June 19, 2014, at which the Supplemental Resolution was duly adopted by the Regents, was called and held pursuant to law, all public notices required by law were given, and the actions taken at the meeting, insofar as such actions relate to the Series 2014 Bonds, were legally and validly taken.

3. The adoption of the Resolution by the Regents, the execution and delivery of the Bond Purchase Agreement, the Continuing Disclosure Agreement and the other agreements contemplated or required by the Resolution, the Official Statement and Bond Purchase Agreement, and the performance by the Regents or the University of the transactions contemplated thereby will not conflict with or constitute a breach of or default under, any provision of the Idaho Constitution or laws or any applicable existing law, rule, regulation, ordinance, judgment, order or decree to which the University or the Regents is subject, or to the best of our knowledge after due inquiry, any commitment, note, agreement or other instrument to which the Regents or University is a party or by which it or any of its property is bound, or conflict with or constitute a default under or result in the creation or imposition of any security interest, lien, charge or encumbrance (other than the lien of the Resolution) on any of its assets pursuant to the provisions of any of the foregoing.

4. The statements in the Official Statement under the sections titled “INTRODUCTION – the Regents and the University of Idaho” and “– Purpose of the Series 2014 Bonds,” “SECURITY FOR THE SERIES 2014 BONDS,” “PLAN OF FINANCE –Series 2014 Projects,” “HISTORICAL PLEDGED REVENUES,” “THE UNIVERSITY,”

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"FINANCIAL OPERATIONS OF THE UNIVERSITY," "UNIVERSITY GOVERNANCE AND ADMINISTRATION," "CONTINUING DISCLOSURE" and "LITIGATION" and in Appendices A and B to the Official Statement, are true and correct in all material respects and do not contain an untrue statement or omission of a material fact, it being understood that, in rendering this opinion, I am not expressing an opinion with respect to statistical data, technical and financial statements, operating statistics, and other financial data contained under these captions of the Official Statement. I hereby consent to the inclusion of my name as University Counsel to the Regents and the University in the section of the Official Statement entitled "LEGAL MATTERS" and on the cover page thereof.

5. The Regents have duly authorized the execution, delivery and performance by the Regents of the Bond Purchase Agreement and the Continuing Disclosure Agreement and such agreements are valid and binding obligations of the Regents enforceable against the Regents in accordance with their terms (subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally and to the application of equitable remedies, if equitable remedies are sought).

6. Except as described in the Official Statement, there is no action, suit, proceeding, official inquiry or investigation, at law or in equity, pending or, to my knowledge threatened (and there is no basis for such action, suit, proceeding, official inquiry or investigation,) which (i) questions the existence or powers of the Regents or the University or the title to office of any present official of the Regents or the University; (ii) seeks to prohibit, restrain or enjoin the sale, issuance or delivery of any of the Series 2014 Bonds or the authorization, execution and delivery of the Resolution, the Bond Purchase Agreement, Continuing Disclosure Agreement and the other agreements contemplated or required by the Resolution, the Official Statement and Bond Purchase Agreement; (iii) affects the collection of the Pledged Revenues pledged or to be pledged to pay the principal of and interest on the 2014 Bonds, or the pledge of the revenue and other funds and accounts under the Resolution; (iv) contests the completeness or accuracy of the Official Statement; or (v) contests any authority for the issuance of the 2014 Bonds, and the adoption of the Resolution, or the execution and delivery of the Bond Purchase Agreement and other agreements contemplated or required by the Resolution, the Official Statement or the Bond Purchase Agreement or the validity of any proceedings taken by the Regents or the University in connection with the issuance or sale of the 2014 Bonds.

Very Truly Yours,

Kent E. Nelson
University Counsel

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July __, 2014

George K. Baum & Company
Denver, Colorado

Re: The Regents of the University of Idaho General Revenue Bonds, Series 2014

This letter is being delivered to you pursuant to Section 7(c)(6) of the Bond Purchase Agreement (the "Purchase Agreement") dated June __, 2014 between George K. Baum & Company (the "Underwriter"), and the Regents of the University of Idaho (the "Regents"), which Purchase Agreement relates to the purchase by the Underwriter of $_______________ aggregate principal amount of the Regents' General Revenue Bonds, Series 20142014, (the "Series 2014 Bonds"). Capitalized terms which are used herein but which are not otherwise defined shall have the meanings assigned to them in the Purchase Agreement.

We have acted as co-bond counsel to the Regents in connection with the issuance of the Series 2014 Bonds and, in that capacity, have examined executed counterparts of the Purchase Agreement, the Resolution, the Continuing Disclosure Agreement and the Official Statement of the Regents with respect to the Series 2014 Bonds dated June __, 2014 (the "Official Statement"). We have also examined the originals or copies, certified or otherwise identified to our satisfaction, of such other documents, records and other instruments as we have deemed necessary or advisable for purposes of this letter.

On the basis of such examination, we are of the opinion as of the date hereof and under currently existing law as follows:

1. The Purchase Agreement, and the Continuing Disclosure Agreement have each been duly authorized, executed and delivered by the Regents.

2. The Series 2014 Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

3. The statements contained in the Official Statement under the captions "INTRODUCTION—Authority for Issuance," "—Terms of the Series 2014 Bonds," "—Payment and Security for the Series 2014 Bonds," "THE SERIES 2014 BONDS," "SECURITY FOR THE SERIES 2014 BONDS–Pledged Revenues," "—Covenants," "—No Debt Service Reserve Account for the Series 2014 Bonds," and "TAX MATTERS," and in APPENDIX C, and APPENDIX F to the Official Statement insofar as the statements contained under such captions purport to summarize and/or extract certain provisions of the Series 2014 Bonds, the Resolution,

and our opinion with respect to the status of interest on the Series 2014 Bonds, present an accurate summary and/or extract of such provisions in all material respects.

Because the primary purpose of our professional engagement as co-bond counsel was not to establish factual matters and because of the wholly or partially nonlegal character of many determinations involved in the preparation of the Official Statement, except with regards to the matters contained in Paragraph 3 above, we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. However, in our capacity as co-bond counsel, during the course of preparation of the Official Statement, we met in conferences with representatives of and counsel to the Regents and the University, your representatives and counsel, and others, during which conferences the contents of the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences, and in reliance thereon and on the certificates and other documents herein mentioned, we advise you that no information came to the attention of the attorneys in our firm rendering legal services in such connection which caused them to believe that the Official Statement as of its date and as of the date of this letter contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that no opinion or belief is expressed herein as to financial statements, financial, economic demographic or statistical data, forecasts, charts, estimates, projections, assumptions, expressions of opinion, any information about book-entry and The Depository Trust Company, and information contained in Appendix A, Appendix B, and Appendix E to the Official Statement).

We have on this day rendered our approving opinion as Co-Bond Counsel to the Regents with respect to the Series 2014 Bonds. You are entitled to rely on such opinion as if it were addressed to you.

This letter is furnished by us as co-bond counsel to the Regents. No attorney-client relationship has existed or exists between our firm and you in connection with the Series 2014 Bonds or by virtue of this letter. We disclaim any obligation to update this letter. This letter is delivered to you solely for your benefit and may not be relied upon by any other persons. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by the owners of the Series 2014 Bonds or by any party to whom it is not addressed.

Respectfully submitted,

SKINNER FAWCETT LLP

BALLARD SPAHR LLP

Ballard Spahr LLP

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ATTACHMENT 7

July __, 2014

University of Idaho
P.O. Box 443168
Moscow Idaho 83844-3168

RE: The Regents of the University of Idaho General Revenue Bonds, Series 2014A

We have acted as co-bond counsel to the Regents of the University of Idaho (the "Regents") in connection with the issuance by the Regents of their General Revenue Bonds, Series 2014A (the "Bonds"). The Bonds are being issued pursuant to (i) Title 57, Chapter 5 and Title 33, Chapter 38, Idaho Code, as amended and (ii) a Resolution, adopted by the Regents on November 22, 1991, as heretofore amended, supplemented, and restated, and as further supplemented and amended by a supplemental resolution of the Regents adopted on June 19, 2014 (collectively, the "Resolution"). The Bonds are being issued (i) to finance certain capital improvements of the University of Idaho (the "University"), and (ii) to pay costs of issuance associated with the Bonds. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Resolution.

Our services as co-bond counsel have been limited to the preparation of the legal proceedings and supporting certificates authorizing the issuance of the Bonds under the applicable laws of the State of Idaho and to a review of the transcript of such proceedings and certificates. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. Our examination has been limited to the foregoing as they exist or are in effect as of the date hereof. Our opinion is limited to the matters expressly set forth herein, and we express no opinion concerning any other matters.

Based on our examination and the foregoing, we are of the opinion as of the date hereof and under existing laws as follows:

1. The Resolution has been duly adopted by the Regents and constitutes a valid and binding obligation of the Regents enforceable upon the Regents.

ATTACHMENT 7

2. The Resolution creates a valid lien on the amounts pledged thereunder for the security of the Bonds.

3. The Bonds are valid and binding limited obligations of the Regents, payable solely from the Pledged Revenues and other amounts pledged therefor under the Resolution.

4. Based on an analysis of currently existing laws, regulations, decisions and interpretations, interest on the Bonds is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Bonds, assuming the accuracy of the certifications of the Regents and continuing compliance by the Regents with the requirements of the Internal Revenue Code of 1986. Interest on the Bonds is not an item of tax preference for purposes of either individual or corporate federal alternative minimum tax; however interest on the Bonds held by a corporation (other than an S corporation, regulated investment company, or real estate investment trust) may be indirectly subject to federal alternative minimum tax because of its inclusion in the adjusted current earnings of a corporate holder; interest on the Bonds is exempt from State of Idaho personal income taxes;

In rendering our opinion, we wish to advise you that:

(i) The rights of the Owners of the Bonds and the enforceability thereof and of the Resolution may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases;

(ii) We express no opinion herein as to the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Bonds; and

(iii) Except as set forth above, we express no opinion regarding any other tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on the Bonds.

Respectfully submitted,

SKINNER FAWCETT LLP

BALLARD SPAHR LLP

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Placeholder for Standard & Poor's Ratings Reports

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University of Idaho June 18-19, 2014

New Facility and Building Renovation/Improvements Details Attachment

UNIVERSITY OF IDAHO

Attachment

SUBJECT

Description of proposed 2014 bond projects - Integrated Research and Innovation Center and College of Education Building, Renovation and Improvements.

BACKGROUND/ DISCUSSION

Integrated Research and Innovation Center

The University of Idaho (UI) is currently in the design process of an effort aimed at constructing an Integrated Research and Innovation Center (IRIC) on the Moscow campus. This proposed new building will be sited at a central location in the heart of the campus. This proposed facility will establish modern and capable science spaces supporting interdisciplinary research and provide core visualization and computing labs. The project has been cited as a key priority in our multi-year capital plans and state funding requests since 1999.

The University received a federal grant supporting conceptual planning of the facility in 2005, and subsequently hired NBBJ as the design agent through a competitive qualifications-based selection process. Initial work included a review of current campus research capabilities, and an evaluation of options to build new versus remodel existing science spaces. Site analysis and selection and initial architectural programming work followed. This initial program work and subsequent program iterations yielded a refined and tested vision of a $49M project providing state of the art new science and research space.

In December of 2012, the university achieved Board of Regents Authorization for the planning and design phases of the project. The architectural firm NBBJ was retained for the design process. NBBJ has assembled a highly competent and professional team of sub consultants and design is now well underway. The design team has completed the conceptual design, schematic design, and design development phases of the design process, and is approximately 90% complete with the construction document phase. At this point, the documents envision a three story structure of 70,800 gsf.

The design and project administration team working together has determined that the project is best delivered in two major phases. The first phase consists of site clearing, site excavation, site utilities, footings and foundations, under floor utilities, first floor slab-on-grade, and the erection of steel framing. This first phase will be funded by a $5 million contribution to the overall project by the State of Idaho through the Permanent Building Fund (PBF). Given the PBF funding, the initial phase of the project will be delivered and administered by the State of Idaho

Division of Public Works (DPW) under the direction and guidance of Tim Mason, Administrator. DPW has achieved the needed project authorizations to initiate construction under the policies and processes of the Permanent Building Fund Advisory Council (PBFAC).

Subsequent to the PBF funded, DPW administered phase of the project, the university will take over and administer a second phase that will complete the build-out of the project. A coordinated milestone schedule for this transfer of project administrative responsibilities is being developed in cooperation between DPW, the university and the design team. While an exact date is yet to be determined, it is generally assumed that this handoff will occur approximately late 2014/early 2015. The UI administered phase of the project will be funded through bond proceeds developed by the University of Idaho.

A rough timeline for the anticipated design and construction process, to include future board authorizations, follows:

Dec 2012	Regents authorized planning and design phase, and The design process was initiated
Apr 2014	Regents authorized project construction implementation
Jun 2014	Seek authorization for issuance of construction bonds
Jul 2014	Begin construction of the PBF funded, DPW administered phase of the project—24 months construction overall, to include building commissioning and move in
Fall 2016	Building operational

The project is expected to be funded through a combination of State of Idaho PBF funds allocated for this purpose, and agency funding.

In the December, 2012 authorization request for the planning and design phases, the university indicated that the planning and design phase expenditures of $3.6 million would be funded through the use of existing cash reserves. Further, the university indicated that those cash reserves would be restored and replenished through the proposed construction phase bond sale anticipated to occur following indebtedness authorization in June, 2014. The funding summary below and as detailed in the Capital Project Tracking Sheet reflects this intent.

This project directly supports the University's strategic plan and its education, research, and outreach goals and is fully consistent with the University's Long Range Campus Development Plan (LRCDP), and the Campus Infrastructure Master Plan.

IMPACT

This design and construction project effort is anticipated to be $49,000,000. The overall project impact, to include the pre-planning expenditures, planning and design phases, and construction is $49,938,600.

University of Idaho June 18-19, 2014

New Facility and Building Renovation/Improvements Details Attachment

Prior Authorized Expenditures (Pre-Planning/Pre-Design)
(As reported in April, 2012)

Funding	$938,600	**Expenditures**	$936,427

Anticipated IRIC Project (Planning, Design and Construction)

Funding		**Estimate Budget**	
State (FY14 & 15)	$ 5,000,000	Construction	$ 38,018,800
Federal (Grant)	$ 0	A/E & Consultant Fees	$ 3,736,500
Other (UI/Bond)	$ 44,000,000	Fixtures, Furn., & Equip.	$ 1,365,000
Private	$ 0	Commissioning	$ 125,000
Total	$ 49,000,000	Testing and Surveys	$ 280,000
		Plan Check & Fees	$ 105,000
		Institutional Support	$ 41,000
		Contingency	$ 5,328,700
		Total	$ 49,000,000

College of Education Building, Renovation and Improvements

This effort is modeled after the successful asbestos remediation and whole building renovation of the former University Classroom Center (UCC), now the Teaching and Learning Center (TLC), completed at the University of Idaho in 2005. The UCC presented the very same issues associated with steel framing covered by ACM fire-proofing in an otherwise sound structure that was equipped with a non-compliant, non-ducted open plenum return HVAC system. Just as with the College of Education Building, the conclusion in the case of the UCC was that a whole-building renovation approach provided the best and most efficient solution for the University and the State. The UCC- to -TLC renovation and improvement was completed in 2005 to great success.

When complete, the project will result in the complete revitalization and renewal of the existing structure with the intent of providing a safe, clean, efficient, sustainable, aesthetic, technology capable, flexible environment in which the College of Education can deliver programs and pedagogies designed to support current, technologically-supported, educational content to the students of the College and future educational professionals on behalf of the citizens of the State of Idaho.
The University desires to proceed with the project led and administered by the State Division of Public Works. Funding is envisioned to be a combination of State Permanent Building Funds (PBF) as well as bond funds procured by the University of Idaho, and donated gifts.

The design phase is now well underway. The design and project administration team working together has determined that the project is best delivered in two major phases. The first phase consists of abatement of hazardous materials and demolition and the second phase will consist of the renovation and restoration of the College of Education Building.

The abatement and demolition phase is estimated to have a performance period of 8 to 9 months given the character and the amount of contaminated materials and systems present in the existing building. Schedule constraints drive the need to begin the abatement and demolition phase during the summer of 2014. Design work on the renovation and restoration phase will continue in parallel with the implementation of the hazardous materials and demolition phase.

Project Delivery Schedule Summary

In general, the overall milestones anticipate that the building is off-line for renovation and unoccupied beginning mid-summer of 2014 through summer of 2016. The goal is that the renovated and improved College of Education Building will be fully functional and operational for the Fall Semester, 2016.

June 2013	Regents authorized planning and design phase
Apr 2014	Regents authorized project construction implementation
Jun 2014	Seek authorization for issuance of construction bonds
Jul 2014	Begin construction
Fall 2016	Building operational

IMPACT

The immediate fiscal impact of this effort is to fund the abatement, demolition and phase costs of the project. The total budget for this project effort is currently set at $17,160,000, to include design and construction costs and appropriate and precautionary contingency allowances. This is an increase over the amount indicated in the initial Planning and Design Phases Authorization and is the result of successful fund raising efforts spearheaded by the Dean of the College of Education. This additional amount will be used to secure the full scope of the project and to ensure the desired level of fit and finish.

University of Idaho June 18-19, 2014

New Facility and Building Renovation/Improvements Details Attachment

Overall College of Education Project

Funding	
State	
FY 13 A&R	$192,600
FY 14 A&R	$1,004,900
FY 14 Appr.	$3,750,000
FY 15 Appr.	$2,000,000
Other	
UI Bond Funds	$7,552,500
UI Gift Funds	$2,660,000
Total	$17,160,000

Estimate Budget	
HazMat & Demo Phase	$2,000,000
Construction Phase	$12,300,000
A/E, IH & Consultant Fees	$2,050,000
Commissioning	$77,000
Testing and Surveys	$72,000
Plan Check & Fees	$15,774
Contingency	$645,226
Total	$17,160,000

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LEWIS-CLARK STATE COLLEGE

SUBJECT
Increase to FY2015 Athletic Limit

REFERENCE
April 2014 — Idaho State Board of Education approved revised Athletic Limits for FY2015

APPLICABLE STATUTE, RULE, OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.X.

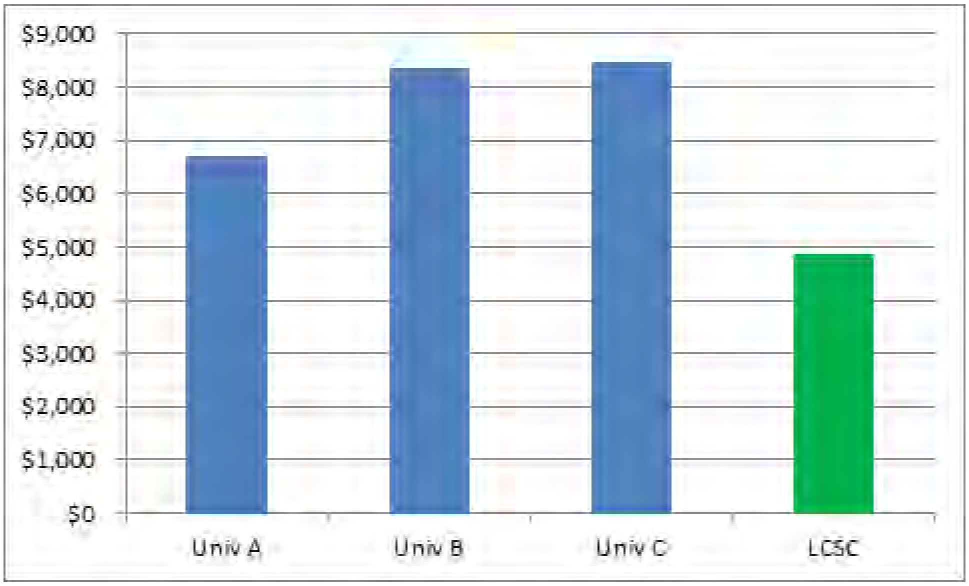
BACKGROUND/DISCUSSION
Lewis-Clark State College's (LCSC) men and women's track and cross-country programs are flourishing. During this past year, an unprecedented number of our cross-country and track and field athletes qualified for NAIA national tournaments, and participation has increased to a total of 80 student athletes. LCSC plans to increase participation in track and cross-country by at least 20 students in FY2015. To accommodate the expansion of these programs, the College is requesting that its current General Fund limit of $993,300 be increased by $100,000 to a new total of $1,093,300.

Currently, the LCSC General Fund athletic limit, on a per-participant basis, is the lowest of any of the four-year institutions. To date, LCSC has not requested temporary or permanent increases to its General Fund athletic limit to cover Gender Equity costs. LCSC's approach is to manage Gender Equity requirements within the Board's basic General Fund limit, if possible. While Title IX considerations will be a key factor in recruitment of the additional student athletes, this request is not being presented as a Gender Equity proposal, per se.

Shown below are the FY2015 General Fund limits for the four institutions and the total number of participants at each of the institutions (FY2013 actual participant counts taken from the latest Intercollegiate Gender Equity Reports).

Institution	Gen Fund Limit	Gender Equity Gen Fund Limit	Total Gen Fund Limit	Participants	Dollar Limit per Participant
BSU	$2,671,900	$1,178,600	$3,850,500	574	$6,708
ISU	$2,671,900	$780,000	$3,451,900	414	$8,338
UI	$2,671,900	$1,021,300	$3,693,200	437	$8,451
LCSC	$993,300	$0	$993,300	204	$4,869

General Fund Dollar Limits per Participant



LCSC continues to operate a successful—and lean—Athletics program, while keeping below (though close to) the Board-directed athletic limits. The requested $100,000 increase in LCSC's General Fund Athletic Limit would enable the College to support projected growth in its track/cross-country programs and would also increase enrollment and tuition revenue (as a result of 20 additional student athletes). The College is not requesting an increase in the support limit for Institutional Funds, nor is it requesting any increase to the current Student Activity Fee formula.

IMPACT

Approval of this request would enable LCSC to use available General Fund dollars to hire an assistant coach to support track-and-field/cross-country programs. Currently, only one paid employee supports these six programs (men and women's cross-country, men and women's indoor track, and men and women's outdoor track). The remaining funds would support additional operating expenses, travel, and equipment costs associated with the expansion of the program. After expanding participation in the program to the President's-approved target of 20 additional athletes, the new LCSC General Fund limit dollars per student ratio would remain essentially unchanged, increasing from the current level of $4,869 per participant (as shown in the graph above) to $4,880—an $11 increase.

STAFF COMMENTS AND RECOMMENDATIONS

If the Board were to approve LCSC's request, the dollar limit per participant at LCSC ($4,880) would still be well below that of the next lowest institution (BSU at $6,708). Staff finds LCSC makes a reasonable case for the need to increase its General Fund limit and therefore recommends approval.

BOARD ACTION

I move to approve the request from Lewis-Clark State College to increase its FY2015 General Fund athletic limit by $100,000 resulting in a new limit of $1,093,300.

Moved by ____________Seconded by ____________Carried Yes___ No___

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