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<th>TAB</th>
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<tr>
<td>1</td>
<td>FY 2018 LINE ITEMS</td>
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<td>2</td>
<td>FY 2018 CAPITAL BUDGET REQUESTS</td>
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<td>INTERCOLLEGIATE ATHLETIC REPORTS</td>
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<td>Ground Lease – Idaho College of Osteopathic Medicine</td>
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AGENCIES AND INSTITUTIONS OF THE STATE BOARD

SUBJECT
FY 2018 Line Item Budget Requests

REFERENCE
April 2016 Board approved guidance to the college and universities regarding submission of line item budget requests

June 2016 Board directed the Business Affairs and Human Resources Committee to review the FY 2018 budget line items and to bring recommendations back to the Board for its consideration at the regular August 2016 Board meeting

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 2016 Board meeting, the Board directed the college and universities to limit any Fiscal Year 2018 budget line item requests to those which will measurably support implementation of the Board’s strategic plan. Institutions may request up to two (2) line items in priority order, the total value of which shall not exceed five percent (5%) of an institution’s FY2017 total General Fund appropriation. Any requests for occupancy costs will not count towards the two line items or the 5% cap.

At the June 2016 board meeting, the institutions and agencies presented their Line Item requests. The Board directed the Business Affairs and Human Resources Committee to review the FY 2018 budget line items and to bring recommendations back to the Board for its consideration at the regular August 2016 Board meeting.

The list of Line Items in Attachments 1 and 2 are not listed in priority order, however they include each agency and institution’s priority rank for each item. Upon final approval the line items will be included in the institution and agency budget submissions to the Legislative Services Office (LSO) and the Division of Financial Management (DFM).

IMPACT
The approved Line Items will be included with the FY 2018 budget requests and submitted to DFM and LSO for consideration by the Governor for his FY 2018 Budget recommendations and by the Joint-Finance Appropriations Committee for funding.
STAFF COMMENTS AND RECOMMENDATIONS

The Idaho state budget request process is based on Base-plus budgeting as follows:

Base Budget: Historical budget based on years of appropriations
MCO: Maintenance of current operations; formula driven for uncontrollable factors such as general salary increases and cost inflation.
Line Items: Enhancements for new programs and initiatives

Base budgeting allows the agencies and institutions to derive a reasonable dollar estimate in order to manage their programs and staffing levels from one year to the next. This is also true for the higher education institutions whose budgets are consolidated for four year institutions and for two-year community colleges.

Since the June Board meeting, staff added a line item under State Board of Education for a one-year contract to develop a ten-year strategic plan to advance Graduate Medical Education for the state of Idaho.

The Division of Vocational Rehabilitation had a placeholder for its line item to add additional program funds for Extended Employment Services. The Division has now included a total cost of $214,300 for this line item.

There were no other material changes to the line items between the June and August meetings. Staff recommends approval.

BOARD ACTION

I move to approve the Line Items for the agencies and institutions as listed in Attachments 1 and 2, and to authorize the Executive Director to approve the MCO and Line Item budget requests for agencies and institutions due to the Division of Financial Management and Legislative Services Office on September 1, 2016.

Moved by __________ Seconded by __________ Carried Yes _____ No ______
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<th>FY 2017 Total Appropriation</th>
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## STATE BOARD OF EDUCATION
### FY 2018 Line Items - Community Colleges and Agencies

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<tr>
<th>Priority</th>
<th>By Institution/Agency</th>
<th>FY 2017 Appropriation</th>
<th>FY 2018 Request</th>
<th>Comments</th>
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# STATE BOARD OF EDUCATION
## FY 2018 Line Items - Community Colleges and Agencies

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<th>Priority By Institution/Agency</th>
<th>FY 2017 Appropriation</th>
<th>Page</th>
<th>Priority</th>
<th>FY 2018 Request</th>
<th>Comments</th>
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## Calculation of Occupancy Costs

### 2018 Budget Request

#### Colleges & Universities

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<th>Projected Date of Occupancy</th>
<th>Use for (1) (2) (3) (5)</th>
<th>(1) Non-Aux. Sq Footage</th>
<th>(2) Non-Aux. Custodial Costs</th>
<th>(3) Utility Costs</th>
<th>(4) Maintenance Costs</th>
<th>(5) Other Costs</th>
<th>Total</th>
<th>% qtrs Revised</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOISE STATE UNIVERSITY</td>
<td>August-16 100%</td>
<td>Education</td>
<td>49,693</td>
<td>9,800,000</td>
<td>9,800,000</td>
<td>147,000</td>
<td>100%</td>
<td>354,700</td>
<td></td>
</tr>
<tr>
<td>Research Renovation/Addition</td>
<td>July-15 100%</td>
<td>FTE 11,300</td>
<td>5,000</td>
<td>19,300</td>
<td>2,760,800</td>
<td>41,400</td>
<td>100%</td>
<td>87,800</td>
<td></td>
</tr>
<tr>
<td>BOISE STATE UNIVERSITY</td>
<td>October-15 100%</td>
<td>Fee 7,960</td>
<td>400</td>
<td>7,900</td>
<td>66,900</td>
<td>100%</td>
<td>66,900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meridian - DPT/MOT Labs/Classrooms</td>
<td>September-17 100%</td>
<td>Salary 11,040</td>
<td>1,100</td>
<td>16,400</td>
<td>19,300</td>
<td>100%</td>
<td>16,400</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNIVERSITY OF IDAHO</td>
<td>April-17 100%</td>
<td>Salaries 7,500</td>
<td>800</td>
<td>12,100</td>
<td>12,100</td>
<td>100%</td>
<td>12,100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Integrated Research &amp; Innovation Ctr</td>
<td>December-16 100%</td>
<td>Taxes 70,800</td>
<td>7,700</td>
<td>142,900</td>
<td>142,900</td>
<td>100%</td>
<td>142,900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6th Street Executive Residence</td>
<td>January-16 100%</td>
<td>Health 6,300</td>
<td>900</td>
<td>7,200</td>
<td>7,200</td>
<td>100%</td>
<td>7,200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>University House</td>
<td>January-18 100%</td>
<td>Parking 6,740</td>
<td>700</td>
<td>12,500</td>
<td>12,500</td>
<td>100%</td>
<td>12,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>McCall MOSS Showhouse</td>
<td>November-16 100%</td>
<td>Insurance 1,350</td>
<td>100</td>
<td>2,000</td>
<td>2,000</td>
<td>100%</td>
<td>2,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taghee Hall</td>
<td>July-16 100%</td>
<td>Parking 13,471</td>
<td>1,300</td>
<td>24,000</td>
<td>24,000</td>
<td>100%</td>
<td>24,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AgSci Bldg - new lobby/ADA access</td>
<td>January-18 100%</td>
<td>Maintenance 1,710</td>
<td>2,800</td>
<td>50,000</td>
<td>50,000</td>
<td>100%</td>
<td>50,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clearwater Hall First Floor Only</td>
<td>July-15 100%</td>
<td>O &amp; M 12,790</td>
<td>1,300</td>
<td>150,000</td>
<td>150,000</td>
<td>100%</td>
<td>150,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Academic Building -Nampa</td>
<td>2008 100%</td>
<td>Security 65,600</td>
<td>6,600</td>
<td>81,600</td>
<td>81,600</td>
<td>100%</td>
<td>81,600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canyon County</td>
<td>2008 100%</td>
<td>IT 75,500</td>
<td>7,600</td>
<td>120,800</td>
<td>120,800</td>
<td>100%</td>
<td>120,800</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Notes:

1. (1) FTE for the first 13,000 gross square footage and in 13,000 GSF increments thereafter, .5 Custodial FTE will be provided.
2. (2) Salary for custodians will be 80% of Policy for pay grade "E" as prepared by the Division of Human Resources.
3. (3) Annual utility costs will be projected at $1.75 per sq ft.
4. (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. (5) Benefits rates as stated in the annual Budget Development Manual; workers comp rates reflect institution's rate for custodial category

### Benefit Costs

<table>
<thead>
<tr>
<th>Category</th>
<th>Type of Benefit</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>CU: $19,845.00</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>CC: $18,900.00</td>
<td>100%</td>
</tr>
<tr>
<td>FICA</td>
<td>Medicare (6)</td>
<td>7.65%</td>
</tr>
<tr>
<td></td>
<td>Social Security</td>
<td>6.20%</td>
</tr>
<tr>
<td>SSI</td>
<td>General Medical</td>
<td>1.45%</td>
</tr>
<tr>
<td></td>
<td>Life Insurance</td>
<td>0.675%</td>
</tr>
<tr>
<td>Retirement</td>
<td>PERA (7)</td>
<td>6.72%</td>
</tr>
<tr>
<td></td>
<td>Medicare (6)</td>
<td>7.70%</td>
</tr>
<tr>
<td></td>
<td>Social Security</td>
<td>6.20%</td>
</tr>
<tr>
<td></td>
<td>Other (5)</td>
<td>5.00%</td>
</tr>
<tr>
<td></td>
<td>IRS (4)</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>IT Maintenance</td>
<td>1.500%</td>
</tr>
<tr>
<td></td>
<td>Security</td>
<td>0.220%</td>
</tr>
<tr>
<td></td>
<td>General Safety</td>
<td>0.554%</td>
</tr>
<tr>
<td></td>
<td>Research &amp; Scientific Safety Costs</td>
<td>0.500%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>2.310%</td>
</tr>
</tbody>
</table>

### Other Costs

<table>
<thead>
<tr>
<th>Category</th>
<th>Type of Benefit</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workmans Comp</td>
<td>$1,400.00</td>
<td>8.33%</td>
</tr>
<tr>
<td></td>
<td>Workers Comp</td>
<td>5.00%</td>
</tr>
<tr>
<td>Sick Leave</td>
<td>$1,400.00</td>
<td>5.00%</td>
</tr>
<tr>
<td></td>
<td>Unemployment</td>
<td>0.1500%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>$1,400.00</td>
<td>0.554%</td>
</tr>
<tr>
<td></td>
<td>Health Insurance</td>
<td>0.10%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>20.445%</td>
</tr>
</tbody>
</table>

### Calculation:

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.
3. Annual utility costs will be projected at $1.75 per sq ft.
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. Benefits rates as stated in the annual Budget Development Manual; workers comp rates reflect institution's rate for custodial category

### Total Costs:

<table>
<thead>
<tr>
<th>Category</th>
<th>Type of Benefit</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>20.445%</td>
</tr>
</tbody>
</table>

### Conclusion:

- Total cost projections for the fiscal year 2018 are calculated based on the provided data and assumptions.
- The calculation includes projected utility costs, custodial labor, and other essential expenses to operate the facilities.
- These figures are essential for the planning and budgeting process for the fiscal year.
Supports institution/agency and Board strategic plans:

**Goal 1:** “A Well-Educated Citizenry,” Objective C: “Higher Level of Educational Attainment—Increase successful progression through Idaho’s educational system.”

The Outcomes-Based Funding (OBF) initiative will provide an incentive for colleges and universities to complete academic and technical programs and obtain certificates and degrees which will prepare them for productive careers in the State’s workforce.

**Performance Measure:** Number of Baccalaureate degrees, Associate degrees, and Certificates produced annually.
The OBF approach ties appropriated dollars to program output (as opposed to program “participation,” which may not translate into degree completion). Degree/certificate production increases are needed in order for Idaho to meet the Legislature and State Board of Education “60%” educational attainment target.

Description:

The OBF initiative would replace the current “Enrollment Workload Adjustment (EWA)” funding approach used by the State Board of Education, which, when funded, distributed appropriated dollars to institutions based on credit hours delivered, whether or not the students generating those credit hours actually completed their degrees. In consultation with national experts on other states’ approaches to Performance-Based and Outcomes-Based funding models, the State Board has developed a simple model to distribute dollars to the institutions as a share of their degree production—both career-technical and academic. The degrees eligible for incentive funding would be limited to baccalaureate (4-year) degrees, associate (2-year) degrees, and certificates of at least one academic year duration. This would focus the incentive funding on outcomes that support the State’s “60%” educational attainment goal (preparing Idahoans for a workplace in which 60% of jobs for the 25-34 year old cohort will need at least a certificate of one academic year or more). This initiative replaces a defunct funding mechanism with a clear, simple approach which could, in subsequent years, be built upon to provide additional incentive weight to high priority career fields, underserved populations, or other shorter (“badge” skills”) or longer (graduate degrees) with high workforce demand. The requested $10M in ongoing funding would be allocated by the State Board each year, distributed according to degrees produced (payouts based on unduplicated headcount of degree recipients, i.e., only one payout for each graduate who receives multiple degrees/certificates on graduation day). The $10M request in new dollars would be supplemented by additional funds pulled from current baseline budgets of the institutions. Distributions for FY2018 would be made based on actual degree production in the academic year which concluded to July 1, 2017.

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 $10M in ongoing dollars, all from the General Fund. Available dollars would be redistributed each year based on that year’s outcomes. No additional staffing is requested for either the Office of the State Board of Education (OSBE) or the institutions.

2. What resources are necessary to implement this request? $10M in Trustee/Benefit funds, to be distributed by the State Board to institutions based on graduation outcomes.

   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—no new positions are being requested. The process will be administered by the individuals who currently manage the EWA process, which is being replaced by OBF.
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. Total request is for $10M, all in the form of Trustee/Benefit payments to the institutions.

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards. Request is for ongoing funds. The $10M requested appropriation will be supplemented by additional dollars reallocated from current institution baseline budgets.

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 intended to have a positive impact on successful program completion at every public higher education institution in Idaho. The OBF approach will increase the incentive for institutions to enroll, retain, and successfully graduate students ready to assume productive roles in the workforce. If the program is not funded, the system would need to continue to rely upon the EWA methodology, until an effective funding mechanism can be put into place.
Supports institution/agency and Board strategic plans:

**Support for the SBOE Strategic Plan FY2017-2021:**

**Goal 1. A Well Educated Citizenry**

**Objective C: Higher Level of Educational Attainment**

**Performance Measures**

- % of Idahoans who have a college degree
- % of new full time degree seeking students who return for the second year
- % of graduates at bachelors and graduate degree levels
Objective D: Quality Education

Objective E: Education to Workforce Alignment

Performance Measures
- Ratio of non-STEM to STEM degrees
- Number of graduates in high demand fields

Goal 2. Innovation & Economic Development

Objective A: Workforce Readiness

Performance Measures
- % of graduates employed 1 and 3 years after graduation
- % of students participating in internships
- % of students participating in undergraduate research

Objective B: Innovation & Creativity

Performance Measures
- Number of startups, patents, disclosures, etc.

Support for BSU’s Strategic Plan: Focus on Effectiveness 2017-2021

Goal 1: Create a signature, high-quality educational experience for all students

Objectives:
- Provide bountiful opportunities within and across disciplines for experiential learning
- Cultivate intellectual community among students and faculty
- Invest in faculty development and an engaging environment for learning

Performance Measures:
NSSE benchmark of student perception of quality of educational experience.

The funding of this request will have substantial impact on our students’ educational experience and their ability to think critically and tackle problems innovatively. Further, it will allow us to react quickly to growing workforce demands and to create programs that feed the local and regional economies.

Number of students in internships and research
Number of Students in VIP

Goal 2: Facilitate the timely attainment of education goals of our diverse student population

Objectives:
• Bring classes to students using advanced technologies and multiple delivery formats
• Connect students with university services that address individual needs

Performance Measures:
• Number of degree graduates
• Freshman Retention Rate
• Six-year graduation rate
• eCampus

Goal 3: Gain distinction as doctoral research university

Objectives:
• Recruit, retain and support highly qualified faculty, staff and students from diverse backgrounds
• Identify and invest in select areas of excellence with the greatest potential for economic, societal and cultural benefit
• Design systems to support and reward interdisciplinary collaboration

Performance Measures:
• Number of doctoral graduates
• Number of peer reviewed publications
• Citations of publications by Boise State authors over a five year span
• Total research and development expenditures

Goal 4: Align university programs and activities with community needs

Objectives:
• Include community impact in the creation and assessment of university programs and activities
• Leverage expertise and knowledge within the community to develop mutually beneficial partnerships
• Increase student recruitment, retention and graduation in STEM disciplines

Performance measure:
• Number of graduates in high demand disciplines
• Number of STEM graduates

The funding of this request will have substantial impact on our students’ perception of quality of their educational experience. Further, it will allow us to react quickly to growing workforce demands and to create programs that feed the local and regional economies.
Description:

Boise State University is requesting funding that will be used to launch a coordinated set of initiatives that will stimulate Idaho economic and workplace development. From developing and expanding student skill development in order to meet current and emerging workplace needs to expanding Boise State’s capacity by training next generation students and faculty in stimulating economic development, this funding will be used on direct delivery of programming and staffing required to deliver these services. Boise State will utilize the College of Innovation and Design as the lead entity across Boise State University to deliver most of the initiatives outlined in this request.

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?

   **New Games, Interactive Media & Mobile Technology (GIMM) degree program** – funding to expand the rapid growth in this new major. One year into this new major and enrollment has skyrocketed to a forecasted 200 students by Fall 2016. This is 2-3 times higher than initial forecasted enrollment and this major has become a differentiation point for both in-state and out-of-state students to choose Boise State. GIMM majors will enter a rapidly growing field with strong hiring demand for their CS and virtual reality programming skills – specifically used by employers for augmented reality and VR employee training (driverless vehicles, healthcare training, PTSD treatment, etc). *Currently serving 65 students per year. Potential growth with funding is anticipated to be 400-500 students per year by Year 4.*

   **New Bridge-to-Career (B2C) program expansion** – funding to expand the delivery of professional skills to students from any major. With 7 out of 10 Boise State students graduating in fields that do not directly map to a professional job, Bridge-to-Career is a critical set of coursework designed to equip all students at Boise State with basic fluency in a professional skill or industry awareness. *Currently serving 175 students per year. Potential growth with funding is anticipated to be 1,000 students per year by Year 4.*

   **Venture College program expansion** – funding to expand the delivery of innovation and entrepreneurial skills sets to students from across the University. Boise State believes that every student should have the opportunity to apply ideas learned in the classroom in an experiential setting. Venture College develops the entrepreneurial skill set and mindset many Idaho students need to create tomorrow’s companies and become the large employers of tomorrow. *Currently serving 500 students with 25 ventures incubated per year. Potential growth with funding is anticipated to be 1500+ students with 50+ ventures incubated per year by Year 4.*
New Certificate in Professional Ethnography – funding to develop a new certificate that modifies the techniques of anthropology for use in professional settings rather than academic field work. Hundreds of jobs are posted nationally for jobs looking for 'applied insights' and 'design thinking' skills. This new major would be a first of its kind to offer an undergraduate certificate that allows students from any major to add a competency that maps to current employer requirements that are current in demand. Funding is anticipated to serve 250 students (both online and in-person) by Year 4.

New Vertically Integrated Projects (VIP) expansion – funding to expand a novel way for students to apply cutting edge research at Boise State to solving real-world problems affecting Idaho and the world. Students form multi-disciplinary teams under the guidance of senior faculty to tackle real-world problems using Boise State research. To expand this from 6 to 16 projects and affect 200 students each year will be transformative to graduating students who can effectively work in teams and apply theory to real-world applied circumstances. Currently serving 45 students, via 6 VIP courses. Potential growth with funding is anticipated to grow be 150+ students via 20+ VIP courses by Year 2020.

Launch new Boise State X employer/university educational program – Many Idaho residents are working in lower paying, high turnover, ‘front line’ jobs for large employers that do not require a college degree for the position being done. However, many of these jobs have few, if any, pathways to a higher paying career without an undergraduate degree. In addition, many of these employees do not have the luxury, life stage, or geographic proximity to attend a university in-person. Funding is requested to launch a new program where Boise State will partner with Idaho employers to offer an employer direct pay option for employees to pursue (or complete) their undergraduate degree. Using our Multi-Disciplinary Studies (MDS) online degree, we believe we can expand access to higher education and offer a pathway to empowerment for many Idaho residents that will lead to career and earnings growth. This program will allow these Idaho residents to gain their undergraduate degrees without having to leave full-time employment. Boise State X can have a large scale workforce development impact due to its use of online learning and the employer partnership model. While employers will pay a large part of the program expenses, funding is requested for a manager and academic coaches to support these employees. Funding is anticipated to serve 1,000 students in partnership with 5 employers by Year 4.

New Cooperative Education “COOP” program expansion – funding to expand a new academic course for all Boise State students that will allow students to gain course credit while undertaking a directed experience with an Idaho employer. Unlike an internship, a COOP is an educational experience that includes a partnership between the university, company, and student so that the student learns while they do. It is a pathway for many students in majors that do not map to a professional position to apply and demonstrate their skills while still learning. It often will help students in the Liberal Arts and other areas demonstrate and build confidence in their professional skills. Employers will appreciate the increase in potential talent available and the lower cost of hiring associated with this program. St. Luke’s Hospital is our
first partner in Fall 2016 in this course. Currently serving 12 students and 1 employer beginning Fall 2016. Potential growth with funding is anticipated to be 250+ students and 20 employers by Year 4.

**New PhD program in Computing with Computer Science, Cybersecurity, and Computational Science and Engineering Specializations** - Boise State University’s Computer Science program is rapidly developing into one of the premier programs in the northwest for both teaching and research. From 2009 to 2015, enrollment in the Computer Science program has grown nearly 280%. This expansion has not gone unnoticed by top industry firms.

“that the continued success and growth of the CS department is vitally important for HP, and for a multitude of other companies in Idaho, and will have significant, transformative economic impact on the Boise Metro area and Idaho.”

- Jim Nottingham, Hewlett-Packard’s Boise Vice President and General

Utilizing primarily existing faculty resources, this funding will allow Boise State to launch a new PhD Program in Computing with specializations in Cybersecurity, Computer Science, and Computational Science and Engineering. This new PhD program will supply highly skilled graduates and attract / retain talented faculty to collaborate with Idaho industries and agencies. In addition, this program will expand professional development opportunities for Idaho residents working in technology professions.

2. What resources are necessary to implement this request?

- **GIMM**
  - 3 new full-time clinical faculty
  - 3 new adjunct faculty in the College of Engineering to address increased teaching load for COEN courses that serve as GIMM prerequisite courses
• Bridge to Career
  o Program Director to manage and grow the program
  o 10 adjunct faculty to teach bridge to career courses
  o Faculty stipends to develop new courses

• Venture College
  o Full-time project director
  o 3 project coordinators
  o Faculty stipends to develop new courses

• Certificate in Professional Ethnography
  o Full-time faculty position

• Boise State X
  o Senior manager
  o 4 academic coaches to support students

• Coop Program
  o 2 full-time clinical faculty
  o 2 full-time project directors
  o 4 full-time project managers

• PhD Computing with Cyber-security, Computer Science, and Computational Science and Engineering specializations
  o 1 new full-time mathematics faculty position
  o 1 new graduate program manager
  o 1 new research administrator / accountant
  o Upgrade the existing Computer Science chair to a 12 month position
  o Upgrade a faculty position to a 12 month PhD Program Coordinator
  o Faculty stipend for program coordination due to the interdisciplinary nature of the program
  o Convert existing Computer Science GAs to 12 month assistantships
  o 6 new GAs
a. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

The budget request is for new programs and the expansion of existing programs. Existing operations will not be impacted. With the exception of a new full-time faculty position in Mathematics, the PhD program in Computing will utilize existing faculty lines.

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

- Travel and operating for new positions
- Funding for new vertically integrated projects
- Graduate assistant tuition and fee waivers

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

All requests are for ongoing funds. It is anticipated that both private contributions and research grants will supplement the funding of many of these programs.

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 requests serves Boise State current and future students, Idaho employers, and the State through increased tax revenue as a result of economic development.
Supports institution/agency and Board strategic plans:

Support for the SBOE Strategic Plan FY2017-2021:

Goal 1. A Well Educated Citizenry

Objective C: Higher Level of Educational Attainment

Performance Measures

- % of Idahoans who have a college degree
- % of new full time degree seeking students who return for the second year
- % of graduates at bachelors and graduate degree levels

Objective D: Quality Education
Objective E: Education to Workforce Alignment

Performance Measures
- Ratio of non-STEM to STEM degrees
- Number of graduates in high demand fields

Goal 2. Innovation & Economic Development

Objective A: Workforce Readiness

Performance Measures
- % of graduates employed 1 and 3 years after graduation
- % of students participating in internships
- % of students participating in undergraduate research

Objective B: Innovation & Creativity – increase creation and development of new ideas and solutions that benefit society

Support for BSU’s Strategic Plan: Focus on Effectiveness 2017-2021

Goal 1: Create a signature, high-quality educational experience for all students

Objectives:
- Provide bountiful opportunities within and across disciplines for experiential learning
- Cultivate intellectual community among students and faculty
- Facilitate respect for the diversity of human cultures, institutions, and experiences in curricular and co-curricular education
- Invest in faculty development and an engaging environment for learning

Performance Measures:
- NSSE benchmark of student perception of quality of educational experience.
  The funding of this request will have substantial impact on our students’ educational experience and their ability to think critically and tackle problems innovatively. Further, it will allow us to react quickly to growing workforce demands and to create programs that feed the local and regional economies
- Number of students in internships and research

Goal 2: Facilitate the timely attainment of education goals of our diverse student population

Objectives:
- Bring classes to students using advanced technologies and multiple delivery formats
- Connect students with university services that address individual needs
Performance Measures:
- Number of degree graduates
- Freshman Retention Rate
- Six-year graduation rate
- eCampus

Goal 3: Gain distinction as doctoral research university

Objectives:
- Recruit, retain and support highly qualified faculty, staff and students from diverse backgrounds
- Identify and invest in select areas of excellence with the greatest potential for economic, societal and cultural benefit
- Design systems to support and reward interdisciplinary collaboration

Performance Measures:
- Number of doctoral graduates
- Number of peer reviewed publications
- Citations of publications by Boise State authors over a five year span
- Total research and development expenditures

Goal 4: Align university programs and activities with community needs

Objectives:
- Include community impact in the creation and assessment of university programs and activities
- Leverage expertise and knowledge within the community to develop mutually beneficial partnerships
- Increase student recruitment, retention and graduation in STEM disciplines

Performance measure:
- Number of graduates in high demand disciplines
- Number of STEM graduates

Description:
The School of Public Service was founded in 2015 to inspire and equip students to be innovative, principled, and effective public service leaders, promote meaningful community engagement and civil discourse, and serve as an objective and unbiased resource for citizens and decision-makers. The School was designed to rethink and redevelop teaching, learning, and research to ensure that Idaho students, businesses, and taxpayers get the most value out of their investments in higher education.
Future leaders in public service, whether they are employed within the private, non-profit, or public sectors, or more likely, travel across the three paths during the course of their careers, require interdisciplinary knowledge and a combination of higher-order hard and soft skills. Boise State graduates from the School of Public Service will be "systems leaders" well versed in leadership, management, collaborative, systems thinking, user-centered design, analytics, communications, and ethics. To that end, the School of Public Service has been tearing down institutional silos, developing new interdisciplinary academic programs, explicitly integrating skills development into the curriculum, and employing high impact educational practices, including experiential learning programs, that enhance student success.

In addition, the School was designed to facilitate applied research and serve Idaho communities searching for innovative solutions to the seemingly intractable challenges they face. To that end, the School has revised its tenure and promotion guidelines to emphasize applied research and public engagement. The School has embraced and reinvigorated the University's historical commitment to public service research by employing faculty and students, from the undergraduate level through the new Ph.D. program in Public Policy and Administration to work in concert with local communities working on downtown revitalization, planning, workforce housing, transportation, and other projects.

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 proposed line item is designed to advance two distinct yet interconnected outcomes.

First, funding will be used to enhance student learning at the undergraduate and graduate levels. The integration of new faculty lines will facilitate the implementation of new interdisciplinary academic programs and improve retention and graduation rates for students pursuing careers in public service at the undergraduate level while opening new functional tracks for students pursuing the Ph.D. In addition, funding will support student participation in experiential programs that directly enhance skill development, and will increase opportunities for students to engage in applied and vertically integrated research projects that engage students from the undergraduate level through the Ph.D.

Second, line item funding will enable positive community outcomes. Funding for Boise State’s Applied Policy Institute will enhance local government planning and economic development capacity by providing credible research and evaluation studies, professional training and technical assistance, and convening seminars, colloquia, and public events to promote constructive dialogue and thoughtful deliberation on public issues in Idaho. The Applied Policy Institute conducts public policy and demographic research, publishes economic forecasts and economic impact studies, undertakes public opinion survey research, offers dispute resolution resources and provides leadership development and technical assistance to localities. Additionally, funding will help make the nationally-ranked and accredited Masters of Public Administration program more accessible to Idaho communities by implementing executive MPA and on-line MPA programs. Finally,
funding will increase data analysis capacity on campus by supporting a public service data center and research lab.

2. What resources are necessary to implement this request?
   - Eight new faculty lines in the School of Public Service: economics, demography, public finance, fiscal policy, health policy, education policy, environmental policy, dispute resolution, including administrative and research budgets.
   - Two administrative leadership lines in Applied Policy Institute
   - Two professional staff positions in Applied Policy Institute
   - Twelve graduate Assistantships in Masters and PhD program
   - Fifteen faculty research fellowships
   - Two distinguished visiting scholar lines
   - Fellowships for experiential education and study away programs
   - Public Service Data Center Lab Manager

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

   All requested funds are ongoing. If fully funded, Boise State will construct a Public Service Data Center and Research Center to support the initiative.

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 serves the communities of Idaho and all Idahoans.
**Supports Institution/Agency and Board Strategic Plans:**

**ISU Core Theme 2: ACCESS AND OPPORTUNITY**

Idaho State University provides diverse 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 educational goals.
Description

To improve Access and Opportunity for students in Idaho Falls, ISU plans to locate a multidisciplinary cluster of faculty who, in collaboration with sister institution partners, will reside in Idaho Falls with expertise in energy. As Bonneville County works toward the conversion of Eastern Idaho Technical College to a community college, ISU's current role will change from primarily lower division general education offerings to providing bachelor and graduate degrees to the Upper Snake River Valley. The university has just completed a DPW construction project where just over ten thousand square feet of space has been renovated to include twenty faculty offices, two state of the art conference rooms and four state of the art classrooms as well as flexible student/faculty collaborative space. In order to be successful ISU will need to hire approximately fifteen new faculty members from a variety of disciplines but who have a common interest in energy related research. As would be expected, roughly half of the new faculty will be from science and engineering disciplines, however, the other half will be from the colleges of Arts and Letters, Business and Education. To illustrate the concept, a Political Science and/or History professor may have expertise in energy or environmental policy or the impact of energy on history, an English professor could have expertise in the communication of science to the general public. Additionally, Education professors may have expertise in Science Technology Engineering and Math (STEM), Business professors in energy economics, Informatics Professors may work on energy analytics, etc. This cluster of faculty, from disparate fields, with very specialized expertise, will make it possible to offer a wide variety of programs spanning Science and Engineering, the Liberal Arts, Business and Education. In addition, they will be unequally positioned to secure extramural funding from sources such as the National Science Foundation (NSF) and the Department of Energy (DOE) as well as other national and regional funding sources. Finally, it is expected that while meeting the educational needs of the Idaho Falls region, these faculty will be a resource to the Idaho National Laboratory and will be a driving force in the attraction of new high tech energy related industries to the region.

Performance Measure

Over the past fifteen years, ISU has had an enrollment of over 2,000 students/semester where approximately ¾ of the credit hour generation resulted from lower division general education courses. The goal is to maintain ISU’s credit hour generation in Idaho Falls by increasing upper division and graduate offerings in order to transition from a primarily lower division curriculum to upper division and graduate. This strategic change will position ISU to accept community college transfer students as demand for bachelor and graduate programs increases resulting from community college graduates.
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?

   Nine faculty positions and four support staff positions are being requested to support the expansion of upper division/graduate courses in Idaho Falls by professors with research interests in Energy and the Environment. A polytechnic institution is recommended for Idaho Falls by the LINE (Leadership in Nuclear Energy) Commission in order to ensure that INL (Idaho National Laboratory) maintains its status as DOE’s (Department of Energy) lead laboratory for nuclear energy in the United States.

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.

      Attached Spreadsheet of Positions

      Total Personnel Costs: $1,365,200

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

      This line item request is for new faculty positions and support personnel. There is potential for existing staff in ISU’s Pocatello location to provide partial support to efforts at the Idaho Falls location although none have been identified. The upgrade to the Distance Learning Labs would promote opportunity in surrounding areas to the specialized features of the Polytech Initiative.

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

      A one-time request for additional operating funds and capital outlay will be required during the first year to support supplying the new offices with essential items, purchasing computers and office equipment for the new faculty and staff, assisting with travel funds, and providing lab equipment/instrumentation tools to support instruction in the expanded program.

      One-Time Request for Operating Expenses

      Travel ($3,000/11 Positions, 9 faculty & 2 staff) $ 33,000

      Materials/Supplies $122,000

      One-Time Request for Capital Outlay

      PC and Workstations ($4,000/11 Positions) $ 44,000
Equipment/Instrumentation $200,000
(Specialized equipment needed for Science/Engineering)
Distance Learning Classroom Upgrades $40,000

Total Request for One-Time Operating Expenses and Capital Outlay: $439,000

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

The salaries for 13 positions will be ongoing. The one-time request for operating expenses and capital outlay will support the first year of the expansion. The opportunities for increasing faculty research productivity and success in awarded grants improves with the new Polytech initiative and related specialization.

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?

INL is one of the largest employers in Southeast Idaho, with close proximity to Idaho Falls (a prime location for the Polytechnic Institute). In order to maintain INL’s status as the lead laboratory for nuclear energy, it is critical that ISU service its needs in the Science and Engineering fields and provide opportunities to expand research with talented faculty.
### 12.01 Line Item
Idaho Falls Polytech Initiative

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### Phased Option, If Necessary

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**Notes:**
- S = 1 Faculty Positions
- CO/OT = 284,000
- OE = 1,520,169 ongoing
- PC = 1,365,169
Polytechnic Institute-Vision Statement

A Polytechnic Institute as proposed by ISU is an overarching structure that will allow Idaho’s higher education institutions, which are members of CAES (Center for Advanced Energy Studies), to locate faculty in Idaho Falls and offer certificate and degree programs either as a single institution or jointly with other member institutions. The institute is responsive to the recommendations of the LINE (Leadership in Nuclear Energy) Commission where a polytechnic institution is recommended for Idaho Falls in order to insure that INL (Idaho National Laboratory) maintains its status as DOE's (Department of Energy) lead laboratory for nuclear energy in the United States.

The faculty members located in Idaho Falls will form a cluster of multidisciplinary professors that have research interests related to energy. Naturally, it is expected that a significant number of faculty would come from science and engineering, however, liberal arts, business and education faculty will also be hired who have expertise related to energy and the environment. For example, a Political Science professor may have expertise in energy policy and/or environmental policy, or an English professor with expertise in the communication of science and engineering to the general public. Education professors with expertise in STEM (Science Technology Engineering and Math), an Economics professor with expertise in the economics of energy etc. are all expected. This cluster of faculty, with very specialized expertise, will make it possible to offer a number of programs spanning Science and Engineering, the Liberal Arts, Business and Education.

With respect to research and economic development, this talented cluster of faculty members will be uniquely qualified to seek extramural research funding from national agencies at a time when funding agencies are interested in multidisciplinary projects and research teams. The close proximity between faculty members with such varied expertise will generate unique research ideas where science and engineering concepts are blended with policy, economics, and education. In addition, competitive funding potential will be enhanced as agencies look favorably on proposals from multiple disciplines and as well as multiple institutions. Finally, the close proximity to INL will allow for research collaboration outside the academy with lab scientists as well as industry partners.

Idaho State University will be the managing institution for the Polytechnic Institute consistent with its current role for University Place, which includes CAES. An academic governance structure that handles the intricacies of multiple institutions offering degrees, both independently and collaboratively, will be developed as institutions identify programs to deliver through the overarching structure of the Polytechnic Institute. It is expected that each institution will have representation commensurate with their role, in a fashion that ensures a winning relationship for all involved, including representation from INL and potentially relevant industry.
Supports institution/agency and Board strategic plans:

*Please refer to attached Joint Whitepaper*

**Performance Measure:**

*Please refer to attached Joint Whitepaper*

**Description:**

*Please refer to attached Joint Whitepaper*

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**OPERATING EXPENDITURES by summary object:**

1. TOTAL OPERATING EXPENDITURES:  

**CAPITAL OUTLAY by summary object:**

1. Building Design Costs  

**TOTAL CAPITAL OUTLAY:**  

**T/B PAYMENTS:**

**LUMP SUM:**  

**GRAND TOTAL:** $737,400
Center for Education Innovation
A joint whitepaper and vision statement | College of Southern Idaho | Idaho State University

May 2016

Introduction

Idaho State University and the College of Southern Idaho jointly propose the design, development, and creation of the Center for Education Innovation (CEI), a visionary and collaborative facility and programming venture to be situated on the CSI campus in Twin Falls and jointly operated.

The CEI initiative attempts to address numerous issues in early childhood, elementary, secondary, and higher education in Idaho. Among them:

- Concerns with current state of teacher education in Idaho
- Need for expanded professional development opportunities for teachers at all levels of education
- Need for more research specifically for the benefit of the Idaho education pipeline to benefit the educational systems of Idaho, including the impact of teacher training in early education
- Tremendous challenges in addressing K12 teacher shortages and demands, especially in rural areas
- Addressing and assessing the proposals and initiatives suggested by the Idaho Education Task Force, national best practices, Idaho Business for Education, and other constituents
- Providing research support and facilitation for the K-20 pipeline
- Providing support for alignment of K12 and university curriculum and college readiness

Situating the CEI facility in Twin Falls on the CSI campus is prompted by the growth, demand, and opportunity specific to the Magic Valley region. CSI has been a pioneer with regard to partnerships and greater integration in K12, demonstrated by the growth of concurrent enrollment, collaborative education ventures, transition coordinator implementation, and other initiatives. Idaho State University has a long history with dual enrollment with its Early College Program and has worked closely with school districts on curricular alignment and K12-related research within its Albion Center for Education Innovation. The longstanding presence of ISU on the CSI campus, with emphasis on the ISU College of Education, together with the spirit of collaboration and articulation suggest tremendous opportunity for both growth and success.

The vision includes a focal point for education research, development of innovation in teacher training at all levels, and reform for all of Idaho. It provides a testbed for practice, and an opportunity to significantly revisit and revise the direction, services and support we provide for educator education, training and professional development.

College of Southern Idaho Operational Vision

The College of Southern Idaho proposes the Center for Education Innovation as a current leader in the pursuit of instructional excellence and preparation of teachers in service to
serving in Idaho. The CEI facility provides an opportunity to consolidate teaching and learning lab schools in a revolutionary way, in particular at the early childhood and elementary levels. The operation supports our CSI’s Core Themes of Community Success and Student Success by advancing and applying research in a controlled setting, while providing a local pathway to baccalaureate and graduate education.

Various existing and planned programs, services, and operations would or could be housed in the facility:

- CSI Center for Innovation and Teaching Excellence
- CSI Education Department
  - CSI Early Childhood Education Program (including existing labs/lab schools)
  - Transfer education programs
  - Paraprofessional training programs
  - Teacher professional development, continuing education operations
- Rural Education Resource Center
- Southern Idaho P20 Teaching Excellence Initiative
- CSI Higher Education Center (ISU/BSU/UI)
- South Central Idaho Education Partnership (regional Education Idaho Network)
- Region IV iSTEM
- CSI STEM Resource Center

**Idaho State University Operational Vision**

The partnership between the CSI and ISU for a Center for Education Innovation (CEI) will increase ISU’s potential to recruit, retain, and support professional educators in the Magic Valley and will expand the ability to offer high quality educator preparation and professional development in this area. The CEI aligns with ISU’s Core Theme One (Learning and Discovery) by continuing and expanding our ability to deliver effective and high quality academic programs that support educator preparation and professional development in the Magic Valley. The CEI aligns with ISU’s Core Theme Two (Access and Opportunity) by expanding our opportunity to recruit potential future teachers in secondary school settings and by ensuring that students have access to critical support functions necessary to be successful throughout their education. The CEI also aligns with ISU Core Theme Four (Community Engagement and Impact) by providing a structure that facilitates partnership creation and collaboration and professional development centers for professional educators in the field.

Various existing programs, services, and operations would or could be housed in the facility:

- ISU College of Education Twin Falls Center
- ISU Twin Falls Office for the Albion Center for Education Innovation
- Region IV TRIO
- Regional Math Resource Center
- ISU Community College Leadership program

**A future vision and opportunities**
Evolving and future opportunities include:

- Consideration of partnering with Twin Falls School District to create an elementary school as a component of the project and as a lab school
- Expanded education research
- Direct linkage with Idaho SDE and Professional Standards Commission
- Revision and improvement of Idaho Career Technical Education (CTE) programming and continuing education support
- Childhood through college education lab research under one roof with shared resources and faculty
- Active research with regard to “education innovation in action,” including expanded K12-postsecondary education partnerships, collaboration, and pilot studies

Moving forward

Initial steps include a joint request from CSI and ISU for planning and design funding in order to fully develop and synchronize the operations, programming, and facility concept. This would culminate in a formal building request by the College of Southern Idaho and Idaho State University to the Permanent Building Council.

Attendant staffing and occupancy cost requests will follow as appropriate.
Supports institution/agency and Board strategic plans:

**University of Idaho Strategic Plan and Process 2016-2025**

**Goal 3 (Transform), Objective A:** Provide greater access to educational opportunities to meet the evolving needs of society.

**Performance indicators:** The number of students enrolling in Coeur d'Alene computer science program will be the primary metric. Total number of UI students in Coeur d'Alene will also be tracked as it is expected to increase because of increased awareness of UI presence in the community.

*Students in the Coeur d’Alene vicinity will have access to a degree in a high demand career field.*

**Goal 2 (Engage), Objective C:** Engage individuals (alumni, friends, stakeholders and collaborators), businesses, industry, agencies and communities in meaningful and beneficial ways that support the University of Idaho’s mission.

<table>
<thead>
<tr>
<th>A: Decision Unit No: 12.01</th>
<th>Title: Computer Science in Coeur d’Alene Phase 2</th>
<th>Priority Ranking 1 of 2</th>
</tr>
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<tr>
<td><strong>DESCRIPTION</strong></td>
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<td>FULL TIME POSITIONS (FTP)</td>
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<td>3. Faculty Start-Up (one-time)</td>
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<td>GRAND TOTAL</td>
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Performance indicators: The number of industry participants and number of students involved in the co-op program will be tracked. The program will support a co-op program model of education providing contemporaneous work experience with industry partners as part of the curriculum for earning the Bachelor of Science degree program in Computer Science (BSCS).

We will engage current and new industry partners through creation of internship opportunities, research collaborations, graduate job placement efforts and the innovative cooperative program with regional industry partners.

Idaho State Board of Education FY 2016-2020 Strategic Plan

Goal 1 (A Well Educated Citizenry), Objective E: Education to Workforce Alignment – Deliver relevant education that meets the needs of Idaho and the region.

North Idaho is home to a flourishing technology community. Implementing the BSCS program in the Coeur d’Alene region will better serve local students passionate about the field and the community, allowing them to remain in the Coeur d’Alene vicinity while receiving a meaningful, relevant education that they can parlay into a well-paying job without leaving the state.

Offering the BSCS in the Coeur d’Alene community will support the benchmark ratio by enrolling additional students who previously might not have been able to attend a BSCS program elsewhere.

Performance Measure: Number of enrolled students in this key STEM discipline. Number of graduates in high demand fields as defined by the Idaho Department of Labor.

Augmenting the BSCS program would support this effort to increase the number of graduates in information technology, a field considered to be high demand by the Idaho Department of Labor.

Goal 3 (Effective and Efficient Educational System), Objective C: Alignment and Coordination – Facilitate and promote the articulation and transfer of students throughout the education pipeline (Secondary School, Technical Training, 2yr, 4yr, etc.).

Students who would attend the University of Idaho in Coeur d’ Alene (UICDA) BSCS would complete their first two years at North Idaho College, obtaining an Associate’s Degree.

Performance Measure: Percent of Idaho community college transfers who graduate from four year institutions.

The UICDA BSCS program would directly contribute to increasing the percentage of students who transfer to four year institutions as it is a component of the program that they start their BSCS at North Idaho College, an Idaho community college.

Idaho SBOE Strategic Plan Current Initiatives:

2. Ensure college and career readiness

8. Strengthen collaborations between education and business/industry partners

10. Develop transfer coordinated admission policies between community colleges and four year institutions to create pathways from 2-year to 4-year institutions.
In addition to supporting goals, objectives, and performance measures of the SBOE Strategic plan, the UICDA BSCS program will support these “current initiatives”. Expanding the BSCS program to a full four years in Coeur d’ Alene will: assist in ensuring career readiness (initiative 2) through extensive industry exposure and internship opportunities; solidify collaborations with industry partners (initiative 8) through current and new relationships fostered with area businesses, initiating program content consultation, internship opportunities, and research and development partnerships; and support coordinated admission policies that create pathways from 2 to 4-year institutions (initiative 10) through rigorous communication and collaboration between staff and faculty at both North Idaho College and the University of Idaho.

Description:

The goal of this project is to provide talent development and research to support students and industry in northern Idaho in the critical area of computer science. We originally proposed a plan to expand computer science in two phases. Phase 1 is to establish the third year of coursework and Phase 2 is the final year of coursework to allow for an entire four-year BSCS with a critical mass of faculty to support economic development in northern Idaho. This request is the Phase 2 expansion to complete last year’s Phase 1 appropriation. As evidenced in other areas of the State and region, a BSCS would be a tremendous advantage for place-bound students in northern Idaho and provide key support to growing businesses in the area. It would greatly enhance the economic development of the region and move Idaho closer to its Complete College Idaho goals.

Currently students can obtain an associates degree in computer science from North Idaho College (NIC). With the Phase 1 appropriation for FY 2017 students are now able to stay in the area and complete their third-year of coursework from UICDA; however students will still need to transfer to the UI in Moscow for their final two semesters of coursework in order to complete their BS degree requirements. Funding this Phase 2 request will enable the UI to expand to a full four year BSCS so that students can graduate as early as May 2018 without having to leave the Coeur d’ Alene area. A unique characteristic of this program will be a cooperative (co-op) education track that will make industry-sponsored internships a part of the educational process. The co-op model was originally developed at the University of Cincinnati and has been adopted at many locations across the world over the last 100 years. Additionally, the program, in collaboration with local industry, will be an engine of innovation to support the research and development activities of local technology firms as well long-standing traditional industries, businesses, and government agencies. In this day and age, all industry is dependent on computational expertise. Such a program is just as critical to a competitive economy as are adequate roads, utilities, and other critical infrastructure.

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 Phase 2 request is for 2.5 FTE positions plus adjunct and TA assistance: one experienced associate professor, one less experienced assistant professor, and converting a 0.5 FTE administrative assistant position to 1.0 FTE. We are also requesting funds to hire adjuncts from the community for four classes each year as well as three graduate teaching assistantships to support coordinated courses between Coeur d’ Alene and Moscow. One consequence of supporting a cooperative educational model is that we will need to offer classes more often to account for the internship schedule so that students can graduate in a timely manner. These additional faculty and supporting staff will enable us to seek ABET
accreditation which is essential for a viable CS degree program. This request includes equipping laboratories in Coeur d’Alene along with building out videoconferencing capacity in Moscow and Coeur d’Alene to enable delivery of selected critical courses and faculty and industry collaboration. Startup costs for the additional tenure track faculty are also requested. We are also submitting a detailed Notice of Intent (NOI) to the Board of Regents for their approval.

We are requesting this Phase 2 funding to complete our goal of supporting talent development and research in computer science in northern Idaho. There is growing demand for Computer Science BS education in northern Idaho. UI Moscow and NIC Computer Science programs are experiencing ~20% annual growth. In addition, skilled computer scientists are in high demand. The recurring costs are $427,200 annually.

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.

   Associate Professor starting spring semester 2018 (note that salary savings from this mid-year hire will go towards funding faculty recruitment and start-up costs)

   Assistant Professor starting fall semester 2017.

   Administrative Assistant 0.5 FTE in fall 2017 will increase the current 0.5 FTE to a full-time position

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

   The program is administered by the UI’s College of Engineering and Department of Computer Science. We have considerable experience in administering distance programs in Boise and Idaho Falls. The Computer Science program in Coeur d’Alene will be absorbed into the existing structure. The UICDA staff will provide local support for recruiting and student success as well as collaborations with industry. They will also help deploy professional development opportunities for local professionals.

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

   Based on our experiences with distance programs an annual budget of $12,000, $8,000, and $15,000 will be needed for operating, travel, and equipment expenses, respectively. This Phase 2 request adds to the Phase 1 appropriation to obtain this budget need. In addition, we are requesting one-time funding for the cyber-security laboratory and faculty start-up.
3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

   The one-time fund request is for startup funds for the new faculty and Computer Security laboratory. The rest of the funding will be on-going annually. As mentioned above there is growing demand for Computer Science BS education in northern Idaho due to the flourishing technology community.

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 program will provide increased educational opportunities in computer science in northern Idaho. A growing contingent of Computer Science students at North Idaho College will have local access to a BSCS without leaving the area. NIC is engaged with the development team for this program and enthusiastic about cooperating to ensure its success.

   The rapidly growing high tech industry in the region includes mostly small and medium sized businesses. These businesses are typically growth-constrained by the lack of trained computer scientists. Failure to establish this program will slow the production of these highly trained professionals which will, in turn, slow industry growth and jeopardize retention of these high wage and high growth potential companies which are critical to building a stronger economy.

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

   Legislative action provided funding for Phase 1 (establish 3rd year of computer science training in Coeur d’Alene) to be implemented in fall semester of 2016. This Phase 2 request will enable the needed subsequent year of the program to allow northern Idaho students to obtain the BSCS degree without relocation.
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Supports institution/agency and Board strategic plans:

State Board of Education Goal 2: Objective B
Increase creation and development of new ideas and solutions that benefit society.

University of Idaho Goal 1: Innovate Objective B
Create, validate and apply knowledge through the co-production of scholarly and creative works by students, staff, faculty and diverse external partners.
Performance Measure: Become a Carnegie R1 institution

These resources are needed to support the faculty and students to build the programs and research expected by Carnegie R1 institutions.

Description:
This proposal enables the Library to provide essential support for the University of Idaho as it expands its research portfolio and aspires to achieve Carnegie Very-High (R1) status. This will be achieved by expanding the Library’s capacity to match peer and aspirational peer institutions. This increased capacity will significantly increase support for research and scholarship, student success, and outreach to the larger Idaho community.

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 personnel and operating expenses to enable the Library to provide a suite of services to University students and scholars that advance its research, teaching, and land-grant missions. External peer reviewers note that, while the University of Idaho Library has the distinction of being the largest research library within the state, “within the larger world of research libraries, the University of Idaho Library has failed to measure up.”

   Specifically, the Library intends to accomplish several actions under this umbrella:

   • Develop a First Year Experience instruction program (.75 instructor)
   • Build faculty research and curricular support in college liaison program (1 FTE)
   • Support data management, deposit, reuse, and curation (1 FTE)
   • Enable development of a robust institutional repository (1 FTE)
   • Permit safe and secure operation of 24-hour facility (1 FTE)
   • Provide technical support for faculty in processing activities (1 FTE)
   • Address new role of collecting and preserving institutional history (1 FTE)
   • Support innovative learning with primary source materials (1 FTE)
   • Enable ability to communicate with broad academic and library communities (.5 FTE)

   These activities are essential components of today’s leading research libraries. Additionally, this support enables the University of Idaho to further grow its outreach to statewide libraries and museums. We currently share our expertise through webinars and workshops; much more statewide outreach could be done with additional support.
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. Position: Social Sciences Librarian, Assistant Professor, $50,000; FT/FY, tenure-track, benefit-eligible, date of hire: start AY18
   2. Position: Resident Librarian, Instructor, $35,000, FT/AY, non-tenure track, benefit-eligible, date of hire: start AY18
   3. Position: University archivist, Assistant Professor, $50,000, FT/FY, tenure-track, benefit eligible, date of hire: start AY19
   4. Position: Night supervisor, Circulation, library technician, PG 4 with night differential, $29,120, FT, classified, benefit eligible, date of hire: July 2017
   5. Position: Institutional repository programmer, PG 7, $43,700, FT, classified, benefit eligible, date of hire: July 2017
   6. Position: Metadata Librarian, Assistant Professor, $50,000, FT/FY, tenure-track, benefit eligible, date of hire: start AY18
   7. Position: Archivist for Instruction and Engagement, Assistant Professor, $50,000, FT/FY, tenure-track, benefit eligible, date of hire: start AY19
   8. Position: Data services support, Library technician, PG 4, $28,080, FT, classified benefit eligible, date of hire, July 2017
   9. Position: Marketing/Communication staff, PG?; $22,000, PT/FY, classified, benefit eligible, date of hire, AY18
   10. Student employment: $50,000
   
   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.
   - Operating funds
     o Faculty travel: $7,500
     o Phones, supplies, etc.: $4,500
     o Software licenses: $4,000
     o Memberships and travel
       ▪ Greater Western Library Alliance, $16,000
       ▪ Orbis Cascade Alliance, $20,000
       ▪ HathiTrust, $15,000
       ▪ Coalition for Networked Information, $10,000
       ▪ Research Data Alliance, $5,000
       ▪ Council on Library and Information Resources, $4,645
       ▪ Digital Library Federation, $4,620
       ▪ Scholarly Publishing and Academic Resources Coalition (SPARC), $6,181
   - Capital outlay
     o Office furniture and computers: $25,200
     o Non-standard periodical inflation added to base: $350,000
     o New periodical titles, $400,000
3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

With the exception of the start-up capital outlay for offices and computers, all of these budget requests are on-going investments.

Investments in Special Collections staff and memberships in appropriate library organizations heightens our ability to seek and secure external funding. The Library has been increasingly active in grantsmanship and several collections offer opportunities for this activity. For example, the Library recently secured a National Endowment for the Humanities grant in partnership with the Latah County Historical Society that will result in the preservation, digitization, and dissemination of unique privately-owned regional history resources.

Additionally, robust data curation and open access institutional repository infrastructure will increase competitiveness for grants across all of the University. These are areas that many granting agencies, including the National Science Foundation, Department of Defense, and the National Endowment for the Humanities, have deemed to be crucially important. The positions in this proposal are essential to creating and maintaining this infrastructure.

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 designed to serve all members of the university community (all disciplines, all types of research) It addresses student support from the beginning of a student’s career until the ultimate goal of graduation, thus building graduates who are competent and competitive in today’s information-rich world. It supports our researchers, adding depth to emerging disciplines and foci of the University. This proposal also provides support for the University of Idaho’s land-grant mission to serve the state. The Library provides special consulting services to all Idaho libraries and shares resources with the same. This investment will provide opportunities for additional student internships and community partnerships, such as has transpired with the Latah County Historical Society, Potlatch, Nampa, and Kendrick-Juliaetta’s Heritage Society.

The various activities represented in this request support the University of Idaho Library’s professional obligation to participate in national dialogues about the future directions of libraries and, by extension, raises the state’s profile and prestige.

If unfunded, the University of Idaho will find it difficult to support its goal of becoming a Carnegie R1 institution. If not funded, Idaho would remain as one of the very few states without an adequately funded and staffed research library and this outcome impacts the state in multiple ways; for example, it would ensure that
the University of Idaho Library remains adequate for many uses but well short of attaining the stature that would support both the current and aspirational needs of the University. Lack of funding would also keep the ability of the Library to perform essential outreach to Idaho at a minimum despite demonstrated need and demand.
Supports institution/agency and Board strategic plans: This request supports State Board Goal 1 (Well Educated Citizenry), Objective C (Higher Level of Educational Attainment) by providing highly qualified faculty to deliver high-demand programming and an advisor to support student progression toward degree completion. It also supports Objective E (Education to Workforce Alignment) and LCSC Goal 1 (Sustain and enhance excellence in teaching and learning), Objective 1A (Strengthen courses, programs, and curricula consonant with the mission and core themes of the institution, through the delivery of high quality programs that meet regional and statewide needs).

Performance Measures: Objective C: Percentage of Idahoans (ages 24-35) who have a college degree or certificate requiring one academic year of more of study—benchmark: 60%. Objective E: Numbers of graduates in high demand fields as defined by the Idaho Department of Labor—benchmark: TBD.
Description: This request targets two key health professions areas: Kinesiology and Social Work. The four (4) faculty and two (2) staff positions sought in this line item request support expansion of high performing, high quality programming in high demand areas, as identified in the program prioritization process.

- **Priority 1.** 1.0 FTE Kinesiology Assistant Professor, 12 month contract: The Kinesiology major is in high demand, as evidenced by the growth in Kinesiology majors, tabled below. Graduates in Kinesiology are prepared for advanced study in Physical Therapy (IDOL Hot Job #3), Physician Assistant (IDOL Hot Job #5), and medical school (IDOL Hot Job #15). Additional areas in which Kinesiology graduates find career opportunities include education, therapeutic exercise, geriatric wellness, health and fitness leadership, sports training, coaching, athletic medicine, sports and fitness communication, and commercial fitness. According to the Bureau of Labor Statistics, jobs for Kinesiology graduates in nursing homes, residential care, and other health-oriented facilities are projected to grow 10 percent from 2014 to 2024, faster than the average for all occupations. Addition of this 1.0 FTE position supports admittance of an additional 25 students to the Kinesiology major, and this position will also support expanded summer school course offerings. Total cost of the position including salary, benefits, OE and CO is $102,500.

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- **Priority 2.** 1.0 FTE Kinesiology Assistant Professor, 9 month contract: Same justification as noted above. Addition of this 1.0 FTE position supports admittance of an additional 25 students to the Kinesiology major, and provides expanded
course offerings during the traditional academic year. Total cost of position including salary, benefits and capital outlay is $78,100.

- **Priority 3.** 1.0 FTE Health Professions Program Advisor: To maintain strong enrollment or increase enrollments in high demand health-focused programs requires specialized advising and follow-up, particularly for students transferring to LCSC. A dedicated Health Professions Advisor will assist students in choosing the appropriate health profession for their interest and aptitude, evaluate transcripts, and develop a degree completion plan. In the Central Advising Center, advisors carry advising loads of 125+ freshman students. In high demand health-focused programs, faculty advising loads are 35+ students. The addition of a 1.0 FTE, 11-month exempt position supports advising of up to 200 health profession students. Total position cost including salary, benefits, travel and CO is $66,800.

- **Priority 4.** 1.0 FTE Social Work Assistant Professor, nine month contract: There continues to be strong interest in the Social Work major at LCSC, particularly in a delivery format that reaches a broad audience. Social workers are employed in a variety of settings, including mental health clinics, schools, child welfare and human service agencies, hospitals, settlement houses, community development corporations, and private practices. Driven by the increased demand for healthcare and social services, jobs in social work are expected to increase 12% over the next decade. LCSC Social Work graduates are prepared for advanced study in programs such as the MSW offered by Boise State University. Addition of this position allows for program expansion of up to 25 students, while maintaining compliance with the Council on Social Work Education requirement of a 25 to 1 student-to-faculty ratio. An additional faculty position also provides an opportunity to deliver portions of the program in an online format (hybrid program) to better meet the needs of distant students and working professionals. This nine-month position provides expanded course offering and clinical supervision during the traditional academic year. Total position cost including salary, benefits, OE and CO is $78,100.

- **Priority 5.** 1.0 FTE Social Work Assistant Professor, nine-month contract: Same justification as noted above. Addition of a 1.0 FTE Assistant Professor supports admittance of up to 25 new students to the Social Work major. This nine-month position provides expanded course offerings and clinical supervision during the traditional academic year. Salary, benefits, and capital outlay total: $75,600.

- **Priority 6.** 1.0 FTE Administrative Assistant: Program expansion, particularly in the Kinesiology major, will require additional administrative assistant support. Salary, benefits, and CO total: $54,600.
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?

   Position and support funds are detailed and prioritized above. No base funding currently exists for expansion of programming.

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 position detail, above. Five positions are 1.0 FTE, benefit-eligible positions, with anticipated hire dates of August 2017; the Program Advisor is an 11-month, benefit eligible position, with the same anticipated hire date.
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

      Existing operations will be positively impacted through reduced advising loads and improved faculty-to-student ratios.
   c. List any additional operating funds and capital items needed.

      Operating funds of $5,000 ($2,500 each, for both Kinesiology and Social Work) will support the purchase of instructional materials and course development. An additional $2,500 is requested for travel expenses for the Program Advisor position. Capital Outlay includes a computer workstation for each of the six requested positions ($3,000 each; $18,000 total).

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

   With the exception of Capital Outlay, the request is for ongoing State General Funds. This proposal is scalable: Option 1 provides the resources necessary to expand both Kinesiology and Social Work for a cost of $455,400. Option 2 provides the resources to significantly expand our priority program (Kinesiology) through the addition of two faculty and two support staff (Health Program Advisor and Administrative Assistant), for a cost of $301,700.

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?

   Two in-demand programs will be expanded by the addition of four (4) faculty positions and one (1) program advisor. These positions will sustain the upward trajectory in program enrollment and meet the demand for flexible (hybrid) programming.
If the request for faculty lines is not funded, we will seek qualified adjuncts when possible, and grow the Kinesiology program in small increments. If not funding is forthcoming, there will be no Social Work program expansion due to accreditation driven student-to-faculty ratios.
Supports institution/agency and Board strategic plans: This request supports State Board Goal 1 (Well Educated Citizenry), Objective A (Access), Objective B (Adult Learner Reintegration) and Objective C (Higher Level of Educational Attainment), as well as LCSC Goal 2 (Optimize student enrollment and promote student success), Objective 2B (Retain and graduate a diverse student body) and LCSC Goal 3 (Strengthen and expand collaborative relationships and partnerships), Objective 3A (Increase volunteer, internship, and career placement opportunities).

Performance Measures: Objective A: Increase the percentage of students whose financial need was fully met by 15% over 5 years; 85% graduating student debt of weighted peers; Objective B and C: Percentage of Idahoans (ages 24-35) who have a college degree or certificate requiring one academic year or more of study—benchmark: 60%. Objective E: Ratio of non-STEM to STEM baccalaureate degrees conferred in STEM fields.
Description: Lewis-Clark State College requests $397,700 in on-going funds to support student success through specialized advising, career counseling and guidance, and expansion of the Work Scholars program. These requests support the State Board of Education and institutional strategic plans and will serve diverse groups of students (i.e., veterans, Coeur d’Alene-based students, and Work Scholars), as well as the general student population at Lewis-Clark State College.

- **Priority 1.** 1.0 FTE Veteran’s Services Coordinator/Advisor: Currently, the College has no staff specifically and exclusively dedicated to supporting veterans. Veteran students comprise a significant part of the College’s FTE (4.5% in fall 2015), and many veterans require services beyond just educational benefits processing. Greater scrutiny is required during academic advising process due to the fact that educational benefits for veterans are strict and allow very little latitude in student course scheduling. An advising error could result in veterans having to repay portions of their benefits and/or increase loan debt. LCSC has also seen an increase in incidents of post-traumatic stress disorder among its veteran student population. Services for these students must be brokered among college and community resources, requiring a significant amount of staff time. Increased staff support would also put the College in a position to compete for grant programs earmarked for the veteran population. Total cost of the position including salary, benefits, OE and CO is $72,100.

- **Priority 2.** 1.0 FTE Career Counselor: The College is continuing to serve freshmen with a centralized advising program wherein students are required to develop a degree completion plan, build class schedules, and develop a draft career plan which evolves throughout their undergraduate experiences. Centralized advising has served over 2,500 students since the program started and serves approximately 800 students at present; there is little time for staff to spend on ongoing career advising. Idaho Business for Education, Idaho Department of Labor, legislators, and State Board of Education members have all challenged higher education to produce students who are “career ready.” Increasing career counseling staff will enable the College to expand opportunities for students to explore career options, evaluate their choice of academic major (which also reduces length of time to degree), and broker more opportunities for students to pursue internships and other work experiences. Furthermore, expansion of career-oriented programming will enable the College to partner with regional school districts as they develop and improve their career guidance and college planning programs, per funding provided by the legislature. Total position cost including salary, benefits, and CO is $61,100.

- **Priority 3.** 1.0 FTE Career Counselor: Same justification as noted above, except that operating expense supporting this position is also requested. Total position cost including salary, benefits, OE and CO is $70,800.

- **Priority 4.** 1.0 FTE Student Services Generalist: As LCSC pursues a partnership with the University of Idaho and North Idaho College to develop a collaborative use facility in Coeur d’Alene, it is poised to expand services to students who
complete bachelor’s degrees in North Idaho. The College’s enrollment in Coeur d’Alene totaled 468 students in the fall of 2015. A Student Services Generalist would supplement existing personnel at the collaborative use facility, and will focus on academic advising, financial aid, and enrollment counseling. Salary, benefits, and capital outlay total: $58,700.

- **Priority 5.** Expansion of the Work Scholars program: The LCSC Work Scholars model is, in its inaugural year, validating the Work College concept as a means for Idaho students and families of limited economic means to gain access to higher education. There is significant demand for this program. The program was initially funded at a level designed to serve 20 students; through cost savings, we have been able to accommodate 22, but the program is currently running at capacity, both in terms of scholarships and worksites. The statistics supporting the success of the Work Scholars program are compelling: 90% of our first generation and minority college students were retained semester-to-semester in our first year. Seventy-seven percent of our scholars are first generation college students, and 13% are American Indian, Hispanic or Latino. The average Work Scholar GPA is 3.40, and through inclusion in the Work Scholars program, 80% have reported that they were able to reduce or eliminate their reliance on student loans. We are requesting funding to increase the capacity of this program to from 20 to 38 slots in FY18. Operating expense total: $135,000.

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?

   Position and support funds are detailed and prioritized above. Currently, many activities are conducted as additional duties by existing staff. The College employs one staff member in the Financial Aid Office who processes veteran’s educational benefits as part of her job. We employ a three-quarter time staff member who is tasked specifically with career counseling, and other staff members provide career guidance as part of their advising duties. If the requested funding is provided, we will establish a dedicated Career Center, staffed with two career counselors, the existing three-quarter time employee, and a dedicated director, whose current position will be repurposed to lead career education/guidance efforts.

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 position detail, above.

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

      See question 1, above.

   c. List any additional operating funds and capital items needed.
Capital Outlay includes a computer workstation for each of the four requested positions ($3,000 each; $12,000 total). In addition, $9,700 is requested as ongoing operating expense for career counseling, and $2,500 travel funding for the Veteran’s Coordinator.

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

With the exception of Capital Outlay, the request is for ongoing State General Funds. This proposal is scalable in four ways. Option 1 provides the resources necessary to support all the proposed initiatives (total cost: $397,700). Option 2 provides resources to enhance career counseling with two Career Counselors and one Student Services Generalist (total cost: $190,600). Option 3 provides resources for the expansion of the Works Scholars program only (total cost: $135,000). Option 4 provides resources to enhance advising with the Veteran’s Coordinator and one Student Services Generalist (total cost: $130,800).

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 believes these investments will increase student access, student retention, and student completion. The College’s current graduation rate is 27%; with improved advising, we believe we can increase that rate to over 30% within three years. The College’s retention rate is 60%, and if this initiative is funded, we should be able to achieve our stretch goal of 70% institutional retention. If not funded, the College will continue to offer minimal services, using existing staff, impacting veteran and Hispanic students, as well as all students generally, with regard to career education and development. If funded, expansion of the College’s Work Scholars program will enable students to have access to higher education who might not otherwise be able to afford college.
Supports institution/agency and Board strategic plans:

**Goal 2: Innovation and Economic Development.**

**Objective A: Workforce Readiness:**
Prepare students to efficiently and effectively enter and succeed in the workforce.

**Overview:**
The Division of Career Technical Education funds programs at the six postsecondary institutions’ technical colleges throughout the state. Years of flat funding and increased demands on Idaho students to achieve postsecondary education have resulted in long waiting lists for programs across the State and have limited Idaho employers in being able to hire qualified employees. If Idaho cannot accommodate these increased educational demands, it forces students to seek education out of State and can force employers to
state to hire the qualified employees. These jobs are often high wage and high demand, which benefit not only the students seeking the education but help to stimulate the economy by providing higher paying jobs and a better educated workforce.

There was $3.8 million appropriated for this purpose in the FY 2017 appropriation, which is being used to expand program capacity at the technical colleges statewide. As a result, it is estimated that 410 Idaho additional students will be placed in specific programs to help meet workforce demands. With this line item, CTE builds on that effort and expects to help an additional 248 Idaho students prepare for currently unfilled job openings for lack of skilled workers. This line items requests ongoing personnel and operating expenses as well as one-time capital outlay to initiate or expand 16 postsecondary CTE programs across the state.
How connected to institution/agency and Board strategic plans:

**Goal 2: Innovation and Economic Development.**

**Objective A: Workforce Readiness:**
Prepare students to efficiently and effectively enter and succeed in the workforce.

**Description:**
Added-cost funding to secondary CTE programs helps ensure program quality by funding the additional costs associated with delivering CTE programs as compared to academic programs. These programs tend to be technology and capital intense and are constantly challenged with maintaining up-to-date equipment. Teaching CTE programs using
modern technology provides students with the latest and most relevant skills to meet current workforce demands

Idaho Career Technical Education is requesting $375,000 ongoing from the State General Fund to increase CTE’s secondary schools added-cost funding by 5% for all CTE secondary 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 an ongoing increase of 5% for all secondary 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 CTE programs are served by this request.

   The impact of this request is to help offset the increased costs associated with running the secondary CTE programs and provide students with a learning environment that most closely mirrors the actual workplace demands.

   Students, secondary schools and CTE programs would be impacted if the request were not funded.
**Supports institution/agency and Board strategic plans:**

**Goal 1, Objective E: Education to Workforce Alignment- Deliver relevant education that meets the needs of Idaho and the region.**

**Description:**

In the 2016 legislative session, Senate Bill 1332 established an Industry Partnership Fund for the purpose of providing timely access to relevant college credit and noncredit training and support projects. Technical colleges will work with regional industry partners to provide a rapid response to gaps in skills and abilities using moneys from the fund.

This bill was not funded in the 2016 legislative session. This line item requests ongoing funding for the Industry Partnership Fund to allow the six postsecondary technical colleges to react swiftly to the educational needs of industry.

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Supports institution/agency and Board strategic plans:

**Goal 3, Objective D: Productivity and Efficiency** - Apply the principles of program prioritization for resource allocation and reallocation.

**Questions:**
In the past, Eastern Idaho Technical College (EITC) Human Resource positions were handled as an “additional duty” along with other College functions. Last year (2014-15) Human Resources was handled by a support/clerical position assigned to HR. This academic year EITC found funding within EITC budgets and were able to hire a full-time HR position to manage the complexities of the State HR systems/benefits as well as local requirements including payroll functions.
In addition to transactional workload, this position has a higher level of responsibility than a “typical” HR Specialist:

- As the sole Human Resource professional for the agency, provides planning and management for all Human Resources processes and procedures;
- Position functions as a “business partner”, serving on the President’s Advisory Council and the Executive Committee;
- Represents the College in the community;
- Responsible for developing policy and procedure, developing and conducting training;
- Responsible for HR systems planning for the potential change to a community college next spring

Personnel costs are the largest single operating cost of the College. Personnel costs accounted for $7.4 million of the $11.8 million dollars in total operating costs for fiscal year ending June 30, 2015; over 60%. Effective personnel management is critical to the operation of the college.

Request for HR Specialist - EITC

- Current FT positions as of Fall 2016: 110
- Current PT & Adjunct NOT including Fire Service Training (FST): 253
- Part Time FST: 214 (EITC does all the hiring administration and payroll processing, so Fire Service Training is as much HR “work” as other part-time employees)
- **Total Employees (FT & PT): 577**
- New hires processed each year approximately 95.
- Total processed New Hires and Rehires is **218** per year.

Given the complexities and personnel risks facing each post-secondary institution, the request for a full FTE HR Specialist is EITC’s highest priority for this funding period.

**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 is requesting 1 FTE Human Resources Senior position for EITC. EITC currently has one position in HR that is required to do all of the payroll plus all the employee HR functions. This position does all of the payroll for EITC employees plus all of the workforce adjunct who teach workforce classes. EITC has over 11,000 students each year that are in workforce or community education. EITC also has taken over the Fire Service training for the State. This requires HR support and payroll functions. It is important that EITC provide adequate services for all of its employees and protect their rights. This position would be at the level to work with the other HR professionals in the State.
2. What resources are necessary to implement this request? EITC would need to hire a HR Senior and use its current position of specialist to do payroll and other functions at the specialist level.
   a. List by position: Human Resources Senior Position, Pay grade M, Full time with benefits. This person would start when funding is approved
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted. This would be a new position at EITC.
   c. List any additional operating funds and capital items needed. No new operating or capital funds are needed

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) This is an on-going request for 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?

   Employees are greatly affected by the service of the HR department. Hiring, firing, retirement, CEC and many other areas need to be covered by a well-educated HR employee. New reporting is now being required for HR departments to meet Federal guidelines. If this request is not funded, employees may not get the information to make decisions that could affect employment and retirement. Because of the increase of new faculty, workforce training demands and Fire Service education for the State, this position is critical to ensure that employees are paid on time and have the HR support they need to make employment decisions.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first. There are many requests, and this request will replace some of those requested in previous years. EITC has re-evaluated some of the priorities on the EITC campus and a fully functioning HR department is very important to the stability of EITC. This was submitted last year but was not funded. This would be EITC’s top priority for funding this year.
Recommendation for HR Specialist Senior for EITC

The requested Human Resources Senior position is the highest priority for EITC in this next budgeting cycle. EITC has not had the benefit of a highly qualified and experienced HR position in the past. Given the myriad of complex federal, state, local and college hiring requirements, a seasoned expert in human resources is a necessity. A college relies heavily on employees in the fulfillment of its teaching and learning mission. Having a senior, seasoned HR professional is indispensable in order to recruit, retain and grow our expanding workforce. EITC is competing for the recruitment of a professional workforce as well as attempting to retain our existing faculty and staff. At this point, EITC has only one HR position, and that position is working out of class given the extent of required duties. Outside of managing our complex professional workforce, a single HR mistake in the hiring or mishandling of a personnel issue could be costly to the institution. Additionally, our existing workforce of faculty, staff and managers all have ongoing professional development requirements which would be integrated into this position’s job duties.

Given the challenging hiring requirements for technical and professional positions, EITC will need an experienced HR professional to attract and employ into our workforce. It is equally important for EITC to ensure existing employees understand their benefits and are mentored toward professional development and career progression. Without an expert in this strategic position EITC may experience constant turnover of highly skilled employees to other employment opportunities or the possibility of an employment or discipline mistake. Increasing the status and compensation of this HR position will better ensure expertise and consistency in this position.

Regards,

Dr. Rick Aman
Interim President, Eastern Idaho Technical College
Supports institution/agency and Board strategic plans:

Goal 1, Objective B: Adult learner Re-Integration – Improve the processes and increase the options for re-integration of adult learners, including veterans, into the education system.

Executive Summary

- **Funding type:** Trustee benefits/local provider grants
- **Total Funding Request:** $1,090,900
  - **Increase amount:** $250,000
- **Description:** Additional funds are needed to expand the Adult Basic Education Program’s capacity to transition underprepared adults into college and meaningful employment. Specifically, funds will be used to expand instructional hours and staff capacity, expand instructional offerings, increase services for rural communities,
and allow for competitive salaries to attract and retain high-quality, effective instructors.

- **Justification**: It is unlikely that Idaho can meet its 60% educational attainment goal, let alone the employer demands for a highly skilled workforce by focusing solely on high school graduates. Therefore it is vital that the state establish and expand other pathways for students to receive education and training. As an integral part of Idaho’s workforce development system and post-secondary student pipeline, Adult Basic Education plays a critical role in establishing and sustaining these pathways. Idaho’s ABE programs have the potential to serve as a significant on-ramp into post-secondary education and training for non-traditional, underprepared, and returning adult students. Increased support for these programs will improve outcomes in GED completion, post-secondary enrollment, student employment, and median wage earnings.

- **Additional Considerations**:
  - ABE experienced an overall 12.5% decrease in funds over the course of the recession, as compared to FY08. Funds have remained at this decreased level ($840,900) since FY11.
  - Our federal grant requires local maintenance of effort at 90%, so any increase that is awarded must be met at 90% year-over-year.

**Expanded Narrative**

We are requesting an ongoing funding increase in trustee/benefit in the amount of $250,000 for Adult Basic Education. Idaho’s ABE program is carried out through six regions, with one public college or university providing services for each region. This request represents a realistic, but meaningful budget increase that would allow all six regions to improve and sustain their program offerings. As a result, our program will increase its capacity to educate and transition underprepared adults into college and careers. Increased support for these programs will also improve outcomes in GED completion, post-secondary enrollment, student employment, and median wage earnings.

Adult Basic Education (ABE) is a federally authorized program and an integral component of Idaho’s workforce development and post-secondary system. The ABE program, which is located across six of Idaho’s colleges and universities, offers rigorous academic instruction to adults who need to improve their skills in literacy, math, and the English language in order to get a job, improve a career, and/or successfully “go on” to college and training.

As authorized under the Workforce Investment Act (WIA) of 1998, the ABE program was historically focused on providing academic instruction up to and including high-school equivalency. However, in the latter years of WIA, the focus expanded significantly to include college and career readiness. In 2014, Congress passed the Workforce Innovation and Opportunity Act (WIOA) which replaced the prior law. Under the new law, college and career readiness was formalized as one of ABE’s major functions.
The passage of WIOA is an important opportunity to help Idaho meet its educational goals and workforce needs. Idaho is not likely to reach its goal of a 60% college completion rate—let alone meet employer demands for a highly skilled workforce—by focusing solely on high school graduates. Therefore, it is vital that the state establish other pathways for other types of students to receive education and training. With many of the changes presented in the new law, Idaho’s ABE programs have the potential to serve as a significant on-ramp into post-secondary education and training for non-traditional, underprepared, and returning adult students.

While WIOA presents a large step toward improving Idaho’s workforce development system, these new opportunities also pose budgetary challenges for the ABE program. In order to expand and sustain comprehensive college and career readiness services, local providers will require additional planning capabilities, expanded instructional hours and offerings, and the ability to attract and/or retain high-quality instructors with competitive pay. Local providers will also be expected to increase the level of collaboration and planning with their post-secondary institutions and other agencies and workforce development programs.

As an additional point of interest, the timing of this allocation will coincide with Idaho's new competitive grant application process under the new law for ABE providers. This process will ensure that increased funding levels are being used to support well-vetted, high-quality programs. We plan to run the competition in late 2016/early 2017, with final grant awards being allocated on July 1, 2017.
Supports institution/agency and Board strategic plans:

Goal 1, Objective D: Quality Education-
Deliver quality programs that foster the development of individuals who are entrepreneurial, broadminded, critical thinkers and creative.

Description:
In 2014 Agricultural and Natural Resources education programs established an incentive-based program for funding Agriculture and Natural Resources CTE programs. (Idaho Code 33-1629). As one of its major initiatives to improve secondary CTE education across the state, CTE is in the process of proposing new legislation that would expand incentive funding for Career &Technical Education (CTE) secondary programs in the other five program areas of Business Management and Marketing, Engineering and
Technology, Family and Consumer Sciences, Health Professions, and Skilled and Technical Sciences.

Under the proposed legislation, the Division would provide incentive-based funding to both high performing programs and those programs in need of additional support and technical assistance. This performance-based approach would more clearly demonstrate the return on investment provided by career technical education and hold CTE programs more accountable for producing results.

The administration of the Agriculture Incentive Program is very demanding on staff resources and this demand continues to increase as the number of applicants increases and program visits of past recipients is required. In addition, there are unfunded costs to bring in impartial proposal evaluators to decide on which applicant programs will be funded.

We are requesting 1 FTP for a Grants Operations Analyst- Pay Grade K to help administer the program. We are also requesting ongoing operating expenses of $10,000 to cover the cost of running the existing incentive program, including contracting with individuals throughout the state to evaluate proposals and $75,000 in one-time funding to develop performance measures and a data reporting system.

As the success of the current program increases, we are requesting ongoing funding for an additional $25,000 to be passed through to Agriculture programs in the form of an additional start-up grant and $325,000 to be awarded to the five program areas under the new Secondary Incentive Funding program.
How connected to institution/agency and Board strategic plans:

**Goal 3: Effective and Efficient Educational System**-

**Objective C: Alignment and Coordination**-
Facilitate and promote the articulation and transfer of students throughout the education pipeline.

**Description:**
In the 2015 legislative session, amendments to Idaho Code 33-2205 (3) and (4) outline the intent that the Division of Career Technical Education will coordinate with the Idaho Digital Learning Academy to provide approved online career technical education courses and that the Division will incentivize Idaho public colleges and universities offering career...
technical programs to align their foundational courses to achieve uniformity and transferability.

These initiatives were started in Fiscal Year 2015 using Division funds available for this purpose. The continuation of this project into FY 2017 will require one-time funds of $128,000 to align 15 programs from Secondary to Postsecondary and $68,000 for CTE Digital to create 4 online courses through the Idaho Digital Learning.
Supports institution/agency and Board strategic plans:

The CPM and Health Matters program goals are more aligned with the Division of Human Resources, therefore the program will be moved back to DHR in Fiscal Year 2018.

CPM and Health Matters

In Fiscal Year 2009 the Certified Public Manager Program and the Health Matters Program were transferred to the Division of Career Technical Education and funded through the Division of Human Resources' (DHR) appropriation. Since that time, DHR has experienced changes to its structure and operations and now provides certain types of employee training. With those changes, these programs are now complementary to DHR’s role in state government. Their transition back to DHR would allow the Division of Career Technical Education to focus on its mission of preparing Idaho’s youth and adults for high-skill, in-demand careers. The transition of these programs back to the DHR began...
in FY 2017 and this ongoing line item would allow the funding to remain in the Division of Human Resources and allow for the transfer of the three associated positions.
Supports institution/agency and Board strategic plans:

Goal 3, Objective C: Alignment and Coordination- Facilitate and promote the articulation and transfer of students throughout the education pipeline.

Executive Summary

- Idaho SkillStack is the badging/micro-certification platform that is used by the Division of Career Technical Education to articulate technical competency credits between secondary and postsecondary CTE programs. In addition, Idaho’s public higher education institutions use SkillStack to award badges to individuals in their non-credit workforce training programs and other academic programs. Currently, Boise State University and North Idaho College are actively awarding badges.
Lewis-Clark State College, College of Western Idaho, College of Southern Idaho, Idaho State University and Eastern Idaho Technical College will begin awarding badges in late 2016.

- The ongoing $15,000 request in spending authority covers an annual maintenance fee of $7,500 and an additional $7,500 in site development to accommodate planned upgrades of SkillStack to further support industry and education. All funds will be paid to Idaho Digital Learning Academy who developed the platform. This line item allows CTE to spend administration fees that are charged to the institutions to support this website. All institutions are currently under a no-cost MOU to use SkillStack and those MOUs will expire in September 2016. The institutions are aware that an administration fee in the amount of $1,500 - $2,500 will be assessed as MOUs are renewed and institutions ramp up their usage of SkillStack. The Division is still in the process of determining the actual cost of administering the website/platform and will finalize the per-institution cost prior to the renewal of the MOUs.
Supports institution/agency and Board strategic plans:

**Goal 3, Objective B: Quality Teaching Workforce**
Develop, recruit and retain a diverse and highly qualified workforce of teachers, faculty and staff.

**Career & Technical Education Professional Development Conference**
The Division of Career Technical Education provides training each summer to career and technical educators from throughout the state at both the secondary and postsecondary levels. The training is fully funded through conference registration fees and historically College of Western Idaho has served as the fiscal agent by paying for conference expenses and collecting funds. In FY 2017 CTE began collecting and disbursing fees using their existing fiscal staff and used spending authority that had been carried forward from prior years. CTE would like to request $250,000 in ongoing spending authority to

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Supports institution/agency and Board strategic plans:

**Goal 3, Objective B: Quality Teaching Workforce**
Develop, recruit and retain a diverse and highly qualified workforce of teachers, faculty and staff.

**Career & Technical Education Professional Development Conference**
The Division of Career Technical Education provides training each summer to career and technical educators from throughout the state at both the secondary and postsecondary levels. The training is fully funded through conference registration fees and historically College of Western Idaho has served as the fiscal agent by paying for conference expenses and collecting funds. In FY 2017 CTE began collecting and disbursing fees using their existing fiscal staff and used spending authority that had been carried forward from prior years. CTE would like to request $250,000 in ongoing spending authority to
continue to run the conference out of funds collected from conference registration fees.
Supports institution/agency and Board strategic plans:

Goal 3, Objective D: Productivity and Efficiency- Apply the principles of program prioritization for resource allocation and reallocation.

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 is requesting 1 FTE for a Finance Director who will oversee the CTE budget and multiple grants for EITC. EITC currently has a controller but this new position will allow EITC to be more in-line with the other technical colleges in Idaho that rely on financial resources available in the institutions' central administration. It is important that EITC provide adequate financial services while maintaining critical control over all funds that pass through EITC.
2. What resources are necessary to implement this request? EITC would need to hire 1 FTE Finance Director that would oversee the financial office at EITC.
   a. List by position.
      i. Non-classified finance Director
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      i. This would be a new position for EITC and help balance and coordinate the workload in the finance office.
   c. List any additional operating funds and capital items needed.
      i. No new operating or capital funds are needed

3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) This is an on-going request for 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? Employees and students are greatly affected by the service of the finance department. Currently EITC finance people work many overtime hours and are not able to use them.

5. If this is a high priority item, list reason why unapproved Line Items from the prior year budget request are not prioritized first. There are many requests, and this request will replace some of those requested in previous years. EITC has re-evaluated some of the priorities on the EITC campus and have found that the business office is very understaffed to complete the tasks required by EITC, CTE and the State of Idaho

With growing Federal, State and other Regulatory requirements for School finance both the Controller and Assistant Controller work approximately 10 hours of unpaid overtime each week. The EITC Business Office is responsible for many activities that are not performed at other state funded technical Colleges. EITC, because of its unique position, often is required to complete requests and projects similar to Universities with more staff. The EITC business office completes these request with a total staff of six people, dramatically less than other colleges and universities. Separation of responsibilities, turnover and training is all consuming. Attending meetings, outside training and employee development is nearly impossible.

Examples of EITC Business Office responsibilities:

- Consolidated Financial Statements
- Point of Sale activity for the college
- Accounting Software maintenance.
- Reconciling multiple bank accounts and the account with the State’s Treasury
- Billing of approximately 30 Federal, State and local grants
- AP, AR, and Purchasing management
- STARS work and processing
- Time and Effort Reporting for Grants
- Interagency Billings
- Sales Tax Reporting
- CTE Budget preparation
- Detail Budget Preparation
- Payroll processing to the General Ledger
- PCARD administration
- Position Request approval, and IPOPS approval
- INL and Radiation Safety grant billings
- Full General Ledger maintained by fund.
- Two external audits by Moss-Adams
- Much reporting for staff and faculty
- 1098 and 1099 tax reporting
- Colleague understanding, training and use.
- Financial Aid processing and payments for College
Supports institution/agency and Board strategic plans:

CSI Core Theme 1: Community Success

As a community college, we are committed to responding to the diverse needs of the communities we serve and to taking a leadership role in improving the quality of life of the members of those communities.

- Objective #1: Strengthen the social fabric in the communities we serve
- Objective #3: Meet the workforce needs of the communities we serve
Core Theme 2: Student Success

As an institution of higher education, we exist to meet the diverse educational needs of the communities we serve. Above all institutional priorities is the desire for every student to experience success in the pursuit of a quality education.

- Objective #1: Foster participation in post-secondary education
- Objective #2: Reinforce a commitment to instructional excellence

Performance Measure:
Rather than a performance measure, this is a critical success activity to be completed. The outcome will be a programming and facilities plan for the Center for Education Innovation (attached whitepaper).

Description:
This request is intended to support the program planning, infrastructure, staffing, and facility design for the proposed Center for Education Innovation, in cooperation with Idaho State University. See the attached whitepaper describing the proposed center.

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?
   Planning and design funds, including project management. No ongoing staff is included in the CSI request.

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

      Certainly many CSI staff will be somewhat impacted by participation in the design and planning work, but not to a significant degree. The requested funds include a project manager by contract for only FY2017-2018.
   c. List any additional operating funds and capital items needed.

3. Provide additional detail about the request, including one-time versus ongoing.

4. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

   This is a one-time, one-year request for planning and design work. See the attached whitepaper for more information.
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?

All residents of Idaho would be served by the intent of the Center for Education Innovation. The expectation will be significant improvement in the preparation of Idaho teachers. For more specific information see the attached whitepaper. If this request is not funded, CSI will forge ahead, but will be at a significant disadvantage in terms of timeliness and progress: the Center may never come to fruition without this planning and design support.
Center for Education Innovation
A joint whitepaper and vision statement | College of Southern Idaho | Idaho State University

May 2016

Introduction
Idaho State University and the College of Southern Idaho jointly propose the design, development, and creation of the Center for Education Innovation (CEI), a visionary and collaborative facility and programming venture to be situated on the CSI campus in Twin Falls and jointly operated.

The CEI initiative attempts to address numerous issues in early childhood, elementary, secondary, and higher education in Idaho. Among them:

- Concerns with current state of teacher education in Idaho
- Need for expanded professional development opportunities for teachers at all levels of education
- Need for more research specifically for the benefit of the Idaho education pipeline to benefit the educational systems of Idaho, including the impact of teacher training in early education
- Tremendous challenges in addressing K12 teacher shortages and demands, especially in rural areas
- Addressing and assessing the proposals and initiatives suggested by the Idaho Education Task Force, national best practices, Idaho Business for Education, and other constituents
- Providing research support and facilitation for the K-20 pipeline
- Providing support for alignment of K12 and university curriculum and college readiness

Situating the CEI facility in Twin Falls on the CSI campus is prompted by the growth, demand, and opportunity specific to the Magic Valley region. CSI has been a pioneer with regard to partnerships and greater integration in K12, demonstrated by the growth of concurrent enrollment, collaborative education ventures, transition coordinator implementation, and other initiatives. Idaho State University has a long history with dual enrollment with its Early College Program and has worked closely with school districts on curricular alignment and K12-related research within its Albion Center for Education Innovation. The longstanding presence of ISU on the CSI campus, with emphasis on the ISU College of Education, together with the spirit of collaboration and articulation suggest tremendous opportunity for both growth and success.

The vision includes a focal point for education research, development of innovation in teacher training at all levels, and reform for all of Idaho. It provides a testbed for practice, and an opportunity to significantly revise the direction, services and support we provide for educator education, training and professional development.
College of Southern Idaho Operational Vision
The College of Southern Idaho proposes the Center for Education Innovation as a current leader in the pursuit of instructional excellence and preparation of teachers serving in Idaho. The CEI facility provides an opportunity to consolidate teaching and learning lab schools in a revolutionary way, in particular at the early childhood and elementary levels. The operation supports our CSI’s Core Themes of Community Success and Student Success by advancing and applying research in a controlled setting, while providing a local pathway to baccalaureate and graduate education.

Various existing and planned programs, services, and operations would or could be housed in the facility:
- CSI Center for Innovation and Teaching Excellence
- CSI Education Department
  - CSI Early Childhood Education Program (including existing labs/lab schools)
  - Transfer education programs
  - Paraprofessional training programs
  - Teacher professional development, continuing education operations
- Rural Education Resource Center
- Southern Idaho P20 Teaching Excellence Initiative
- CSI Higher Education Center (ISU/BSU/UI)
- South Central Idaho Education Partnership (regional Education Idaho Network)
- Region IV iSTEM
- CSI STEM Resource Center

Idaho State University Operational Vision
The partnership between the CSI and ISU for a Center for Education Innovation (CEI) will increase ISU’s potential to recruit, retain, and support professional educators in the Magic Valley and will expand the ability to offer high quality educator preparation and professional development in this area. The CEI aligns with ISU’s Core Theme One (Learning and Discovery) by continuing and expanding our ability to deliver effective and high quality academic programs that support educator preparation and professional development in the Magic Valley. The CEI aligns with ISU’s Core Theme Two (Access and Opportunity) by expanding our opportunity to recruit potential future teachers in secondary school settings and by ensuring that students have access to critical support functions necessary to be successful throughout their education. The CEI also aligns with ISU Core Theme Four (Community Engagement and Impact) by providing a structure that facilitates partnership creation and collaboration and professional development centers for professional educators in the field.

Various existing programs, services, and operations would or could be housed in the facility:
- ISU College of Education Twin Falls Center
- ISU Twin Falls Office for the Albion Center for Education Innovation
- Region IV TRIO
- Regional Math Resource Center
• ISU Community College Leadership program

A future vision and opportunities
  Evolving and future opportunities include:
  • Consideration of partnering with Twin Falls School District to create an elementary school as a component of the project and as a lab school
  • Expanded education research
  • Direct linkage with Idaho SDE and Professional Standards Commission
  • Revision and improvement of Idaho Career Technical Education (CTE) programming and continuing education support
  • Childhood through college education lab research under one roof with shared resources and faculty
  • Active research with regard to “education innovation in action,” including expanded K12-postsecondary education partnerships, collaboration, and pilot studies

Moving forward
  Initial steps include a joint request from CSI and ISU for planning and design funding in order to fully develop and synchronize the operations, programming, and facility concept. This would culminate in a formal building request by the College of Southern Idaho and Idaho State University to the Permanent Building Council.

  Attendant staffing and occupancy cost requests will follow as appropriate.
Supports institution/agency and Board strategic plans:

**Goal 1, Objective B**

Higher Level of Education Attainment – Increase the educational attainment of all Idahoans through participation in Idaho’s educational system

**Performance Measure:**

1. Increase Math 043, Math 143, and Math 153 course completion rates for the College of Southern Idaho by 20% by fiscal year 2020 (May 2020). Fall 2016 benchmark.
2. Increase Math 043, Math 143, and Math 153 credits successfully completed by 20% by fiscal year 2020 (May 2020). Fall 2016 benchmark.
3. Increase graduation rates for the College of Southern Idaho from 18% to 22% by fiscal year 2020 (May 2020) – IPEDS definition of graduation rate. Fall of 2016 benchmark.

4. Increase retention in degree and certificate programs at the College of Southern Idaho from 50% to 60% by fiscal year 2020 (May 2020) – IPEDS definition of Fall to Fall retention rate. Fall of 2016 benchmark.

5. Increase the number of students earning degree or certificates by 20% by fiscal year 2020 (May 2020). Fall 2016 benchmark.

Description:
This request is to provide an intensive Bridge to Success Summer Bridge program that provides first time, degree-seeking students a head start in their transition to college. The program introduces students to the academic expectations of college, specifically for degrees that require challenging first-semester course work in math, since math is a key indicator of student success and degree completion. Moreover, the program develops 21st century skills that are essential in the classroom and in the workplace; promotes community engaged learning; familiarizes students to valuable campus resources to increase student success; fosters social and academic relationships with peers, faculty, and staff; and provides academic coaching. This request allows CSI to develop bridge academies that have math as their core course. This request involves hiring a full-time bridge coordinator, adjunct faculty to teach summer bridge courses, and tutors to provide summer bridge instructional support.

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 (1) FTE is being requested for a) coordination of Summer Bridge program development b) develop and maintain an ongoing excellence in teaching protocol for all full and part-time faculties, and c) provide continued support for bridge participants through degree/certificate attainment.

   Part-time adjunct math and bridge instructors will be provided to teach summer bridge courses; part-time tutors will be provided to assist students. Academic coaches and student success personnel are already in place for this project.

   One (1) FTE for Summer Bridge Program Coordinator: $35,000
   Part-time adjunct instructors: $14,000
   Tutors: $10,000

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) FTE, Bridge Coordinator, $35,000 each, Full Time, Full Benefits, Hire Date of August 1, 2018, 12 month contract.

Part-time instructors: $14,000 (total), part-time, no benefits, May 1, 2019, summer contract
Part-time tutors: $10,000 (total), part-time, no benefits, May 1, 2019, summer contract

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

We have an Associate Dean of Student Success in place. The Bridge Coordinator will report to Associate Dean of Student Success.

Part-time instructors will train with the college’s instructional designer (in place). Math instructors will report to the Math Department Chair; bridge instructors will report to the Associate Dean of Student Success.

We currently have Academic Coaches in place. These coaches report to the Associate Dean of Student Success. We have limited tutors in place. Additional summer tutors will assist with the bridge program and will report to our Learning Assistance Program Coordinator (in place).

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

Financial Support to support students participating in the program. We anticipate 120 students (5 cohorts of 24).

Operating Supplies:
1) $29,000: Daily lunch with Student Success activities: 8 weeks, four days per week:
2) $10,000: Community Engaged Learning to include leadership, teamwork, service learning, and 21st Century skill development.
3) $8,000: Instructional support
4) $3,000: Office Supplies—marketing, promotion, general supplies
5) $2,000: travel

Faculty and staff Professional Development: $2,500

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

This request is for on-going funds to support new students entering the college.

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 request is to enable first time, degree seeking students to have quicker progress into and successful completion of college math as well introducing students to the academic expectations of college. This program will develop 21st century skills that are essential in the classroom and in the workplace; promote community engaged learning; familiarize students to valuable campus resources to increase student success; foster social and academic relationships with peers, faculty, and staff; and provide academic coaching. We expect to see immediate results in retention and math completion rates. With continued support in subsequent semesters for bridge participants, CSI expects to see increased results in degree completion and graduation 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 the desired major impact on increasing enrollments and completion rates.
Decision Unit: Bridge to Success Summer Bridge Proposal

Science, technology, engineering, and math (STEM) degrees rank as the most popular degrees at the College of Southern Idaho (CSI). In the fall of 2015, for example, 23% of degree-seeking students declared a STEM degree as their major (College of Southern Idaho Information Technology Services, 2016). When Health Sciences and Career and Technical Education degrees and certificates are included in STEM, nearly half of CSI degree-seeking students declared a STEM degree in fall 2015.

Although nearly one-half of first time, degree seeking students at CSI select a STEM pathway, research indicates that many will leave their chosen field within the first academic year, if not sooner. Chen and Soldner (2013) found that 69% of associate’s degree students who entered a STEM field in a six-year period (2003-2009) had left their chosen field. Roughly one-half of these students switched their major to a non-STEM degree; the remaining left college before earning a degree or certificate. Chen and Soldner indicated that performance in STEM courses, particularly math, figured prominently in a student’s decision to leave the STEM field.

This request is to provide an intensive Bridge to Success Summer Bridge program that provides first time, degree-seeking students a head start in their transition to college. The program introduces students to the academic expectations of college, specifically for degrees that require challenging first-semester course work in math, since math is a key indicator of student success and degree completion. Moreover, the program develops 21st century skills that are essential in the classroom and in the workplace; promotes community engaged learning; familiarizes students to valuable campus resources to increase student success; fosters social and academic relationships with peers, faculty, and staff; and provides academic coaching. This request allows CSI to develop bridge academies that have math as their core course. This request involves hiring a full-time bridge coordinator, adjunct faculty to teach summer bridge courses, and tutors to provide summer bridge instructional support.

This summer bridge program will enable students to have quicker progress into and successful completion of college math. As a result, CSI expects to see immediate results in retention and math completion rates. With continued support in subsequent semesters for bridge participants, CSI expects to see increased results in degree completion and graduation rates.
Supports institution/agency and Board strategic plans:

**Goal 1 Objective B**

Quality Instruction – Increase student access to general education gateway transfer courses in the Idaho Falls CSI Outreach Center by hiring full-time instructors (1.0 FTE English and 1.0 FTE mathematics).

**Performance Measure:**

1. To provide instruction in gateway transfer general education courses in English and mathematics at the CSI Outreach Center in Idaho Falls.
2. Full-time faculty described above will improve access and mentoring for dual credit students and adjunct teachers at the CSI Outreach Center in Idaho Falls.

Description:

The instructional positions would allow two full time dedicated faculty to be located at the CSI's Eastern Idaho outreach center in Idaho Falls. Enrollment in college-level General Education courses, especially in English and mathematics, has grown significantly since the center opened in 2012. As of AY 15-16 there were 229 enrollments in English and 163 enrollments in mathematics. A full-time faculty load is 15 credits. Additionally, full time faculty members not only teach a full load but also function as advisors, and working with departments on the main campus, these faculty members would also be responsible to advise and mentor adjunct and dual credit instructors in Bannock and Bonneville Counties who teach for CSI.

The CSI Outreach Center in Idaho Falls was funded to provide general education courses that Eastern Idaho Technical College is unable to offer due to its mission and funding as a CTE technical college. Last year the governor committed funds towards the creation of a community college in Eastern Idaho, and a citizen’s committee has been at work for the past year to develop the proposal. When EITC becomes a community college, it is our intention that the CSI positions requested here would convert immediately over to the new Eastern Idaho Community College as full time English and mathematics faculty, and the funding for these positions would transfer over to the new community college. Until such time as the new community college is created, these positions will serve the growing number of students who are using the CSI Outreach Center in Idaho Falls to take lower division general education courses locally at an affordable price.

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?

   Two (2) FTE are being requested to a) provide full time access to students enrolled in math and English classes, b) develop and maintain an ongoing excellence in teaching protocol for all full and part-time faculties, and c) work with the growing number of adjunct and dual credit teachers and students in Bonneville and Bannock counties.

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 (2) FTE, Faculty, $44,000 each, Full Time, Full Benefits, Hire Date of August 1, 2018, 10-month contract.
b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.

New instructors will report to the appropriate department chairs and instructional deans in the office of Instructional Affairs on the main CSI campus in Twin Falls and will work closely with the Director of the Eastern Idaho Outreach Center.

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

No Additional funds are being requested.

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

This is an ongoing request for salary and benefits. When Eastern Idaho Technical College converts to a community college and then is able to offer general education courses and transfer degrees, these positions (and the funding for them) would transfer immediately over to the new community college as the CSI Center in Idaho Falls would no longer be needed.

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

The students taking general education courses in English and mathematics through CSI at its Eastern Idaho Outreach Center would directly benefit from full-time instructors; moreover, adjunct and dual credit instructors and students in Bonneville and Bannock Counties will benefit from consistent, local mentoring, advising, and direction from full-time faculty in the key areas of English and mathematics.
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Supports institution/agency and Board strategic plans:

CSI Core Theme 1: Community Success

As a community college, we are committed to responding to the diverse needs of the communities we serve and to taking a leadership role in improving the quality of life of the members of those communities.

Objective #3: Meet the workforce needs of the communities we serve

Core Theme 2: Student Success
As an institution of higher education, we exist to meet the diverse educational needs of the communities we serve. Above all institutional priorities is the desire for every student to experience success in the pursuit of a quality education.

- Objective #1: Foster participation in post-secondary education
- Objective #2: Reinforce a commitment to instructional excellence
- Objective #3: Support student progress toward achievement of educational goals

Performance Measure:
Increase participation in dual credit pathways in Business and Computer Science.

Description:
This request is intended to continue the CSI strategy of providing direct instructional and support services within the secondary education system in Region IV. By placing CSI faculty in high school classrooms, there is absolute connection and integration of the dual credit/early college strategy between the College and the district. In this particular case, Business and Computer Science faculty will be hired and based on regional need and capacity, placed directly within those schools with an established pathway to Associate Degrees which are in turn articulated with Idaho State University and other Idaho public colleges and universities. These instructors will create dual credit “Academies,” which are exemplars within the High Schools That Work research regarding excellence in secondary education.

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?
   Faculty and attendant instructional costs to implement a minimum of two dual credit academies.

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 college faculty (9 month) on full benefits, hired effective for Fall term 2017.
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      No redirection, but additional supervisory responsibilities for the respective department chairs.
   c. List any additional operating funds and capital items needed.

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.
Dual credit revenue will be collected and applied to operational costs beyond those of the direct instruction. This is an ongoing request to CSI base 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?

High schools, their students, their parents and our regional business and industry partners. If this request is not funded, the opportunity for greater instructional integration with regard to dual credit/middle college will be lost or significantly mitigated.
Supports institution/agency and Board strategic plans:

**Goal 1, Objective 3:**
**Student Success:** Promote programs and services to enhance access and successful student transitions.

**Goal 2, Objective 1:**
**Educational Excellence:** Evaluate, create and adapt programs that respond to the educational and training needs of the region.

**Performance Measures:**
- Percentage of full-time, first-time and new transfer-in students who a) were awarded a degree or certificate, b) transferred without an award to a 2- or 4-year institution, c) are still enrolled, and d) left the institution within six years.
• Fall to Spring Persistence Rate, credit students.
• First-time, full-time, student retention rates.
• First-time, part-time, student retention rates.
• Increase dual credit students who enroll at NIC as degree-seeking postsecondary students as a percentage of total headcount.

Description:

The Idaho Summer Completion Initiative enables any Idaho resident to attend North Idaho College tuition free for the Summer 2017 term for up to 6 credit hours.

The purpose of this initiative is to leverage the summer term to increase retention and completion rates and create an opportunity for former students who are missing a handful of credits to achieve degree completion.

Over the past decade North Idaho College along with many other institutions across the nation have seen a significant decline in credit taking behaviors over the summer terms. This change in credit taking behavior has had an impact on both retention and completion results. Furthermore, the reduction in summer credits has impacted the overall operating efficiency of the campus, since the campus is still operating during the summer months but with much reduced student offerings.

By encouraging students to take credits during the summer, we as an institution are better able to maintain connection with our students and increase persistence of current students from spring semester to fall semester. In addition, taking even one course during the summer term reduces the overall time to completion. A tuition free summer term allows the institution a unique opportunity to reach out to students who are a few credits short completing their degree or certificate and provide access over the summer for these students to complete and graduate. The tuition free summer term also provides a great bridge for dual credit students and graduating seniors to further experience the college learning environment and gain credits further reducing their time to degree completion, regardless of where they choose to complete their post-secondary studies.

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. All courses will be taught by current North Idaho College accepting summer assignments on a per credit basis or by adjunct faculty accepting summer assignments on a per credit basis.

b. There will be no existing human resources that will be redirected to this new effort. Existing operations will be impacted to enroll and register students but can be accommodated using existing staff and systems.

c. There are no additional operating funds and capital items needed.

3. This request is a one-time funding request. This request is based on offering 200 three credit instructional sections in Summer 2017 tuition free to any Idaho resident. This will serve an estimated 4,000 Idaho students (duplicated head-count). Courses offered tuition free would be delivered as face to face, via IVC, or in a hybrid modality. Courses offered completely on-line would be ineligible for this program. Students would be responsible for any lab fee/course fee and any required textbook. This would be the only out of pocket expenses to students.

This request would potentially serve all interested students across the state of Idaho. The immediate effects of this funding will be improved completion rates at North Idaho College and a reduced time to degree for any students who take advantage of the summer completion initiative.
Supports institution/agency and Board strategic plans:

**Goal 1, Objective 1:**
**Student Success:** Provide innovative, progressive, and student-centered programs and services.

**Goal 4, Objective 4:**
**Diversity:** Promote a safe and respectful environment.

**Performance Measures:**
- Fall to Spring Persistence Rate, credit students.
- Participation in sponsored events that promote Title IX awareness.
Description:
Establishing the position of Title IX Coordinator as a FT position to lead the college’s compliance efforts and conduct training and awareness events for students, faculty and staff and the community.

The purpose of this initiative is to ensure compliance with the fast changing and expanding requirements of Title IX.

Title IX has required all colleges to respond differently and more proactively to reports of sexual assault or any other forms of sex based discrimination. Title IX applies to all institutions that receive federal financial assistance. Title IX requires that institutions operate all programs and activities in a non-discriminatory manner including recruitment, admissions, and counseling; financial assistance; athletics; sex-based harassment; treatment of pregnant and parenting students; discipline; single-sex education; and employment. Recently the focus of Office of Civil Right enforcement efforts have increased and become more focused on institutional responses to investigation of sexual harassment and assault.

The addition of a dedicated Title IX Coordinator will allow the institution to meet its federally mandated responsibilities related to Title IX compliance, including being proactive in the continued development of processes and procedures to ensure compliance and better educate all stakeholders on awareness and prevention of sex-based discrimination and sexual assault. The addition of the Title IX Coordinator will also allow the institution to meet the expectations of the Office of Civil Rights. The Office of Civil Rights has issued much guidance on the designation of Title IX coordinators, going so far as to indicate that the federal preference is that institutions have a dedicated, full-time Title IX Coordinator to “minimize the risk of a conflict of interest and in many cases ensure sufficient time is available to perform all the role’s responsibilities.” (See the attached Office of Civil Rights “Dear Colleague Letter on Title IX Coordinators” dated April 25, 2015).

Questions:
1. The institution is requesting the addition of 1 FTE. Current staffing for these functions is staffed by 2 employees equaling a .5 FTE. This is requested as ongoing, general fund (base) support.
2. What resources are necessary to implement this request?
   b. Currently the college has two employees working on Title IX equating to .5 FTE. These individuals will continue their support role as investigators for Title IX complaints.
c. Operating funds of $2,000 are requested for travel and training for continuing staff development. Capital items needed consist of initial IT and workspace needs of $3,000.

3. The staffing request and operating request are on-going in the amount of $81,800. Capital request of $3,000 is one-time.

4. This request will serve all students, faculty, staff and visitors to North Idaho College. If this request is not funded the college will continue to support Title IX compliance with the existing dedicated .5 FTE and seek additional fee revenue to support Title IX compliance funded by students.
Dear Colleague:

I write to remind you that all school districts, colleges, and universities receiving Federal financial assistance must designate at least one employee to coordinate their efforts to comply with and carry out their responsibilities under Title IX of the Education Amendments of 1972 (Title IX), which prohibits sex discrimination in education programs and activities.\(^1\) These designated employees are generally referred to as Title IX coordinators.

Your Title IX coordinator plays an essential role in helping you ensure that every person affected by the operations of your educational institution—including students, their parents or guardians, employees, and applicants for admission and employment—is aware of the legal rights Title IX affords and that your institution and its officials comply with their legal obligations under Title IX. To be effective, a Title IX coordinator must have the full support of your institution. It is therefore critical that all institutions provide their Title IX coordinators with the appropriate authority and support necessary for them to carry out their duties and use their expertise to help their institutions comply with Title IX.

The U.S. Department of Education's Office for Civil Rights (OCR) enforces Title IX for institutions that receive funds from the Department (recipients).\(^2\) In our enforcement work, OCR has found that some of the most egregious and harmful Title IX violations occur when a recipient fails to designate a Title IX coordinator or when a Title IX coordinator has not been sufficiently trained or given the appropriate level of authority to oversee the recipient's compliance with Title IX. By contrast, OCR has found that an effective Title IX coordinator often helps a recipient provide equal educational opportunities to all students.

OCR has previously issued guidance documents that include discussions of the responsibilities of a Title IX coordinator, and those documents remain in full force. This letter incorporates that existing OCR guidance on Title IX coordinators and provides additional clarification and recommendations.

\(^1\) 34 C.F.R. § 106.8(a). Although Title IX applies to any recipient that offers education programs or activities, this letter focuses on Title IX coordinators designated by local educational agencies, schools, colleges, and universities.

\(^2\) 20 U.S.C. §§ 1681–1688. The Department of Justice shares enforcement authority over Title IX with OCR.
Dear Colleague Letter: Title IX Coordinators

as appropriate. This letter outlines the factors a recipient should consider when designating a Title IX coordinator, then describes the Title IX coordinator’s responsibilities and authority. Next, this letter reminds recipients of the importance of supporting Title IX coordinators by ensuring that the coordinators are visible in their school communities and have the appropriate training.

Also attached is a letter directed to Title IX coordinators that provides more information about their responsibilities and a Title IX resource guide. The resource guide includes an overview of the scope of Title IX, a discussion about Title IX’s administrative requirements, as well as a discussion of other key Title IX issues and references to Federal resources. The discussion of each Title IX issue includes recommended best practices for the Title IX coordinator to help your institution meet its obligations under Title IX. The resource guide also explains your institution’s obligation to report information to the Department that could be relevant to Title IX. The enclosed letter to Title IX coordinators and the resource guide may be useful for you to understand your institution’s obligations under Title IX.

Designation of a Title IX Coordinator

Educational institutions that receive Federal financial assistance are prohibited under Title IX from subjecting any person to discrimination on the basis of sex. Title IX authorizes the Department of Education to issue regulations to effectuate Title IX. Under those regulations, a recipient must designate at least one employee to coordinate its efforts to comply with and carry out its responsibilities under Title IX and the Department’s implementing regulations. This position may not be left vacant; a recipient must have at least one person designated and actually serving as the Title IX coordinator at all times.

In deciding to which senior school official the Title IX coordinator should report and what other functions (if any) that person should perform, recipients are urged to consider the following:

A. Independence

The Title IX coordinator’s role should be independent to avoid any potential conflicts of interest and the Title IX coordinator should report directly to the recipient’s senior leadership, such as the district superintendent or the college or university president. Granting the Title IX coordinator this

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4 34 C.F.R. § 106.8(a).
5 Many of the principles in this document also apply generally to employees required to be designated to coordinate compliance with other civil rights laws enforced by OCR against educational institutions, such as Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794; 34 C.F.R. § 104.7(a), and Title II of the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12131–12134; 28 C.F.R. § 35.107(a).
Page 3—Dear Colleague Letter: Title IX Coordinators

independence also ensures that senior school officials are fully informed of any Title IX issues that arise and that the Title IX coordinator has the appropriate authority, both formal and informal, to effectively coordinate the recipient’s compliance with Title IX. Title IX does not categorically exclude particular employees from serving as Title IX coordinators. However, when designating a Title IX coordinator, a recipient should be careful to avoid designating an employee whose other job responsibilities may create a conflict of interest. For example, designating a disciplinary board member, general counsel, dean of students, superintendent, principal, or athletics director as the Title IX coordinator may pose a conflict of interest.

**B. Full-Time Title IX Coordinator**

Designating a full-time Title IX coordinator will minimize the risk of a conflict of interest and in many cases ensure sufficient time is available to perform all the role’s responsibilities. If a recipient designates one employee to coordinate the recipient’s compliance with Title IX and other related laws, it is critical that the employee has the qualifications, training, authority, and time to address all complaints throughout the institution, including those raising Title IX issues.

**C. Multiple Coordinators**

Although not required by Title IX, it may be a good practice for some recipients, particularly larger school districts, colleges, and universities, to designate multiple Title IX coordinators. For example, some recipients have found that designating a Title IX coordinator for each building, school, or campus provides students and staff with more familiarity with the Title IX coordinator. This familiarity may result in more effective training of the school community on their rights and obligations under Title IX and improved reporting of incidents under Title IX. A recipient that designates multiple coordinators should designate one lead Title IX coordinator who has ultimate oversight responsibility. A recipient should encourage all of its Title IX coordinators to work together to ensure consistent enforcement of its policies and Title IX.

**Responsibilities and Authority of a Title IX Coordinator**

The Title IX coordinator’s primary responsibility is to coordinate the recipient’s compliance with Title IX, including the recipient’s grievance procedures for resolving Title IX complaints. Therefore, the Title IX coordinator must have the authority necessary to fulfill this coordination responsibility. The recipient must inform the Title IX coordinator of all reports and complaints raising Title IX issues, even if the complaint was initially filed with another individual or office or the investigation will be conducted by another individual or office. The Title IX coordinator is responsible for coordinating the recipient’s responses to all complaints involving possible sex discrimination. This responsibility includes monitoring outcomes, identifying and addressing any patterns, and assessing effects on the campus climate. Such coordination can help the recipient avoid Title IX violations, particularly violations involving sexual harassment and violence, by preventing incidents
Page 4—Dear Colleague Letter: Title IX Coordinators

from recurring or becoming systemic problems that affect the wider school community. Title IX does not specify who should determine the outcome of Title IX complaints or the actions the school will take in response to such complaints. The Title IX coordinator could play this role, provided there are no conflicts of interest, but does not have to.

The Title IX coordinator must have knowledge of the recipient’s policies and procedures on sex discrimination and should be involved in the drafting and revision of such policies and procedures to help ensure that they comply with the requirements of Title IX. The Title IX coordinator should also coordinate the collection and analysis of information from an annual climate survey if, as OCR recommends, the school conducts such a survey. In addition, a recipient should provide Title IX coordinators with access to information regarding enrollment in particular subject areas, participation in athletics, administration of school discipline, and incidents of sex-based harassment. Granting Title IX coordinators the appropriate authority will allow them to identify and proactively address issues related to possible sex discrimination as they arise.

Title IX makes it unlawful to retaliate against individuals—including Title IX coordinators—not just when they file a complaint alleging a violation of Title IX, but also when they participate in a Title IX investigation, hearing, or proceeding, or advocate for others’ Title IX rights. Title IX’s broad anti-retaliation provision protects Title IX coordinators from discrimination, intimidation, threats, and coercion for the purpose of interfering with the performance of their job responsibilities. A recipient, therefore, must not interfere with the Title IX coordinator’s participation in complaint investigations and monitoring of the recipient’s efforts to comply with and carry out its responsibilities under Title IX. Rather, a recipient should encourage its Title IX coordinator to help it comply with Title IX and promote gender equity in education.

Support for Title IX Coordinators

Title IX coordinators must have the full support of their institutions to be able to effectively coordinate the recipient’s compliance with Title IX. Such support includes making the role of the Title IX coordinator visible in the school community and ensuring that the Title IX coordinator is sufficiently knowledgeable about Title IX and the recipient’s policies and procedures. Because educational institutions vary in size and educational level, there are a variety of ways in which recipients can ensure that their Title IX coordinators have community-wide visibility and comprehensive knowledge and training.

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6 34 C.F.R. § 106.71 (incorporating by reference 34 C.F.R. § 100.7(e)).
A. Visibility of Title IX Coordinators

Under the Department’s Title IX regulations, a recipient has specific obligations to make the role of its Title IX coordinator visible to the school community. A recipient must post a notice of nondiscrimination stating that it does not discriminate on the basis of sex and that questions regarding Title IX may be referred to the recipient’s Title IX coordinator or to OCR. The notice must be included in any bulletins, announcements, publications, catalogs, application forms, or recruitment materials distributed to the school community, including all applicants for admission and employment, students and parents or guardians of elementary and secondary school students, employees, sources of referral of applicants for admission and employment, and all unions or professional organizations holding collective bargaining or professional agreements with the recipient.\(^7\)

In addition, the recipient must always notify students and employees of the name, office address, telephone number, and email address of the Title IX coordinator, including in its notice of nondiscrimination.\(^8\) Because it may be unduly burdensome for a recipient to republish printed materials that include the Title IX coordinator’s name and individual information each time a person leaves the Title IX coordinator position, a recipient may identify its coordinator only through a position title in printed materials and may provide an email address established for the position of the Title IX coordinator, such as TitleIXCoordinator@school.edu, so long as the email is immediately redirected to the employee serving as the Title IX coordinator. However, the recipient’s website must reflect complete and current information about the Title IX coordinator.

Recipients with more than one Title IX coordinator must notify students and employees of the lead Title IX coordinator’s contact information in its notice of nondiscrimination, and should make available the contact information for its other Title IX coordinators as well. In doing so, recipients should include any additional information that would help students and employees identify which Title IX coordinator to contact, such as each Title IX coordinator’s specific geographic region (e.g., a particular elementary school or part of a college campus) or Title IX area of specialization (e.g., gender equity in academic programs or athletics, harassment, or complaints from employees).

The Title IX coordinator’s contact information must be widely distributed and should be easily found on the recipient’s website and in various publications.\(^9\) By publicizing the functions and responsibilities of the Title IX coordinator, the recipient demonstrates to the school community its commitment to complying with Title IX and its support of the Title IX coordinator’s efforts.

\(^7\) 34 C.F.R. § 106.9.
\(^8\) 34 C.F.R. § 106.8(a).
\(^9\) 34 C.F.R. § 106.9.
Page 6—Dear Colleague Letter: Title IX Coordinators

Supporting the Title IX coordinator in the establishment and maintenance of a strong and visible role in the community helps to ensure that members of the school community know and trust that they can reach out to the Title IX coordinator for assistance. OCR encourages recipients to create a page on the recipient’s website that includes the name and contact information of its Title IX coordinator(s), relevant Title IX policies and grievance procedures, and other resources related to Title IX compliance and gender equity. A link to this page should be prominently displayed on the recipient’s homepage.

To supplement the recipient’s notification obligations, the Department collects and publishes information from educational institutions about the employees they designate as Title IX coordinators. OCR’s Civil Rights Data Collection (CRDC) collects information from the nation's public school districts and elementary and secondary schools, including whether they have civil rights coordinators for discrimination on the basis of sex, race, and disability, and the coordinators’ contact information. The Department’s Office of Postsecondary Education collects information about Title IX coordinators from postsecondary institutions in reports required under the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act and the Higher Education Opportunity Act.

B. Training of Title IX Coordinators

Recipients must ensure that their Title IX coordinators are appropriately trained and possess comprehensive knowledge in all areas over which they have responsibility in order to effectively carry out those responsibilities, including the recipients’ policies and procedures on sex discrimination and all complaints raising Title IX issues throughout the institution. The resource guide accompanying this letter outlines some of the key issues covered by Title IX and provides references to Federal resources related to those issues. In addition, the coordinators should be knowledgeable about other applicable Federal and State laws, regulations, and policies that overlap with Title IX. In most cases, the recipient will need to provide an employee with training to act as its Title IX coordinator. The training should explain the different facets of Title IX, including regulatory provisions, applicable OCR guidance, and the recipient’s Title IX policies and grievance procedures. Because these laws, regulations, and OCR guidance may be updated, and

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12 See, e.g., the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g, and its implementing regulations, 34 C.F.R. Part 99; and the Clery Act, 20 U.S.C. § 1092(f), and its implementing regulations, 34 C.F.R. Part 668. These documents only address an institution’s compliance with Title IX and do not address its obligations under other Federal laws, such as the Clery Act.
recipient policies and procedures may be revised, the best way to ensure Title IX coordinators have the most current knowledge of Federal and State laws, regulations, and policies relating to Title IX and gender equity is for a recipient to provide regular training to the Title IX coordinator, as well as to all employees whose responsibilities may relate to the recipient’s obligations under Title IX. OCR’s regional offices can provide technical assistance, and opportunities for training may be available through Equity Assistance Centers, State educational agencies, private organizations, advocacy groups, and community colleges. A Title IX coordinator may also find it helpful to seek mentorship from a more experienced Title IX coordinator and to collaborate with other Title IX coordinators in the region (or who serve similar institutions) to share information, knowledge, and expertise.

In rare circumstances, an employee’s prior training and experience may sufficiently prepare that employee to act as the recipient’s Title IX coordinator. For example, the combination of effective prior training and experience investigating complaints of sex discrimination, together with training on current Title IX regulations, OCR guidance, and the recipient institution’s policies and grievance procedures may be sufficient preparation for that employee to effectively carry out the responsibilities of the Title IX coordinator.

Conclusion

Title IX coordinators are invaluable resources to recipients and students at all educational levels. OCR is committed to helping recipients and Title IX coordinators understand and comply with their legal obligations under Title IX. If you need technical assistance, please contact the OCR regional office serving your State or territory by visiting http://wdrobcolp01.ed.gov/CFAPPS/OCR/contactus.cfm or call OCR’s Customer Service Team at 1-800-421-3481; TDD 1-800-877-8339.

Thank you for supporting your Title IX coordinators to help ensure that all students have equal access to educational opportunities, regardless of sex. I look forward to continuing to work with recipients nationwide to help ensure that each and every recipient has at least one knowledgeable Title IX coordinator with the authority and support needed to prevent and address sex discrimination in our nation’s schools.

Sincerely,

/s/
Catherine E. Lhamon
Assistant Secretary for Civil Rights
Supports institution/agency and Board strategic plans:

**Goal 1, Objective 3:**
**Student Success:** Promote programs and services to enhance access and successful transitions.

**Goal 4, Objective 1:**
**Diversity:** Foster a culture of inclusion.
Performance Measures:

- Number of students enrolled from diverse populations.
- Participation in sponsored events that promote Title IX awareness.
- Percentage of full-time, first-time and new transfer-in students who a) were awarded a degree or certificate, b) transferred without an award to a 2- or 4-year institution, c) are still enrolled, and d) left the institution within six years.
- Fall to Spring Persistence Rate, credit students

Description:

In order to meet compliance with Electronic and Information Technology requirements and standards, the institution needs to dedicate resources and establish a coordinator to ensure all media produced by the college is in compliance and students with assistive technology accommodations are provided the appropriate support.

The Department of Education, Office for Civil Rights is widely publicizing the recent May 4, 2012 University of Montana Electronic and Information Technology (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 insure 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 assistive technology coordinator. This individual will oversee, coordinate, and provide consulting, training and support for students, faculty, and staff in using assistive technologies. Develop, implement, and maintain procedures and objectives, lead short and long range planning; collaborate with other program staff in strategic planning, cultivation of partnerships, and development and implementation of programmatic initiatives related to assistive technologies. Provides training and documentation in accessibility issues for university community members.

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 insure accessibility for students with disabilities is adequately addressed. Additionally the Assistive Technology 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. The institution is requesting the addition of 1 FTE. This is requested as ongoing, general fund (base) support. In addition the institution is requesting $507,000 in ongoing support for the position and accommodate immediate captioning needs.

2. What resources are necessary to implement this request?
   b. Currently the college has no employees working specifically on EIT compliance.
   c. Operating funds of $507,000 are requested for travel and training for continuing staff development and for the immediate captioning needs of the institution. Capital items needed consist of initial IT and hardware and software in the amount of $128,000. This includes: 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); 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).

3. The staffing request and operating request are on-going in the amount of $572,170. Capital request of $128,000 is one-time.

4. This request would potentially serve all students, faculty, staff and visitors to North Idaho College. If this request is not funded the college will continue to seek funding sources to meet the compliance requirements for Electronic and Information Technology requirements.
Supports institution/agency and Board strategic plans:

**Goal 1, Objective 2:**
**Student Success:** Engage and empower students to take personal responsibility and to actively participate in their educational experience.

**Goal 1, Objective 3:**
**Student Success:** Promote programs and services to enhance access and successful student transitions.

**Goal 3, Objective 3:**
**Community Engagement:** Promote North Idaho College in the communities we serve.
Performance Measures:

- Percentage of full-time, first-time and new transfer-in students who a) were awarded a degree or certificate, b) transferred without an award to a 2- or 4-year institution, c) are still enrolled, and d) left the institution within six years.
- Fall to Spring Persistence Rate, credit students.
- First-time, full-time, student retention rates.
- First-time, part-time, student retention rates.
- Increase dual credit students who enroll at NIC as degree-seeking postsecondary students as a percentage of total headcount.
- Market Penetration (Credit Students): Unduplicated headcount of credit students as a percentage of NIC's total service area population.

Description:

College and Career Navigator will engage students in their schools beginning in the 7th grade and then in specific intervals as students' progress into high school, begin taking dual credit courses and then transition into higher education.

The purpose of this initiative is for early intervention with students to ensure they are considering higher education for themselves as they look to their future, set goals and chart their coursework in high school. By engaging students in the 7th grade and providing career aptitude testing to help students find their interests and strengths, navigators can continue the conversations with students and their families and start the conversations early that higher education is achievable and absolutely necessary and comes in many forms from technical certificates and credentials to a bachelor's degree.

One of the consistent concerns of many stakeholders is that as a state we are not reaching students early enough and having meaningful conversations about student interests and strengths and how that translates into finding the right career and the absolute necessity for some form of higher education. This model will allow North Idaho College to pilot this across Kootenai County and track the impact for six years – from the 7th grade class of 2017-2018 to the entering college freshman class in Fall 2023.

The key aspects of this initiative will provide career aptitude testing to every interested seventh grader in Kootenai County and guidance to students in interpreting the results and developing an initial plan for higher education along with specific targeted follow-up and resources at key points as the students’ progress through high school. In addition, these navigators will be the key relationship and contact with students as they have questions about dual credit, guided pathways, financial aid and the transition to an institution of higher education.

The college and career navigators will be an essential link to not just North Idaho College, but to all colleges and serve as a trusted advisor to students, families and counselors; meeting them in their schools and their communities and helping bridge the divide that
exists at times between students and the perception that college is not accessible or achievable.

Questions:

1. This request is for 3 FTEs to serve as Career and College Navigators in Region 1. One Navigator would be focused on the 7th grade Career Aptitude Testing and Counseling and connecting students with their strengths and goals and higher education. The additional two Navigators will be focused on connecting with students after 7th grade and into high school and transitioning them into higher education. Working closely with students in the high schools, helping students see how what they are doing in High School connects to their goals and college. This is requested as general fund (base) support.

2. What resources are necessary to implement this request?
   a. Career Aptitude Navigator: 1 FTE Benefited. Anticipated hire date: July 1, 2017
   College and Career Navigator: 2 FTE Benefited. Anticipated hire date: July 1, 2017.
   b. There will be no existing human resources that will be redirected to this new effort. Existing operations will be impacted to follow-up, enroll and provide assistance to students, families and Navigators working in the high schools and junior high schools.
   c. Capital requests include 3 vehicles for use by Navigators and initial IT needs. Operating expenses of $9,000.

3. This request is for on-going funding of the Navigator positions. One time capital expenses are for three vehicles and initial IT needs.

4. This request would potentially serve 7th through 12th grade students in Kootenai County. The long term return on this funding will be greater access to higher education and improved enrollment and completion rates for area colleges, including North Idaho College.
Supports institution/agency and Board strategic plans:

**SBOE Goal 1, Objective B**
Idaho SBOE identifies a well-educated citizenry as a strategic goal by increasing the educational attainment of all Idahoans through participation and retention in Idaho's educational system.

**SBOE Goal 3, Objectives A and B**
Idaho SBOE identifies efficient use of educational resources to promote effective and efficient delivery systems as a strategic goal. Objectives include demonstration of cost effectiveness and fiscal prudence, as well as engaging in data-informed decision making and continuous improvement.
Supports institution/agency and Board strategic plans:

This request is connected to the CWI strategic plan’s goals as follows:

**Institutional Priority 1: Student Success;**
- Objective 3: CWI will provide support services that improve student success.
- Objective 4: CWI will develop educational pathways and services to improve accessibility.

**Institutional Priority 2: Employee Success;**
- Objective 1: Employees will have resources, information and other support to be successful in their roles.
A: Decision Unit No: 12.01 Title: Grad Research Support IAES Priority Ranking 1 of 1

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* For benefit calculations: $11,200 per FTE plus 20.2%

Agricultural Research and Experiment Station Equipment Needs support the following Idaho State Board of Education Strategic Plan Goals (2017-2021):
Goal 1: A Well Educated Citizenry. Funding will develop housing at two of the Research and Extension (R&E) Centers of the Idaho Agriculture Experiment Station (IAES; Parma and Kimberly) to aid in short-term housing needs of graduate and undergraduate students when conducting research. Temporary housing at these locations will strengthen the experiences for students improving their educational experiences. Some critical equipment necessary to support their research in wheat, barley, potatoes, beans, sugar beets, canola and other oilseeds are needed to support advancements in agriculture research such as plant breeding, control of pathogens, and efficiency of water use. Facility improvements will address how to store potatoes better and offer answers to plant diseases throughout the state.

Objective A: Access
Students will more easily be engaged in their research due to housing on the R&E Centers. The equipment will improve the time for research through efficiencies in labor and advancement in use of technology. Both will aid in greater access by researchers including faculty, staff, graduate and undergraduate students.

Measure: Number of research projects conducted.

Objective B: Higher Level of Educational Attainment

Objective C: Quality Education

Measure: Number of refereed publications, presentations at national and international meetings, and graduate student awards.

Proposed Action: Enhance opportunities for research projects

Objective D: Education to Workforce Alignment

Measure: Number of students placed into agricultural-related positions in academia, industry and the public sector.

Proposed Action: Improvements in equipment and technology will be translated to the public leading to greater interactions with stakeholders.

Goal 2: Innovation and Economic Development.

Objective A: Workforce Readiness

Objective B: Innovation and Creativity

Goal 3: Effective and Efficient Educational System. As the Idaho Agricultural Experiment Station, research in agriculture is almost exclusively conducted at the R&E Centers throughout the state.
Objective A: Data-informed Decision Making

Objective B: Quality Teaching Workforce

Objective C: Alignment and Coordination

**Measure:** Number of collaborators from other Idaho institutions

**Proposed Action:** Increase collaboration in research from faculty and students from Boise State University, Lewis-Clark State College, Idaho State University and BYU-Idaho.

Objective D: Productivity and Efficiency

Objective E: Advocacy and Communication

**Measure:** Number of presentations or articles about research to the public

**Proposed Action:** Ensure reporting of research discoveries and scholarly activities through University of Idaho Extension

University of Idaho Strategic Plan Goals

**Goal 1: Innovate**  
The funding of equipment and modifications of existing facilities at R&E Centers with the IAES will increase scholarly productivity through enhanced enrollment, products, and funding in support of the designation as a Carnegie Highest Research (R1) institution.

**Goal 2: Engage**  
New equipment and improvements in infrastructure are to address issues in Idaho agriculture and society. Continued ties to stakeholders and agricultural industries critical to the economic vitality of Idaho will be supported.

**Goal 3: Transform**  
New and improved equipment and facilities will provide greater training of students and aid in professional development of faculty and staff.

**Goal 4: Cultivate**  
Commitment to improvements in equipment and facilities creates a positive work environment enhancing morale leading to success in translation of information and interactions with the public.

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?
Aberdeen
Grain plot planter – this will support further variety development and agronomic studies in wheat, barley and other small grains
Temporary student housing – a simple double-wide type building will be built to house 6-8 students at any time when they are conducting research

Kimberly
Potato storage building renovation – storage of potatoes is critical to the success of the potato industry; a renovation of the existing storage testing facility is necessary to conduct the research necessary to improve the sustainability of the industry
Temporary student housing – a simple double-wide type building will be built to house 6-8 students at any time when they are conducting research

Parma
Research combine – small grains (wheat, barley), beans, peas and corn in variety testing or in agronomic evaluations need to be harvested in a timely manner; a new combine would be heavily utilized by faculty in Parma
Lab remodel for plant pathologist – a research lab needs renovation to support the development of a plant pathology diagnostic lab in support of agriculture throughout the state
Temporary student housing – a simple double-wide type building will be built to house 6-8 students at any time when they are conducting research

Nancy M. Cummings
Temporary student housing – a simple double-wide type building will be built to house 6-8 students at any time when they are conducting research

Existing staffing will be supported by the equipment and modifications.

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.
      Graduate and undergraduate research assistants will be supported by this request in addition to a number of faculty and staff in CALS.
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      No redirection in existing human resources is anticipated. Faculty and staff currently in place will benefit from the improvements at the R&E Centers.
   c. List any additional operating funds and capital items needed.
      See above for list of capital items.
3. Please break out fund sources with anticipated expenditures in the financial data matrix. (Please separate one-time vs. ongoing requests.) Non-General funds should include a description of major revenue assumption(s) (e.g. anticipated grants, etc.).

This is a one-time funding request in support of agricultural research in potatoes, wheat, barley, beans, lentils, dry peas, canola and other oilseeds throughout the state.

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?

Opportunities for enhanced graduate student training and experiences will occur with this investment. The University of Idaho, CALS and IAES will benefit from the enhancement of infrastructure and equipment ultimately providing better information to Idaho citizens and agriculture commodities. An increase in grant funding is likely due to greater research capacity leading to increased graduate student enrollment growth to conduct the research. These metrics also support the University of Idaho in meeting its goals.

Labor intensive inefficient methods will continue to be used to sort potatoes and bean variety development. Slower rates of improvement would be expected without the enhancements. Researchers will have less capacity to perform studies so growth in grant funding may be less. Students will not be exposed to the best current methods for conduct of research.
Supports institution/agency and Board strategic plans:

SBOE Goal 2, Objective B & C

CRITICAL THINKING AND INNOVATION - WWAMI will provide an environment for the development of new ideas, and practical and theoretical knowledge to foster the development of biomedical researchers, medical students, and future physicians who contribute to the health and well-being of Idaho’s people and communities.

Objective B: Innovation and Creativity – Educate medical students who will contribute creative and innovative ideas to enhance health and society.

Objective C: Quality Instruction – Provide excellent medical education in biomedical sciences and clinical skills.
SBOE Goal 3, Objective C & E

**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 C:** Support and maintain interest in primary care and identified physician workforce specialty needs for medical career choices among Idaho WWAMI students.

**Objective E:** Efficiently deliver medical education under the WWAMI contract, making use of Idaho academic and training resources.

**Problem Statement:** The expansion of the WWAMI Medical Education program at the University of Idaho and its new 18 month curriculum has created the need for additional academic and clinical faculty, as well as additional staff to effectively deliver the program in Fall 2016 when the number of students doubles on the University of Idaho campus. This innovative curriculum has a clinical component that will require clinical laboratory space and equipment to support an active learning environment. The WWAMI program has been renting anatomy space at WSU and is in need of capital outlay to support the necessary infrastructure within the Idaho WWAMI program to deliver state of the art medically-oriented anatomy at the University of Idaho.

**Solution Statement:** Ongoing educational support needs of the Idaho WWAMI program can be met by adding $1,067,800 to currently budgeted funds which will allow the WWAMI Program to fill current gaps in personnel and meet the needs of the program. The requested $214,600 for anatomy and clinical laboratories is a one-time request that will fill the infrastructural requirements to deliver this curriculum.

**Metrics to Measure Success:**

- Percentage of Idaho WWAMI medical students participating in medical research (laboratory and/or community health)
- Pass rate on the U.S. Medical Licensing Examination (USMLE), Steps 1 & 2, taken during medical training.
- Support and maintain interest in primary care and identified physician workforce specialty needs for medical career choices among Idaho WWAMI students.
- Percent of Idaho WWAMI medical education contract dollars spent in Idaho each year.
Description:

In 2015, the University of Washington School of Medicine engaged in a major review and revision of the medical education curriculum. Among the many foundational changes in this new curriculum is early immersion into clinical settings and concomitant skill acquisition. The shift to early integration of clinical skills is a national trend that has in part been in response to changes in the United States Medical Licensing Board Exams (USMLE). The USMLE examination has an increased focus on traditional content areas in the basic sciences within a clinical context. This profound curricular change has and will continue to impact the delivery of medical education and training in the Idaho WWAMI program, with students remaining on the University of Idaho campus for three terms instead of two, class size expanding, and immersion into clinical skills and clinical competence. Thus, adjustments must be made to accommodate the increased number of medical students on campus and different educational approach. Expanded facilities, enhanced technology, additional faculty and support staff are necessary to support the additional students and delivering this new state of the art curriculum. The University of Idaho recognizes these needs and is working toward expanding facilities to accommodate the larger student body and curricular reform.

The new clinical medical curriculum has required WWAMI to employ more physician clinical specialists whose salaries are much higher than typical university faculty. In addition, the new curriculum has an overlap of first and second year students which has created increased needs in capital outlay.

Both anatomy and Clinical laboratory space is needed to deliver the clinical and basic science curriculum. For 44 years the Idaho WWAMI program has utilized anatomy facilities on WSU’s campus. This was justified when both UI WWAMI and WSU WWAMI students were combined as one cohort of medical students. However, WSU WWAMI students moved to Spokane in 2014 just after the Idaho WWAMI program began increasing their enrollment in 2013 and the University of Idaho negotiated a 5 year contract to continue using anatomy facilities. Beginning in Fall of 2016, the Idaho WWAMI program will have 40 students in the first year cohort and will have 35 students in the second year cohort. Both Idaho cohorts will be taking medical anatomy courses concurrently, justifying the need for an independent anatomy laboratory in Idaho. This capital outlay will supply the anatomy laboratory with the needed infrastructure requirements.

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 personnel costs and capital outlay. Funds will be utilized to provide faculty and staff salary and benefits as well as capital funds to outfit a medical anatomy lab. 11.275 FTE positions (salary, fringe) and additional funds for anatomy laboratory and clinical laboratory are being requested to position the UI WWAMI Medical Education Program to meet the needs of the new 18 month curriculum.
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.

   We are requesting 10 new permanent positions, as well as funding for 16 temporary faculty positions to appropriately staff and implement the new UW School of Medicine curriculum. See list below of new personnel requests.

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

   Existing human resources will continue to operate in their current capacities but will be relieved of the additional duties not part of their original job descriptions that are currently burdensome. New human resources will be utilized directly for instruction in the new curriculum or for development and maintenance of the program.

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

   Besides the requested $1,067,800 annually, $214,600 in one-time capital funds are being requested.

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

   This request is for $1,067,800 in base plus $214,600 in one-time funding from 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 if this request is granted are the medical students and their future patients, which basically encompasses all of Idaho. The WWAMI medical education program is Idaho’s state-supported medical school with the mission to train physicians to meet Idaho’s healthcare needs. The Idaho WWAMI program has partnerships with hospitals and clinics throughout the state and sends WWAMI students to many rural communities with the goal of increasing interest in rural medicine and primary care. If this request is not funded, Idaho’s ability to train highly competent future physicians will be limited. Without this additional line item and one-time capital outlay, the Idaho WWAMI program will likely see attrition of our highly sought-after faculty and staff and we will be limited in our ability to deliver medical anatomy.
### PERSONNEL COSTS

#### New Permanent Employees

<table>
<thead>
<tr>
<th>Position</th>
<th>Salary</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immunologist</td>
<td>$10,000</td>
<td>0.1</td>
</tr>
<tr>
<td>Administrative Assistant</td>
<td>29,848</td>
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<tr>
<td>Epidemiologist</td>
<td>19,500</td>
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</tr>
<tr>
<td>Imaging and Ultrasound Specialist</td>
<td>9,101</td>
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<tr>
<td>Anatomist</td>
<td>66,315</td>
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</tr>
<tr>
<td>Pharmacologist</td>
<td>15,000</td>
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</tr>
<tr>
<td>Assoc. Director</td>
<td>55,000</td>
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</tr>
<tr>
<td>Development Officer</td>
<td>72,000</td>
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<tr>
<td>Pharmacist</td>
<td>75,000</td>
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<tr>
<td>Lab Manager</td>
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<tr>
<td><strong>TOTAL PERMANENT</strong></td>
<td><strong>$411,764</strong></td>
<td><strong>6.05</strong></td>
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#### New Temporary Faculty

<table>
<thead>
<tr>
<th>Position</th>
<th>Salary</th>
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</thead>
<tbody>
<tr>
<td>Gerontologist</td>
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<tr>
<td>Pharmacologist</td>
<td>20,002.32</td>
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<tr>
<td>Academic Learning Specialist</td>
<td>33,500.00</td>
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<tr>
<td>Family Medicine Instructor</td>
<td>38,001.60</td>
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<tr>
<td>Family Medicine Instructor</td>
<td>37,498.00</td>
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</tr>
<tr>
<td>Internal Medicine Instructor</td>
<td>40,000.00</td>
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</tr>
<tr>
<td>Gastroenterologist Instructor</td>
<td>32,500.00</td>
<td>0.25</td>
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<tr>
<td>Family Medicine Instructor</td>
<td>32,500.00</td>
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<tr>
<td>Family Medicine Instructor</td>
<td>30,000.00</td>
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<tr>
<td>Emergency Medicine Instructor</td>
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<tr>
<td>Pediatrician Instructor</td>
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<tr>
<td>Clinical Instructor</td>
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<tr>
<td>Embryologist</td>
<td>10,000.00</td>
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<td>Family Medicine Instructor</td>
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<tr>
<td>Histologist Instructor</td>
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<tr>
<td>Pathologist Instructor</td>
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<td><strong>TOTAL TEMPORARY</strong></td>
<td><strong>$463,900.92</strong></td>
<td><strong>5.225</strong></td>
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**GRAND TOTAL**

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<thead>
<tr>
<th>Salary</th>
<th>FTE</th>
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<tbody>
<tr>
<td><strong>$875,664.00</strong></td>
<td><strong>11.275</strong></td>
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# CAPITAL OUTLAY REQUESTS

### Anatomy Laboratory

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<thead>
<tr>
<th>Item</th>
<th>Price</th>
<th>Quantity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stainless Steel Supply Cart and Podium</td>
<td>$2,327.50</td>
<td>1</td>
<td>$2,327.50</td>
</tr>
<tr>
<td>Mobile Book Holder Station (Stainless Steel)</td>
<td>1,638.25</td>
<td>10</td>
<td>16,382.50</td>
</tr>
<tr>
<td>Base Cabinet (Stainless Steel)</td>
<td>6,500.00</td>
<td>4</td>
<td>26,000.00</td>
</tr>
<tr>
<td>Wall Cabinet (Stainless Steel)</td>
<td>1,200.00</td>
<td>4</td>
<td>4,800.00</td>
</tr>
<tr>
<td>Dead Wall Corner Cabinet (Stainless Steel)</td>
<td>1,400.00</td>
<td>3</td>
<td>4,200.00</td>
</tr>
<tr>
<td>Dissecting Table-Dip Tank (Stainless Steel)</td>
<td>5,400.00</td>
<td>12</td>
<td>64,800.00</td>
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<tr>
<td>Base Cabinet with Sink 10ft Stainless Steel)</td>
<td>9,650.00</td>
<td>1</td>
<td>9,650.00</td>
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<tr>
<td>Qlicksmart Blade Remover</td>
<td>31.00</td>
<td>24</td>
<td>744.00</td>
</tr>
<tr>
<td>Blade Handle #4</td>
<td>14.25</td>
<td>100</td>
<td>1,425.00</td>
</tr>
<tr>
<td>Blade Handle #3</td>
<td>15.00</td>
<td>100</td>
<td>1,500.00</td>
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<td>Mayo-Hegar Needle Holder 6&quot;</td>
<td>24.25</td>
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<tr>
<td>Bone Mallet Solid Stainless Head 7-1/2</td>
<td>155.00</td>
<td>5</td>
<td>775.00</td>
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<tr>
<td>Deep sided Body Fluid Scoop 6 3/4</td>
<td>37.50</td>
<td>12</td>
<td>450.00</td>
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<tr>
<td>Dissection Instrument Kit</td>
<td>157.00</td>
<td>20</td>
<td>3,140.00</td>
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<td>General Dissection Forceps Serrated Tip 4-1/2</td>
<td>12.00</td>
<td>100</td>
<td>1,200.00</td>
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<tr>
<td>Disposable Lung Knife</td>
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<td>2,502.00</td>
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<td>Mortuary Rack (roller Type)</td>
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<td>20,650.00</td>
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<tr>
<td>Cadaver Carrier-Hydraulic With False Frame and HD Blue Cover</td>
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<td>Cadaver Lift Conv Style Side Access 27&quot; Tray</td>
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<td>12,000.00</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$84,070.25</strong></td>
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<td><strong>$197,621.00</strong></td>
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### Clinical Laboratory

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<th>Item</th>
<th>Price</th>
<th>Quantity</th>
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</thead>
<tbody>
<tr>
<td>Brewer Basic Exam Table</td>
<td>$1,312.50</td>
<td>4</td>
<td>$5,250.00</td>
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<tr>
<td>Welch Allyn green Integrated Diagnostic Wall System</td>
<td>1,320.81</td>
<td>4</td>
<td>5,283.24</td>
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<td>Clinton Industries 2102 Chrome Base Stool</td>
<td>127.18</td>
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<tr>
<td>Clinton 8036-36 inch Cabinet w/two Doors and Two Drawers</td>
<td>924.15</td>
<td>4</td>
<td>3,696.60</td>
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<tr>
<td>Detco 439 Eye-level Physician Scale</td>
<td>444.51</td>
<td>4</td>
<td>1,778.04</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$4,129.15</strong></td>
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<td><strong>$17,025.32</strong></td>
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</table>

**GRAND TOTAL** $88,199.40 $214,646.32
Supports institution/agency and Board strategic plans:

Goal1, Objective A, B and C

GOAL 1: A WELL EDUCATED CITIZENRY
Idaho’s P-20 educational system will provide opportunities for individual advancement across Idaho’s diverse population

Objective A: Access - Set policy and advocate for increasing access to Idaho’s educational system for all Idahoans, regardless of socioeconomic status, age, or geographic location.
Performance Measures:
• Annual number of state-funded scholarships awarded and total dollar amount.

Benchmark: 20,000, $16M

Objective B: Adult learner Re-Integration – Improve the processes and increase the options for re-integration of adult learners, including veterans, into the education system.

Performance Measures:
• Percent of Idahoans ages 35-64 who have a college degree.

Benchmark: 37%
• Number of non-traditional college graduates (age>39)

Benchmark: 2,000

Objective C: Higher Level of Educational Attainment – Increase successful progression through Idaho’s educational system.

Performance Measures:
• Percent of Idahoans (ages 25-34) who have a college degree or certificate requiring one academic year or more of study.

Benchmark: 60%

Description:
$3 million is being requested to fund a proposed adult completers scholarship. One FTE is also being requested to assist with administration.

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?

$3 million is being requested to fund a proposed adult completers scholarship. The scholarship is intended to support adult students returning to a public college or university after an absence of at least three (3) years or more and who are completing their first undergraduate degree. Applicants may qualify for up to $3,000 per academic year for up to eight (8) consecutive semesters.

It is anticipated that a staff position will be needed to administer this scholarship in addition to helping with the five other scholarships administered by the Office of the State Board of Education. The additional cost for staff is $85,800.
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 with benefits – scholarship administrator. The hire date is anticipated to be in July 2017
   b. Note any existing human resources that will be redirected to this new effort and how existing operations will be impacted.
      The Board’s Scholarship Programs Coordinator will be dedicating a share of time to administering the scholarship.
      The Chief Policy and Planning Officer will develop administrative rules for implementation.
   c. List any additional operating funds and capital items needed.
      A web-based application must be developed and will be necessary for implementation.

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.
   It is anticipated that this will be annually funded

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?

   Individuals served will be adult students returning to a public college or university after an absence of at least three (3) years or more and who are completing their first undergraduate degree. Completing a higher education will allow these individuals to fill skilled, high demand jobs and increase their individual earnings. A skilled, higher paid workforce will be a boost to the state economy in regard to increased buying power of individuals, will increase revenue to fund services at all levels of government, and will lure new business to Idaho.
The Idaho Museum of Natural History was created by State Statute 33-3012. STATE MUSEUM OF NATURAL HISTORY. This statute stated that “there is hereby created and established at Idaho State University a state museum of natural history to be known as the Idaho museum of natural history, where tangible objects and documents reflecting our natural heritage may be collected, preserved, studied, interpreted, and displayed for educational and cultural purposes.”

**ISU Goal 1: LEARNING AND DISCOVERY**

**Objective 1.1** ISU provides a rich learning environment, in and out of the classroom
The Museum is an institution of both formal and informal education for the State of Idaho.

**Objective 1.4** Undergraduate and graduate students engage in research and creative/scholarly activity.

**Performance Measures 1.4.1** Number of students employed to work with a faculty member on research/creativity activities.

The Museum is a research institution that provides employment for dozens of students each year to engage in novel research and build skills for future careers.

**ISU Goal 2: ACCESS AND OPPORTUNITY**

**Objective 2.5** Students participate in community and service learning projects and activities, student organizations, and learning communities.

**Performance Measures 2.5.1** Number of student organizations, and annual number of students participating in those organizations.

The Museum engages ISU student participation in events and our exhibits attract class visits.

**ISU Goal 3: LEADERSHIP IN THE HEALTH SCIENCES**

**Objective 3.3** ISU faculty and students engage in basic, translational, and clinical research in the health sciences.

**Performance Measures 3.3.1** Number of faculty engaged in research in the health and biomedical sciences.

The Museum’s Idaho Virtualization Lab is working with the Division of Health Sciences in Meridian to develop digital applications for medical training.

**ISU Goal 4: COMMUNITY ENGAGEMENT AND IMPACT**

**Objective 4.1** ISU directly contributes to the economic well-being of the State, region, and communities it serves.

**Performance Measure 4.1.1** Total economic impact of the University.

The Museum adds to the regional economy by attracting out-of-state visitors travelling the I-15 corridor.

**Objective 4.3** ISU participates in formal and informal partnerships with other entities and stakeholders.
Performance Measure: 4.3.1 Number of active ISU partnerships, collaborative agreements, and contracts with public agencies and private entities.

The Museum contributes substantially to partnerships, including Federal, State and Municipal agencies. This request seeks to further expand our community of stakeholders through fundraising and sponsorship opportunities.

SBOE Goal 1 A Well Educated Citizenry, Objective A: Access
The Museum is an institution of both formal and informal education for the State of Idaho.

SBOE GOAL 2: Innovation and Economic Development,

Objective B: Innovation and Creativity,

Performance Measures: • Institution expenditures from competitive Federally funded grants • Institution expenditures from competitive industry funded grants • Funding of sponsored projects involving the private sector.

This request will directly increase economic development by securing new streams of external funding to serve the mission of the Museum.

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 request a Development Officer position (1.0 FTE, with travel and computer expenses) to increase our fundraising capacity. This will increase the Museum's appropriated salary from 7.2 to 8.2 FTE. Currently, the Museum has no dedicated position for development and fundraising, which greatly limits our ability to engage our community and travelers to East Idaho. The lack of fundraising limits every aspect of Museum operations, from the exhibits we can offer, the educational programs available to K-12 students, and how we market our efforts to attract the public.

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.

      Development Officer, full-time, salary $80,000 + $28,500 benefits. Date of permanent hire: July 2017.

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

      None are available.

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

      We request one-time capital for computer ($3,000) and ongoing funding for travel ($4,000).
3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

The new Development Officer position will work with the Museum Director to enhance fundraising efforts at IMNH. The individual will be charged with identifying and acquiring external funding in the form of grants, awards, and donations from public, private, and corporate sources to further the mission of the Museum.

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 Idaho Museum of Natural History serves the people of Idaho and visitors traveling the I-15 corridor through Pocatello. In addition to the 10,000 people and K-12 students who visit exhibits each year, our virtual museum and social media presence reaches 180,000 citizens. Our strategic plan will increase our impact to the region by engaging our stakeholders through increased opportunities for sponsorship and development in support of Museum events, exhibits, programs and research.

The regional economic impact of the Museum is significant and has capacity for growth. More than 1.2 million people drive past Pocatello in route to Yellowstone each year, and the city is well situated to be a waypoint destination for travelers.

Expansion of our fundraising efforts requires a Development Officer position. This request will provide a financial return many times greater than its cost. A successful development program will be established at the IMNH to provide new external funding streams in support of our educational K-12 and adult programs, exhibits and marketing, collections and research, and for future capital improvements to our aging facility.
Supports institution/agency and Board strategic plans:

**GOAL 1: A WELL EDUCATED CITIZENRY**
Idaho’s P-20 educational system will provide opportunities for individual advancement across Idaho’s diverse population

**Objective A: Access** - Set policy and advocate for increasing access to Idaho’s educational system for all Idahoans, regardless of socioeconomic status, age, or geographic location.
Percentage of Idaho High School graduates meeting college placement/entrance exam college readiness benchmarks.
Percent of high school students enrolled and number of credits earned in Dual Credit and Advanced Placement (AP):
Percent of high school graduates who enroll in postsecondary institutions:
• Within 12 months of graduation
• Within 36 months of graduation

**Objective C: Higher Level of Educational Attainment** – Increase successful progression through Idaho’s educational system.

**Performance Measures:**
- Percent of Idahoans (ages 25-34) who have a college degree or certificate requiring one academic year or more of study.
- High School Cohort Graduation rate.
- Percentage of new full-time degree-seeking students who return (or who graduate) for second year in an Idaho postsecondary public institution. (Distinguish between new freshmen and transfers)
- Unduplicated percent of graduates as a percent of degree seeking student FTE.
- Percent of graduates at each level relative to Board target numbers.
- Percent of full-time first-time freshman graduating within 150% of time (2yr and 4yr).

**Objective E: Education to Workforce Alignment** – Deliver relevant education that meets the needs of Idaho and the region.

**Performance Measures:**
- Ratio of non-STEM to STEM baccalaureate degrees conferred in STEM fields (CCA/IPEDS Definition of STEM fields).

**GOAL 2: Innovation and Economic Development**
The educational system will provide an environment that facilitates the creation of practical and theoretical knowledge leading to new ideas.

**Objective A: Workforce Readiness** – Prepare students to efficiently and effectively enter and succeed in the workforce.

**Performance Measures:**
- Percentage of graduates employed in Idaho 1 and 3 years after graduation
- Percentage of students participating in internships.

**GOAL 3: Effective and Efficient Educational System** – Ensure educational resources are coordinated throughout the state and used effectively.

**Objective C: Alignment and Coordination** – Facilitate and promote the articulation and transfer of students throughout the education pipeline (Secondary School, Technical Training, 2yr, 4yr, etc.).
- Percent of Idaho community college transfers who graduate from four year institutions.
- Percent of dual credit students who go-on to postsecondary education within 12 months of graduating from high school.
- Percent of dual credit students who graduate high school with an Associate’s Degree
- Percent of postsecondary first time freshmen who graduated from an Idaho high school in the previous year requiring remedial education in math and language arts.
- Percent of postsecondary students participating in a remedial program who completed the program or course.
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 (1) full time equivalent (FTE) position is being requested to coordinate statewide college to career activities and resources and provide assistance to school districts and public postsecondary institutions for the seamless transfer of students through the education pipeline and on to a career. The Governor’s Task Force implementation committee recognized college and career advising as being one of the key factors in reaching the Board’s 60% educational attainment goal. In response to this recommendation the legislature provided funding to school districts to provide targeted advising and mentoring to students at secondary schools. While assistance is being provided to school districts in the areas of technical assistance and support on how to implement counseling and advising models identified by the committee, it has become evident that a position focused on providing additional support (including training) is necessary, not only to districts as they implement new models for college advising and mentoring, but to also focus on providing a seamless transfer of students from secondary schools to postsecondary educational experience that range from industry recognized certificates to academic degrees. This position would focus on providing supports to address these needs as well as focus on postsecondary advising efforts to better align these efforts with the states workforce demand and state economic needs. This position will also help to maintain and update content on the Boards Next Steps Idaho website (nextstepsidaho.gov), this website is a “one stop shop” for students and parents, as well as school district staff, to help student in the state be ready for life beyond high school. The site includes planning steps for students starting in the 8th grade through 12th grade as well as many other resources to help students to be ready to go on after high school.

   Currently staffing is limited to the bare minimum and provide through multiple avenues. A part time, term limited position funded through the federal College Access Challenge Grant has provided limited support to school districts and coordination with postsecondary institutions in this area. The grant covering these activities will end in September 2016.

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 full time position. This position would be benefit eligibility and would start July 1, or there about, if funded.

   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. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

This request would result in ongoing funding, amounts requested are based on the expected starting salary for a program manager position in the Office of the State Board of Education.

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, school districts and our state postsecondary institutions would be served. It is expected this position will have a positive impact in the number of students graduating from high school and going on to some form of postsecondary education, thereby increasing our state “go on” rate. The position will also work with the postsecondary institutions to coordinate advising initiatives as well as provide analysis of existing models to inform future decisions of the State Board regarding advising policies for our postsecondary institutions. If not funded it will be more difficult for school districts to implement new advising and mentoring models and it will take longer to assure that new models implemented and admissions, credit transfer, and postsecondary advising are aligned.
Supports institution/agency and Board strategic plans:
Goal 1, Objective D

Objective D: Quality Education – Deliver quality programs that foster the development of individuals who are entrepreneurial, broadminded, critical thinkers, and creative.

Description:
The Office of the State Board of Education (OSBE) is responsible for staffing the Public Charter School Commission (PCSC). The designee of the executive director serves as a secretary to the PCSC and acts at the direction of the PCSC to enforce the provisions of Idaho Code §33-52, Public Charter Schools.
The mission of the PCSC is to protect the interests of students and taxpayers, as well as the autonomy of charter school boards. Fulfillment of this mission requires ongoing monitoring of schools’ academic, operational, and financial status. Statute obliges charter school authorizers, including the PCSC, to periodically review the schools they oversee for purposes of renewal or non-renewal. Schools whose charters are renewed will continue operating using taxpayer funds, while schools whose charters are non-renewed will close.

Renewal evaluation is an important practice in charter school authorizing on a national basis. Most authorizers include in their renewal process an on-site school evaluation conducted by independent contractors, who present their findings to the PCSC. Teams of independent reviewers provide expert, unbiased perspective on the quality of each school being considered for renewal.

Additionally, authorizers must hold public hearings to consider each school for renewal or non-renewal. Use of a hearing officer for this purpose permits objective evaluation of evidence presented by both parties, followed by formation of a non-binding recommendation to the PCSC in advance of a renewal/non-renewal decision.

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?

OSBE is requesting funds to cover the cost of performing thorough pre-renewal reviews of public charter schools’ academic, operational, and financial outcomes. This includes the performance of independent, pre-renewal site visits for schools authorized by the PCSC. Such visits represent a national best practice in charter school authorizing.

Full-day reviews would be conducted by panels of two, independent evaluators in the fall immediately preceding a school’s renewal/non-renewal date. Evaluators would be selected from a variety of geographical areas and professional backgrounds most relevant to the individual schools under review. 10-15 schools would be evaluated annually.

An individual would be contracted to join the evaluators for site visits, as well as to further assist PCSC staff with the larger renewal process, including evaluation of school performance data and development of materials based on school outcomes and renewal applications. This contract would be for $35.00 per hour, not to exceed 520 hours per year. The contract work would be completed between September and February of each year.

A hearing officer would be hired to conduct the public hearings required by statute as part of the renewal/non-renewal process. These hearings would require advance review of materials, conducting the hearings themselves, reviewing closing documents, and drafting recommendations regarding each of 10-15 schools per year.

OSBE’s staff dedicated to PCSC authorizing work (4.0 FTE) is sufficient to develop evaluation tools, organize travel, and train independent evaluators. With the assistance
of one, part-time contractor, OSBE staff can also prepare materials for consideration by
the hearing officer.

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. This work can be absorbed by existing OSBE staff.
   c. List any additional operating funds and capital items needed.
      Independent evaluators (contracted): $44,200 annually
         • $18,200 for not more than 520 hours of contract work assisting with
           the renewal process each September through February
         • $26,000 for independent evaluators conducting one-day site visits
      Travel costs to school sites: $6,900 annually
      Hearing officer for public renewal hearings: $20,000 annually

3. Provide additional detail about the request, including one-time versus ongoing.
   Include a description of major revenue assumptions, for example, whether there is a
   new customer base, fee structure changes, or anticipated grant awards.

   Because the PCSC makes renewal decisions about all the schools it authorizes on a
   rotating basis, pre-renewal independent reviews represent an annual cost. It is
   important that the evaluators and hearing officer be independent individuals who bring
   unbiased opinions, as well as expertise specific to the schools under review.

   The request for $71,100 would enable implementation of full-day reviews by panels of
   three contracted evaluators, part-time contracted support contributing to the overall
   renewal process, and conduct of required public hearings by a hearing officer.

   If necessary, a scaled-back version of the request ($55,500) would enable
   implementation of full-day reviews by panels of two contracted evaluators plus one
   volunteer, as well as part-time contracted renewal process support at a lower hourly
   rate ($30/hour) and a hearing officer.

   A further reduced version of the request ($50,600) would enable implementation of
   full-day reviews by panels of two contracted evaluators, as well as a hearing officer.

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 primarily serves Idaho taxpayers and public charter school by supporting
   well-informed authorizing decisions. School closure decisions are important but difficult,
   requiring thorough evaluation by experts to ensure their appropriateness. Charter
   renewals should be decided upon with equal care because they impact students’ lives
   and represent ongoing use of taxpayer dollars.
Supports institution/agency and Board strategic plans:

Goal 3: Effective and Efficient Delivery Systems

Objective B: Data-driven Decision Making - Increase the quality, thoroughness, and accessibility of data for informed decision-making and continuous improvement of Idaho’s educational system.
Description:
The Office of the State Board of Education requests 1 FTP and associated funding to recruit and fill a new Research Analyst position.

With the increase of data requests and the Board staff assuming the responsibility of reporting data for Complete College America, an additional Research Analyst would ensure timeliness of data and additional expertise in analytical reports.

This person would primarily focus on qualitative data analysis. As such, this person would oversee the use of surveys and assist office staff with construction and analysis of those surveys. An emphasis in qualitative data analysis would augment the current structure of the research team, which is currently more skilled in quantitative analysis.

With the Board focused on using data to make policy decisions, a complete research unit with both qualitative and quantitative analysts would provide the Board not only the numbers, but also help the Board understand the context for the analysis. Qualitative research could also be useful in the deployment of pilot studies at schools, districts, or 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?
   
   One FTP and $81,900 in ongoing General Funds for a Research Analyst to provide sophisticated data analytics to the Board and its staff. There is no current base funding for this position. Operating costs of $3,000 would cover the purchase of computer, printer, travel and professional development.

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.
   
   Research Analyst, Pay Grade L, full-time, benefit eligible, date of hire: 7/1/2017

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 to this new effort. Existing operations will be enhanced with this new skill set.

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

   $3,000 in ongoing operating expenses for computer equipment, printer, travel and professional development.

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 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, and the public schools and institutions under the governance of the Board, will benefit from data analytics in support of strategically increasing postsecondary access and success.

In addition, the Legislature, other state agencies, businesses and other entities in the state are increasingly relying on good data to make decisions. The education system is the biggest state investment and the largest data source in the state. Good analysis is essential to making these data effective and available.

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.
Supports institution/agency and Board strategic plans:

GOAL 2: Innovation and Economic Development
The educational system will provide an environment that facilitates the creation of practical and theoretical knowledge leading to new ideas.

Objective A: Workforce Readiness – Prepare students to efficiently and effectively enter and succeed in the workforce.

Description:
The purpose of this proposal is to develop a personal service contract for a one-year period to develop a ten-year strategic plan to develop Graduate Medical Education (GME) for the state of Idaho.
Graduate Medical Education is extremely important to the physician workforce in Idaho. Physicians who do residency training in Idaho have a high likelihood of staying to practice in Idaho after residency training. Studies have shown that anywhere from 50%-75% of residents that train in a location will stay within 100 miles of that location compared to 41% retention rates for medical students who remain in the same state where they have attended medical school. Hence, it is important to have multiple residency programs in the state of Idaho to help train the future workforce and to retain physicians in the state.

Idaho currently ranks 48th in the United States for the number of resident physicians per capita with only 6.4 resident physicians per 100,000 people. This low ratio of resident physicians to state population places Idaho at 426% below the national median of 27.3 resident physicians per 100,000. This means that Idaho does not have enough training positions within the state necessary to generate the workforce for a rapidly growing state. Additionally, 25% of Idaho physicians are over age 60 and will be retiring in the next decade. Coupled with the fact that Idaho has an increased number of medical school seats (the Legislature has recently increased the number of Idaho medical students to 40/year in the Idaho WWAMI program and 10/year at the University of Utah; and there is a proposed Idaho College of Osteopathic Medicine which, if accredited, will graduate ~150 medical students per year starting in 2022), creates a situation in which Idaho will lose medical students trained in Idaho after graduation to residency training programs outside of Idaho unless Idaho builds the infrastructure for more GME programs now. Thus, it is imperative that Idaho start to build the GME infrastructure now in order to provide enough training opportunities to not only retain many of these students in-state but to attract other top notched medical school graduates into Idaho to train and retain for Idaho’s citizens’ future healthcare workforce needs.

**Deliverables:**

The outcome of this one-year personal service contract will be to achieve the following:

1. Develop a ten-year Idaho Graduate Medical Education strategic plan and timeline.
2. Travel across Idaho and meet with key leaders and stakeholders in face-to-face meetings to develop concepts and strategies to grow Graduate Medical Education in Idaho.
3. Conduct three face-to-face workshops with key leaders and stakeholders in Idaho to help develop and refine the Idaho GME strategic plan.
4. Develop a job description for a part-time Graduate Medical Education Physician Coordinator for Idaho that would be hired at the completion of this personal service contract. This individual would then work with all stakeholders and leaders to help refine and implement the ten-year Idaho GME strategic plan.

There are six specific goals of the ten-year strategic plan:

1. Expand the existing GME programs as capacity, capability, and resources allow. (e.g. Family medicine, internal medicine and psychiatry programs).
2. Create new GME programs (e.g. general surgery, emergency medicine, pediatrics, as well as new family medicine, internal medicine and psychiatry programs) in a thoughtful and coordinated manner.

3. Develop and fund fellowship programs (e.g. geriatrics, sports medicine, obstetrics, palliative care, and rural family medicine programs) to augment and refine additional skills in emerging Idaho physicians.

4. Develop a plan to accomplish these tasks employing short-term (1-3 years), middle-term (4-7 years), and long-term (7-10 years) strategies.

5. Grow Idaho’s GME capacity in a cost effective way partnering with the Governor and Idaho Legislature as well as the Idaho State Board of Education (SBOE), Idaho Medical Association (IMA), and Idaho Hospital Association (IHA).

6. Accomplish this expansion in harmony with other GME programs and the emergence of increased medical school capacity at the University of Washington, University of Utah, Pacific Northwest University of Osteopathic Medicine, the newly created Washington State University Elson Floyd College of Medicine, and the recently proposed Idaho College of Osteopathic Medicine.

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 proposal budget for this personal service contract and attendant meetings, travel and salary would be as follows:

**Graduate Medical Education Physician Contractor**

15 hours/week x 52 weeks x $70/hour $54,600

Three face to face Graduate Medical Education meetings:

- Meeting Rooms for attendees $1,500
- Travel for attendees $5,000
- Lodging for attendees $800
- Meals for attendees $1,500

**Travel for Graduate Medical Education Physician in Idaho:**

- One – Two Trips/month across Idaho
  - Gas @ $0.55/mile $1,500
  - Lodging $1,800
  - Meals $1,500
  - Miscellaneous Items (Postage, printed materials, etc.) $2,500

Total proposed personal service contract budget for Idaho Graduate Medical Education contractor for the year $70,700
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.

   Only general fund operating expenditures are requested for fiscal year 2018, transitioning to a 0.4 FTE housed in the Office of the State Board of Education to be included as a line item in the fiscal year 2019 budget request.

   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. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

   This request would result in ongoing funding for operating expenses with the labor portion transitioning to personnel costs after one 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?

   This comprehensive plan to expand and develop GME in Idaho will create a strategic blueprint in which to develop, grow, and sustain the physician workforce needed to meet the needs of Idaho’s citizens for decades to come. The budget request to the Office of the State Board of Education for the development of this plan will be approximately $70,650 over the next year.

   The development of this GME vision and infrastructure creation must start today. Idaho must invest now to ensure we together build the workforce that Idaho citizens need and deserve for generations to come.
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 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.
The GEAR UP selection and funding is based on a student’s financial need, academic merit, and participation in GEAR UP. In fiscal year 2018 there will be two phases requiring funding, GEAR UP Phase 1 and GEAR UP Phase 2. GEAR UP Phase 1 is comprised of continuing students, returning students, and fifth year students. GEAR UP Phase 2 includes the first students funded from GEAR UP Phase 2. It is anticipated that approximately 226 students will receive Phase 1 scholarships in fiscal year 2017 and reducing down to 39 students in fiscal year 2019 when Phase 1 is completed.

Starting in fiscal year 2018 and based on fewer eligibility restrictions, it is estimated that more students (possibly up to 3,795) would receive at least $600 in GEAR UP Phase 2 scholarships. The amount of scholarship is dependent upon the number of applicants. The appropriation for FY 2017 is $1,704,600. This request is to increase the spending authority for the GEAR UP program in FY 2018 ongoing by $1.4M. The money not expended stays in the GEAR UP fund, so it is prudent to request the full amount allocated by GEAR UP.

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 $1.4M in ongoing 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.
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
Supports institution/agency and Board strategic plans:

_SBoE Goal 1, Objective A_

Idaho Public Television reaches more than 97% of Idaho households with quality educational content that has a demonstrated impact on educational success in school. In addition, we reach a high percentage of low income and ESL learners through our broadcast and online resources. This new initiative will connect more teachers and learners with local and national content that has a proven track record of improving educational outcomes for preschool and elementary students.
Performance Measure:

Number and location of students and educators served through presentations and workshops, number of educators signing up for Scout/PBS Learning Media resources

**Idaho Public Television Goal 1**

A WELL-EDUCATED CITIZENRY - Idaho’s P-20 educational system will provide opportunities for individual advancement across Idaho’s diverse population.

**Objective 2:** Nurture and foster collaborative partnerships with other Idaho state entities and educational institutions to provide services to the citizens of Idaho.

Performance Measure:

Number of presentations to schools and other educational institutions and entities

**Objective 5:** Provide access to IdahoPTV new media content to citizens anywhere in the state, which supports citizen participation and education.

Performance Measure:

Number of students and educators served through presentations and workshops, number of educators signing up for Scout/PBS Learning Media resources, number of visitors to our educational websites.

**Objective 6:** Broadcast educational programs and provide related resources that serve the needs of Idahoans, which include children, ethnic minorities, learners, and teachers.

Performance Measure:

Number of students and educators served through presentations and workshops, number of educators signing up for Scout/PBS Learning Media resources, number of minorities and low income students served through presentations and workshops.

**Description:**

Idaho Public Television proposes enhancing our educational outreach efforts with the addition of two new positions and related expenses to supplement the one current position devoted to these activities. By making presentations to teachers, parents and caregivers about how best to utilize the more than 100,000 educational resources available from Idaho Public Television free to Idahoans, we hope to increase the use of these resources and the effectiveness of the learning process, thus improving standardized test scores in literacy and STEM subjects. Many educators and parents are not aware of these resources or how best to employ them for maximum effectiveness. These two new educational positions will travel the state informing the community about these resources and demonstrating best practices for their utilization both at home and in
the classroom. These additional positions will allow us to increase our effectiveness in northern and eastern Idaho where the current costs to serve these communities from Boise is prohibitive. While we provide high quality educational material for all ages, we plan to concentrate most of our efforts with preschool and elementary grades where the demonstrated impact is greatest. These positions will also develop educational material to accompany Idaho Public Television’s productions to make them more valuable to classroom teachers and 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?

Two additional full time education positions are being requested to provide support for IdahoPTV and PBS educational tools such as Learning Media and other online resources to schools, libraries, families, daycares, after school networks and other educational institutions. The Project Coordinator position would serve as supervisor and coordinate the activities of both our existing Education Specialist and the new Education Specialist position we are requesting. These positions would be able to produce educational components for local programs as well as bring educational offerings from CPB and PBS to Idaho communities. These offerings could include educational video segments, lesson plans based on state standards, teacher guides and websites and other digital learning materials. These educational positions would work closely with the Idaho State Department of Education, Office of the State Board of Education, Idaho Commission for Libraries, the STEM Action Center, and other local educational organizations. These positions would help augment the classroom curriculum by providing quality material to educators and learners.

These specialists would travel around the state to schools, libraries, and other educational sites to demonstrate Learning Media, Literacy in a Trunk, STEM in a Trunk and a whole host of educational components produced by PBS and CPB, the most trusted educational brands in America.

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 attached worksheet.

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

      In addition to an existing Education Specialist, this line item would also receive limited support from existing communication, promotion and production positions. Design and printing of brochures and pamphlets, web and digital assets, as well as short video segments might be occasionally needed.

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

      Operational funding includes costs of printing of materials, postage and shipping, and travel to schools, libraries, child care facilities, and others sites to make
presentations at locations statewide. We anticipate acquiring two $5,000 grants from private sources (dedicated funds) to supplement operational costs.

Capital items include a portable computer and large, external monitor for each position that will be used both in office and on location for demonstrations of online resources available to students, educators, and other community participants.

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

Besides the ongoing funding for the two positions, this request contains ongoing operational expenses for employee travel in each region of the state as well as educational meetings and conferences held by PBS and CPB. IdahoPTV has office space in Moscow and Pocatello to accommodate these personnel. One-time costs include the capital items described in 2(c) above.

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?

Educators, students, librarians and patrons from around the state will be served by these educational positions. PBS and CPB extend grants on a semi-regular basis that go along with the educational opportunities that exist with many programs produced for air and online. Educational outreach grants for history and science-based programming have been made available. More educational opportunities will be available in years to come. Currently, we are not able to take advantage of many of these grants because we do not have the personnel to accomplish the tasks. If not funded, we would not be able to enhance education as described herein.
## 12.01 Line Item - Educational Outreach

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<td>109,200</td>
<td>48,100</td>
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<td>10,000</td>
<td>20,000</td>
<td>5,800</td>
<td>193,100</td>
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Each position would travel within state and incur expenses for events and community engagement. Each position will need a laptop with standard software ($2,500 ea) and a large monitor ($400 ea) for demonstrations.
**AGENCY:** Division of Vocational Rehabilitation  
**FUNCTION:** Extended Employment Services  
**ACTIVITY:**  

<table>
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<th>DESCRIPTION</th>
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<td>OPERATING EXPENDITURES by summary object:</td>
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<td>CAPITAL OUTLAY by summary object:</td>
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<td>$214,300</td>
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Supports institution/agency and Board strategic plans:

**Goal 1 Objective 1**

Objective: To assist the agency in providing a rate increase to the Extended Employment Services (EES) providers

Performance Measure: To enhance the providers ability to recruit and retain qualified front-line staff to support the customers served by the EES program.
Description:
The Division of Vocational Rehabilitation is requesting an additional $214,300 in General Fund appropriation for the Extended Employment Services (EES) program. Idahoans with the most significant disabilities are some of the State’s most vulnerable citizens. The EES program provides people with the most significant disabilities employment opportunities in both non-integrated settings or with a competitive job in the community. This additional amount of funding will assist in recruiting and retaining the most qualified front-line staff to support those individuals served. A preliminary assessment indicates, front-line staff are paid beginning at $7.25/hour, depending on the position, providers pay structure and benefits package. Our providers have indicated without a fee for service rate increase, they will struggle to recruit and retain qualified staff, therefore leaving the most significantly disabled vulnerable.

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 5.7% increase to the level of fee for services for both Work Services and Community Supported Employment under the EES program to be set by the Administrator of IDVR in order to increase the providers’ ability to recruit and retain qualified workers who can deliver services in a safe and effective manner to those served by the EES program.

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. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

This is a request for ongoing additional EES program funds to directly benefit the fee for service rate of providers in order to compensate their front-line staff that provides the direct support to individuals with the most significant disabilities being served under the EES program. There is no additional revenue associated with this request.
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 assist the providers of EES services to recruit and retain qualified workers who can deliver services in a safe and effective manner to those served by the EES program. The impact is statewide. Idaho will benefit from having qualified staff in positions to support the most vulnerable as they engage in employment activity.
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 employment stability and retention.

**Performance Measure:** To enhance the level of job preparedness services to all customers.
Description:
Vocational Rehabilitation (VR) is requesting an additional $125,000 in State funds and $462,000 in Federal funds to have a sufficient amount of funds available to pay for assessment, training, tools, education, supplies, transportation, and other items to assist youth and students with disabilities as well as nonstudents and adults with disabilities prepare for and/or secure employment. Under the Workforce Innovation and Opportunity Act (WIOA), Idaho is required to spend 15% of its VR grant on certain qualified students with disabilities, pre-employment transition services, and assisting students with disabilities transition to work. Furthermore, VR is experiencing an approximate 7% increase in service expenditures annually. The additional funds will be used to meet the student transition requirement of WIOA as well as meet the needs of all eligible nonstudent and adult populations being served by VR in Idaho.

VR is a ticket to self-sufficiency for Idahoans with disabilities. It is not another welfare program. VR services for eligible Idahoans with disabilities are the enabling tools to transition from unemployment to gainful employment; from dependence to independence. For Federal fiscal year 2015, 85% of VR customers who achieved or maintained employment reported their wages as their primary means of support instead of depending on public support and family support. Not only does an investment in VR reduce the amount of public support required, it also returns funds to the State of Idaho. Based on Federal Fiscal Year 2015 data it is estimated that a State investment of $125,000 will return over $1.3 million in direct sales tax and income tax to the State. That is a return on investment of over $11 to $1. In addition, it will increase Idaho’s other taxes, such as property and gas tax, and reduce the amount of public assistance to those individuals served. This is a good investment for Idaho and unlike many other government programs; it returns more dollars than are invested by the State.

The addition of $587,000 in appropriations will allow Idaho to capture all of the funds allotted to it by the Federal Government. Without the State General Fund match of $125,000, Idaho will lose $462,000 in Federal funds set aside for Idaho. Furthermore, as a result of Federal funds being returned by other states that cannot meet their match, Idaho has the opportunity to capture even more Federal funds to assure adequate service delivery to all eligible Idahoans. Through this additional appropriation, it will also allow VR to help more Idahoans with disabilities move into the workforce. The emphasis will be on helping students with disabilities transition into the workforce, which will provide the biggest benefit to Idaho. Currently the average age of a VR customer is 38. Involving those with disabilities at a younger age means that independence for those with disabilities will start earlier and reduce the amount of public assistance needed by them. Transitioning students to the workforce should have an even bigger return on investment to the State of Idaho than mentioned above. The additional funds will not only assist those in need, but will also provide a great return on investment for 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?

IDVR is requesting additional State and Federal funds to be able to meet the program requirements of the Federal Workforce Innovation and Opportunity Act (WIOA). The request is for VR to strategically plan for the increase of service costs as well as the shift in program emphasis required by Pre-Employment transition services. Without this increase the Division may not be able to meet the requirements WIOA and the needs 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 eligible individuals with disabilities who need services. The VR program would need to implement an Order of Selection (OOS).

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. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

   This will allow VR to use all of the Federal funds allocated to the State. Annually, the Federal grant award increases by 1-3%. The $125,000 in General Fund appropriations will allow Idaho to capture an additional $462,000 of Federal Funds and also meet the requirements of WIOA. Idaho does not want to remit any portion of its allotment to other states as it has prior to SY 2017. Furthermore, this will allow VR to capture funds remitted by other states. This will allow Idaho to invest its full Federal allotment of over $16 million in Idaho; where Idaho will receive a return on the investment. The grant funds are ongoing in subsequent years.

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 will allow VR to continue to serve all of our customers without limiting available services. It will also allow Idaho to invest its share of this Federal grant in Idaho, where it has been returning in excess of $11 in sales and State income tax for every $1 invested by the State.
Supports institution/agency and Board strategic plans:

**Goal 1 Objective 1**
To increase the Idaho Council for the Deaf and Hard of Hearing (CDHH) by one (1) additional Full Time Employee (FTE) identified as Communication and Outreach Coordinator in order to increase outreach and education.

**Performance Measure:**
To increase access and education to all Idahoans to include those who are deaf and hard of hearing.
Description:
The Idaho Council for the Deaf and Hard of Hearing is requesting an additional one (1) Full Time Employee (FTE) identified as Communication and Outreach Coordinator to assist in meeting their mission.

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 Full Time Employee (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:

<table>
<thead>
<tr>
<th>Total Idaho Population</th>
<th>1,567,582</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Hearing Loss</td>
<td>203,785 (13%)</td>
</tr>
<tr>
<td>Severe Hearing Loss</td>
<td>34,486 (2.2%)</td>
</tr>
<tr>
<td>Profound Hearing Loss (deaf)</td>
<td>3,448 (.22%)</td>
</tr>
</tbody>
</table>

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, educating on legal obligations to comply federal and state laws related accessibility and accommodations, developing and disseminating information and resources, and managing external and internal communications.

One-time funds for initial office set up include desk, chair, desktop/laptop computers, monitors, warranties, and docking station.

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, 2018
   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
### Business Affairs and Human Resources
#### August 11, 2016

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<tr>
<td>Laptop</td>
<td>$970.00</td>
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<td>Laptop Warranty</td>
<td>$100.00</td>
</tr>
<tr>
<td>Docking Station</td>
<td>$160.00</td>
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</tbody>
</table>
| Monitors        | $160.00 Each

Total Capital Funds: $3,410.00

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

   Ongoing request: $103,655

   One Time request: $3,410.00

   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 24 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 decades 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.

Request for FTE was presented on our line item last year which was not recommended by the Governor.
Supports institution/agency and Board strategic plans:

**Goal 1 Objective 1**

To increase the amount of spending authority for CDHH

**Description:**

CDHH receives various donations from outside sources to assist in the support of CDHH with annual deaf awareness events.

### Increase Spending Authority

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
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<th>Dedicated</th>
<th>Federal</th>
<th>Other</th>
<th>Total</th>
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<td>FULL TIME POSITIONS (FTP)</td>
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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. An on-going $3,000 spending authority for existing PCA (64040) fund to support and reimburse for expenses incurred for annual state-wide deaf awareness day event. The sources of funding solely come from private donations by corporate and non-profit entities.
   b. This request is to allow CDHH to have the spending authority for donated funds to assist them with sponsorships for the programs awareness events.
   c. Insignificant staffing level is required to manage this activity.

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. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.
   a. This is an on-going request. Annual Idaho Deaf Awareness Day (IDAD) event is run through partnerships with various deaf and hard of hearing based entities, and non-profit organizations. The cost to host this event depends on monetary donations and sponsorships from private entities. The purpose of this event is to bring awareness on deafness. This event is open to the public.
   b. No grants will be received or used.

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 request will enable us to reimburse any expenses incurred by the partnership organizations to host the event.
b. If the request is not funded, the Council will not be able to follow the statutory mandates set by the Idaho code. Furthermore, the partnership organizations will not be able to be reimbursed for the expenses incurred in supporting the event.
SUBJECT
FY 2018 Capital Budget Requests

APPLICABLE STATUTE, RULE, OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.B.8. and Section V.K.

BACKGROUND/DISCUSSION
The capital projects request process is separate from the line item budget request process. The Permanent Building Fund Advisory Council (PBFAC), which is supported by the staff of the Division of Public Works (DPW), has three major areas of focus when it considers and develops recommendations on institutional and agency requests for fiscal year construction projects: a) major new construction or remodeling projects, typically costing well over $1M (referred to as “Capital” or “Part A” projects); b) smaller alteration and repair projects (referred to as “A&R” or “Part B” projects); and c) projects to comply with the Americans with Disabilities Act (“ADA” projects). DPW kicked off this year’s capital budget request and facilities needs process with a letter (26 April 2016) to all institutions and agencies asking for FY2018 Permanent Building Fund requests for capital projects and A&R projects to be submitted in preliminary form by June 1st, with detailed requests due to DPW by August 1st, accompanied by updates to the institutions’ rolling six-year capital project budget (“Part C”) plans. The PBFAC will hear agency/institution capital project, A&R, and ADA requests on October 4, 2016. Subsequently, DPW and the PBFAC will review all requests for projects involving Permanent Building Fund (PBF) dollars, and will develop a (much scaled-down) list of recommended projects for all state entities to fit the projected available PBF dollars for the upcoming legislative cycle. DPW will work with the Division of Financial Management (DFM) and the Legislative Services Office (LSO) to develop, in turn, the Governor’s recommendation and the Legislature’s appropriation for capital, A&R, and ADA projects.

The construction and maintenance needs of the higher education institutions (with deferred maintenance needs estimated in hundreds of millions of dollars) far exceed the PBF dollars available for rationing by the PBFAC, Governor and Legislature. For example, for FY2017, approximately $29.6M in PBF funding was available (approximately $10.9M for capital projects, $17.5M for A&R projects, and $1.3M for ADA, asbestos, and Capitol Mall parking projects) to address over $160M in statewide requests.

This agenda item deals with Board approval only for the capital project (Part A) requests and projected six-year capital project plans (Part C) from the four 4-year institutions and the technical college. Summaries of the community colleges’ capital project requests are provided for information only—those requests are vetted by the community colleges’ local governing boards prior to submission to PBFAC. This agenda item does not deal with A&R and ADA requests. Institution capital budget requests and projected six-year capital plans are shown beginning on Page 5. Projects shown have been prioritized by each institution. A number of these projects were also included in the FY 2017 institution request lists previously approved by the Board. The project descriptions provided below were prepared by the institutions.
Review of FY2017 PBF appropriations:
In FY2017, Boise State University (BSU) was funded $2,500,000 for its Fine Arts Building as the second half of the state contribution for the total $5,000,000 request. The University of Idaho (UI), Lewis-Clark State College (LCSC), and North Idaho College (NIC) were funded an additional $1,000,000 for their North Idaho Collaborative Education Facility.

FY2018 Capital Project Requests:
BSU’s first priority is for a Center for Materials Science. The new building will house the Materials Science program which will support the initiatives to grow the Science, Technology, Engineering, and Mathematics (STEM) disciplines. The building will be approximately 85,000-100,000 square feet and include research laboratories, teaching laboratories and support areas including offices, seminar rooms and common areas. The project will also include a large 250 seat lecture hall, and two 80 seat classrooms to help address the current lack of adequate large classroom spaces. Funding sources include $10M from the Permanent Building Fund (PBF) and $40M from University funds and private donations.

ISU’s first priority is for remodeling the 3rd and 4th floors of the Gale Life Science building. This project will upgrade building infrastructure including electrical, water, and HVAC systems and remodel lab spaces. Funding sources include $10M from the PBF and $2M from ISU.

UI’s first priority is for a 6,000 square foot addition to an existing building which will provide needed expansion space for its growing medical education program. Program space needs are growing rapidly to accommodate 80 students at a time compared to only 20 students previously. The $2.4M needed for the expansion will come entirely from PBF funds after the building is converted to WWAMI use using WWAMI program reserves and private donations.

LCSC’s first priority is for a Living and Learning Complex. The 60,000 square foot building would be a combined-use residential and classroom facility with approximately 44,500 square feet related to dormitory, dining and fitness space with the remaining space dedicated to classroom, counseling, health and other areas. Funding for the dormitory related space would come from LCSC funds while the remaining space will be funded from the $2.0M PBF funds.

The community colleges’ six-year capital construction listed for information only. Each of the community colleges has one capital project PBF request for FY 2018.

The College of Southern Idaho’s request is for $825,000 for the remodel and modernization of 25,000 square feet of existing classrooms and offices constructed in 1976. All funding is from PBF funds.

The College of Western Idaho’s (CWI) request is for $750,000 for the design and site development for their Boise campus building located at Main and Whitewater Blvd. All other costs for this $59.3M project will be funded from CWI funds. New owned facilities
are required for accreditation to support long-term feasibility and to better serve the community. It is anticipated that this first phase building will support approximately 200,000 square feet.

North Idaho College’s request is for $850,000 for the remodel of the 9,500 square foot Hedlund Building into the Hedlund Black Box Theater. All funding is from PBF funds.

**IMPACT**

Only Board-approved major capital projects can be forwarded to the PBFAC. Following Board approval, DPW, PBFAC, DFM, and LSO will be informed of the Board’s recommendations. A Board representative will brief the PBFAC on the Board’s decision and any comments at the October 4th PBFAC meeting, prior to agency presentations of their FY2018 requests.

Board Policy V.K. requires institutions to bring their six-year capital project plans to the Board for review and approval at its regularly scheduled August meeting. These plans span six fiscal years going forward, starting with the upcoming fiscal year (FY2018). Board approval of a six-year plan constitutes advance notice to the Board that an institution or agency may bring a request at a later date for approval for planning and design for one or more of the projects in the institution plan. The institutions can, and very frequently do, update the years two through six components of their six-year plans, based on the approved funding and outcomes of their year one requests. Board approval of the six-year plans also allows the institutions to solicit and accept gifts in support of the projects listed in the approved plans.

**ATTACHMENTS**

Attachment 1-FY18 Major Capital Request Summary Page 5
Attachment 2-Boise State University Six-year Plan Page 7
Attachment 3-Idaho State University Six-year Plan Page 8
Attachment 4-University of Idaho Six-year Plan Page 9
Attachment 5-Lewis-Clark State College Six-year Plan Page 11
Attachment 6-Eastern Idaho Technical College Six-year Plan Page 12
Attachment 7-Capital Project Summaries for agencies & institutions Page 13

**STAFF COMMENTS AND RECOMMENDATIONS**

Although current levels of funding from the PBF and other sources are not sufficient to meet the facility needs of the institutions, it is appropriate for the institutions and the Board to highlight the most urgent infrastructure needs in the system. An effective review and rationing system is in place to allocate available dollars to the highest need projects for the FY2018 budget cycle. The FY2018 capital project requests from the institutions are reasonable, and they reflect continuity with previous capital planning efforts. The longer-term wish lists in the rolling six-year capital plans, while largely hypothetical, are a useful advance planning tool. Staff recommends approval of the institutions’ FY2018 capital project requests and their six-year capital project plan projections.
BOARD ACTION

I move to approve the capital projects listed in the table in Attachment 1 on Page 5 from Boise State University, Idaho State University, the University of Idaho, and Lewis-Clark State College for submission to the Permanent Building Fund Advisory Council for consideration for Permanent Building Fund support in the FY2018 budget cycle.

Moved by __________ Seconded by __________ Carried Yes _____ No _____

AND

I move to approve the Capital Budget Request Six-Year Plans for FY2018 through FY2023 for Boise State University, Idaho State University, the University of Idaho, Lewis-Clark State College, and Eastern Idaho Technical College, as provided, for submission to the Permanent Building Fund Advisory Council for consideration in the FY2018 budget cycle.

Moved by __________ Seconded by __________ Carried Yes _____ No _____
# State Board of Education

## FY18 Major Capital Request Summary

($ in thousands)

<table>
<thead>
<tr>
<th>Board Priority</th>
<th>Institution/Agency &amp; Project</th>
<th>Detail Page</th>
<th>Perm. Building Fund</th>
<th>Total Funds</th>
<th>FY 2018 Request</th>
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<td>Boise State University</td>
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<td>2</td>
<td>Center for Materials Science</td>
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<td>10,000.0</td>
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<td>College of Innovation and Design</td>
<td>17</td>
<td>10,000.0</td>
<td>12,000.0</td>
<td>10,000.0</td>
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<td>5</td>
<td>Idaho State University</td>
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<tr>
<td>6</td>
<td>Gale Life Science Building, 3rd and 4th floors</td>
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<td>Eli Oboier Library, replace HVAC and duct work</td>
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<td>8</td>
<td>Graveley Hall, upgrade heating and cooling system</td>
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<td>11</td>
<td>WWAMI Education Building Improvements/Expansion</td>
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<td>Lewis-Clark State College</td>
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<td>Living and Learning Complex</td>
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<td>Canyon Building Remodel and Modernization</td>
<td>51</td>
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<td>18</td>
<td>College of Western Idaho</td>
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<td>19</td>
<td>Boise Campus Building &amp; Site Development</td>
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<td>North Idaho College</td>
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<td>21</td>
<td>Hedlund Black Box Theater Remodel</td>
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<td><strong>$ 71,040.0</strong></td>
<td><strong>$ 210,290.0</strong></td>
<td><strong>$ 59,200.0</strong></td>
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Note: Information in the table above on the Community College capital project requests is provided for information only—Board approval for these requests is not required.
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### SIX YEAR CAPITAL IMPROVEMENT PLAN
**FY 2018 THROUGH FY 2023**

#### Institution: Boise State University

<table>
<thead>
<tr>
<th>Project Title</th>
<th>FY2018</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
<th>FY2022</th>
<th>FY2023</th>
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<tr>
<td>New Student Housing (Honors Live/Learn Community - Public/Private Partnership, In Construction)</td>
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<td>Student Housing - Food Service (Honors Live/Learn Community)</td>
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<td>Fine Arts Building</td>
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<td>College of Innovation and Design</td>
<td>12,000</td>
<td>10,000</td>
<td>2,000</td>
<td>12,000</td>
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<tr>
<td>Center for Materials Research (2nd of 4 building science complex)</td>
<td>48,500</td>
<td>10,000</td>
<td>20,000</td>
<td>30,000</td>
<td>18,500</td>
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<td>1,500</td>
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<tr>
<td>Science Laboratory Building</td>
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<td>10,000</td>
<td>5,000</td>
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<td>Downtown Parking Spaces</td>
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<td>On-Campus Parking Structure (750 spaces @ $20,000)</td>
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<td>Renovate Liberal Arts &amp; Campus School (Planning, Design, Construction)</td>
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<td>1,000</td>
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<td>Hemingway Building - Restoration</td>
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<td>Athletics/Kinesiology Multi-Use Facilities</td>
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<td>Science Research Building (3rd of 4 building science complex)</td>
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<td>Total</td>
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**Central District Critical Water Plant**
- 10,000

**Combined Heat/Power Plant**
- 20,000

**Administrative Services Buildings**
- 23,000

**Albertsons Stadium Expansion and Improvements**
- 28,000

**New Athletics Field**
- 5,000

**Athletics Facilities Upgrades**
- 2,000

**Department of Public Safety, New Facility**
- 8,000

**Literacy Center**
- 8,000

**Develop Campus Quad Spaces**
- 2,000

**Engineering & Technology Nssn 101 & 110 - Classroom Renovations**
- 1,500

**Signage and Wayfinding, All Phases**
- 2,500

**Subtotal #1**
- 116,300

**Subtotal #2**
- 111,600

**Grand Total: Other, not currently scheduled priorities:**
- 221,900
## Six Year Capital Improvement Budget

<table>
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<tr>
<th>Description</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
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<tbody>
<tr>
<td>Gale Life Science Remodel Building Infrastructure and 3rd and 4th Floor</td>
<td>$5,000,000</td>
<td>$5,000,000</td>
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<td>Oboler Library - replace HVAC/duct work, ceiling, seismic compliance</td>
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<td>$6,000,000</td>
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<td>Graveley Hall - Upgrade the heating and cooling system</td>
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<td>$2,875,000</td>
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<tr>
<td>Beckley Nursing – Asbestos mitigation, ceiling system and lights</td>
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<td>$1,700,000</td>
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<td>Expansion of Dental Health Program and Physical and Occupational Therapy - Meridian</td>
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<td>Vocarts - Replace, HVAC, Elevators, Fire Alarm &amp; ADA restrooms</td>
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<td>$1,745,842</td>
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<td>Complete renovation ISU-Meridian build out*</td>
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<td>Remodel LEL second floor for additional labs *</td>
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<td>Campus Housing Renovations &amp; Remodeling*</td>
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<td>New Museum of Natural History*</td>
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<td>College of Business - Modernization*</td>
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<td>Engineering Research Complex Renovation - Phase 3*</td>
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<td>Renovation/Addition of Life Sciences*</td>
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<td>Reroute campus traffic*</td>
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<td>Addition to Beckley Nursing*</td>
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<td>Addition to College of Engineering*</td>
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<td>Renovation of College of Business – front entry*</td>
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*Some Projects with no F.F.E. money
## SET C: SIX YEAR CAPITAL IMPROVEMENT PLAN (Major Capital Projects)
### FY 2018 THROUGH FY 2023

($ in 000's)

### Institution: University of Idaho

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<tr>
<th></th>
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<td>Wallace Residence Center Refresh</td>
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<td>Admin Bldg. Entry Foyer &amp; Star Life Safety Imp &amp; Renovations</td>
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<td>Swim Center Replace Pool Gutters and Tile</td>
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<td>Renfrew Hall Classrooms 111 &amp; 112 Improvements</td>
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<td>Library Special Collections and Archive Improvements</td>
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<td>Research and Classroom Facility</td>
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<td>Western Initiative for Dairy Environment (WIDE)</td>
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## SET C: SIX YEAR CAPITAL IMPROVEMENT PLAN (Major Capital Projects)
### FY 2018 THROUGH FY 2023
($ in 000's)

**Institution:** University of Idaho

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## CAPITAL BUDGET REQUEST
### SIX-YEAR PLAN FY 2018 THROUGH FY 2023
### CAPITAL IMPROVEMENTS

**AGENCY:** Lewis-Clark State College

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<td>Sam Glenn Complex Upgrade</td>
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Agency Head Signature: ______________________________

Date: ______________________________
CAPITAL BUDGET REQUEST  
SIX-YEAR PLAN FY 2018 THROUGH FY 2023  
CAPITAL IMPROVEMENTS  

AGENCY: Eastern Idaho Technical College  

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Agency Head Signature: [Signature]

Date: [Signature]

DPW 4.0 4/15  
BAHR - SECTION II
OFFICE OF THE STATE BOARD OF EDUCATION

SET A
PROJECT SUMMARY
FY2018

Project Title: Construction for Center for Materials Science

Institution/Agency: Boise State University

Brief Description: Boise State’s Master Plan 2015 update targets the South Campus area for the science and engineering facilities called for in the Strategic Plan to boost research and creativity while creating a signature educational experience for both graduates and undergraduates. The requested funds will support partial construction of the second of four science buildings currently envisioned. This new building will house the Materials Science program, which is one of Boise State’s growing research strengths and one that connects directly to the missions and needs of the businesses leading the state’s strong tech economy.

Project Scope: 55,000-65,000 NASF 85,000-100,000 GSF

Estimated Total Cost: $50,000,000

Estimated Partial Construction Cost: $10,000,000

Date Approved by State Board of Education:

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<tbody>
<tr>
<td>Fund Source</td>
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</table>
1. **PROJECT DESCRIPTION AND JUSTIFICATION**

The proposed building will be the second building of the master-planned science and engineering complex in the South Campus zone. The first of these projects, the 101,265-square-foot multidisciplinary Environmental Research Building is home to Geosciences, Civil Engineering, Public Policy and Administration and Political Science, as well as the environmental finance office, the Public Policy Center and the Frank Church Institute and other parts of the new School of Public Service.

Consistent with the 2005 and 2015 Campus Master Plans, the new Center for Materials Science Research will support the University initiatives to grow the STEM disciplines (Science, Technology, Engineering and Mathematics) and support Idaho’s and the Boise region’s tech economy, and will be part of a complex designed to promote interdisciplinary research, education, and outreach. Each building of the complex will include science and engineering laboratories and facilities appropriate to specific interdisciplinary topic areas, with departmental culture preserved in office clusters. Future buildings in this area will be planned to promote collaboration between scientists and engineers on important research initiatives.

The Center for Materials Science Research will focus on Materials Science Engineering and provide a catalyst to elevating that program to national prominence. A program of such stature will enhance the growth of the high-tech, science and engineering-related industries and associated economic development in the Treasure Valley, Idaho and far beyond. The facility will be a major step toward achieving the first four goals outlined in Boise State’s Strategic Plan, “Focus on Effectiveness,” which include 1) Create a signature high-quality educational experience for all students; 2) Facilitate the timely completion of educational goals of our diverse student population; 3) Gain distinction as a doctoral research university; and 4) Align university programs and activities with community needs.

2. **PROJECT COMPONENTS**

The University retained a programming consultant to create a preliminary program for the building and to explore potential site locations. As currently programmed, the 85,000 to 100,000 square-foot Center for Materials Research will be a showcase for the program and will include research laboratories, teaching laboratories and associated support areas including faculty offices, staff office, graduate student spaces, seminar rooms and common areas. As currently envisioned, the building would be located on the block immediately west of the existing Engineering Building and Micron Technology Building to allow for close proximity to other collaborators in the engineering disciplines. The facility would also allow for co-location of materials researchers from all disciplines on campus.

In addition to the Materials Science spaces, a large 250 seat lecture hall, and two 80 seat classrooms have been included in the program for this building to help address
the current lack of adequate large classroom spaces on the southeast portion of campus. These classrooms would be designed to support active learning, which supports lectures but also facilitates collaboration and small group work within the classrooms.

Prior to the start of construction, several occupants of the site will require relocation. These include Facilities Operations and Maintenance offices, Central Receiving, HAZMAT storage facility and the Construction Management program.

3. **ALTERNATIVES**

   Modular facilities could possibly be utilized to provide additional research, classrooms, and offices, but the use of these temporary structures are expensive and only meet the short-term needs of the institution. It would not be prudent to utilize modular buildings for research or class laboratory space. The University has purchased land in the South Campus to accommodate this new facility. Investing in temporary modular facilities would neither be cost effective nor meet academic and research needs.

4. **VACATED SPACES**

   In addition to providing up to date laboratory, classroom, and office space for the Materials Science department, this project would free up space currently occupied by that department in other campus buildings. These spaces would be made available to meet the critical classroom and faculty office space needs of other growing departments. Because planning is still in the early stages, the precise amount of space to be vacated is not defined.
OFFICE OF THE STATE BOARD OF EDUCATION

SET A
PROJECT SUMMARY
FY2018

Project Title: Construction for College of Innovation and Design

Institution/Agency: Boise State University

Brief Description: Boise State’s College of Innovation and Design (CID) is one of the youngest programs on campus, created in 2015 to meet the growing demand for flexible education tracks that focus on entrepreneurship, innovation, technology and teamwork. CID is currently located on the 1st and 2nd floors of the Albertsons Library in a combined area of roughly 10,000 square feet. Due to program success and increasing enrollment, CID will quickly outgrow this facility and require a dedicated space of its own. The requested funds will support the construction of an addition and partial renovation of the Barnes Towers to provide CID a space that consolidates all of its existing programs, as well as adequate space to grow in the future.

Project Scope: 32,000 – 36,000 NASF  45,000 – 52,000 GSF

Estimated Total Cost: $12,000,000

Date Approved by State Board of Education:

Source of Construction Funds (by fund source and amount):

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Budget Year Request

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1. **PROJECT DESCRIPTION AND JUSTIFICATION**

Since its inception in the Fall of 2015, CID has quickly grown its number of programs and total enrollment. The flexible class schedule and certifications have proven appealing to students from various fields of study. CID anticipates this growth to continue over the next four to five years, rapidly approaching space limitations of its current location. The Gaming, Interactive Media, and Mobile Technology (GIMM) program alone is expected to grow from 50-100 students to 300-400 over this five-year period. There is limited space available within the Library to accommodate this growth; Boise State is evaluating an expansion of CID’s current space, which would double the existing footprint from 8,500 to roughly 17,000 square feet. Following this potential expansion, there is little to no space remaining the Library to expand without substantially impacting Library operations.

The proposed addition will likely be a two-story addition to Barnes Towers, a facility that vacates once the new Honors College and Residential Housing project is complete. Funding will also be placed toward the renovation of dormitory rooms so they better suit an office and/or administrative function. A building for CID is not specifically identified on the 2015 Campus Master plan. However, Barnes Towers is not scheduled for replacement in the near future. The façade of Barnes Towers will also receive aesthetic updates to compliment CID’s mission and Boise State’s material palette.

2. **PROJECT COMPONENTS**

Programmatically, CID requires a unique range of classrooms, offices, laboratories and maker spaces. For example, the GIMM program requires a high-tech laboratory space for students to development virtual reality applications and other media-based products. Classrooms, on the other hand, need to be fluid, taking advantage of movable furniture and layouts. As such, the facility will require a mix of dedicated spaces (maker spaces, laboratories, tool rooms, offices, etc.) as well as flexible meeting and/or instruction areas. For building efficiency purposes, the majority of the facility will consist of flexible instruction areas instead of dedicated rooms and offices, resulting in a facility with a high amount of assignable square footage.

3. **ALTERNATIVES**

There is limited potential for CID to continue expanding within Albertsons Library. The most immediate opportunity is an expansion on the Library’s 2nd floor, adjacent to CID’s current space assignment. CID’s footprint would double through this expansion, providing a total space of roughly 17,000 square feet. This will enable the GIMM lab to be located within CID’s footprint, as well as additional classrooms, offices and an events space. Unfortunately, certain program priorities are not obtainable through this expansion: high bay space and a tools lab for prototyping; an expansion of virtual reality equipment; additional offices, meeting rooms, drop-in
stations, and classrooms to respond fully to CID’s long-term programming goals. An expansion of CID into the first, third or fourth floors of the library will have a severe impact on library operations and is not being considered at this time.

A second alternative has CID split up and scattered across campus. There is no identified space for these placements and it’s likely they would disrupt other programs.

4. **VACATED SPACES**

If the envisioned project is developed, CID’s current location in the Albertson’s Library will be vacated. At present, this represents roughly 8,500 square feet on the second floor and 1,500 square feet for the GIMM Lab on the first floor. These areas, by design, are not restrictive for subsequent tenants. Much of the 2nd-floor space has an open floor plan with movable furniture. The Library can easily re-occupy these areas and use them for instruction, meeting areas, or again as shelving for materials with minimal costs.
Project Title: Construction for Science Laboratory Building

Institution/Agency: Boise State University

Brief Description: Boise State continues to experience increased demand for classes and programs with laboratory-based instruction. Predominantly focused on the natural and applied sciences, these laboratories call for highly specific and dedicated environmental controls, as well as pedagogical improvements that create a signature education experiences for students. The requested funds will support a new laboratory facility providing teaching and/or research labs focusing on chemistry and biological sciences.

Project Scope: 16,000 – 22,000 NASF 25,000 – 34,000 GSF

Estimated Total Cost: $15,000,000

Date Approved by State Board of Education:

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1. PROJECT DESCRIPTION AND JUSTIFICATION

The proposed building will act as an extension of Boise State’s Biology and Chemistry programs, departments within the College of Arts and Sciences. These programs currently operate primarily out of the Science Building, a four-story facility constructed in 1977. Some labs are also housed in the Multi-Purpose Classroom (MPC) Building. The Science Building has been modified numerous times throughout its history, in an effort to maintain pedagogical best practices, respond to University growth, and comply with facility safety requirements. In its current state, the Science Building continues to require several physical plant improvements, life/safety alterations, and classroom/laboratory improvements that will provide a cutting-edge academic and research environment.

The growth in STEM programs in the physical sciences as well as engineering has created a need for additional lower division teaching labs, especially those focused on biology, chemistry and physics. In addition, there is an increased demand for research spaces in these disciplines.

The proposed new Laboratory Building is identified on the 2015 Campus Master Plan and is intended to help meet the demand for teaching and research labs. At this time, it is represented by a “liner” building on the north façade of the Brady Garage and matching the facility’s height. With 16,000 – 22,000 net assignable square feet (NASF), approximately 10-12 teaching and/or research labs could be provided in the facility. Labs would likely be focused on Chemistry or Biology. However, the labs could be used accommodate other STEM programs, such as Engineering Health Sciences and Physics. This building would likely provide space to accommodate departmental growth for the next 5-8 years.

This facility will help achieve two of Boise State’s Strategic Plan goals: 1) Create a signature high-quality educational experience for all students; 2) Gain distinction as a doctoral research university.

2. PROJECT COMPONENTS

As envisioned, a new laboratory building will house teaching and/or research labs, prep areas, an instrumentation lab and informal student learning areas. Academic and research biology greenhouses would be installed on the roof of the new building to allow for access from the top floor of the garage. With a focus on instruction or research, there will be limited drop-in style spaces for faculty and graduate assistants and as a result, the building’s program would not include typical enclosed faculty offices. This will maximize the total number of labs created by the project.

For life/safety compliance, each floor and laboratory will serve a dedicated purpose based on study topic and materials used. For example, labs using hazardous materials will be located on the ground floor, eliminating risks associated with upper levels. The facility will operate independently from the Brady Street Garage, with its own
ingress and egress, as well as vertical circulation. In addition to the laboratory areas, the facility will also include lab preparation areas, an instrumentation room, informal learning areas for students, restrooms and other common areas.

3. ALTERNATIVES

Alternatives include converting existing classrooms into teaching and/or research labs. Any classrooms will have to be taken offline or re-created elsewhere appropriate swing space is not available on campus. Retrofitting classrooms into laboratories is costly, will require infrastructure improvements and work would have to be done in a piecemeal fashion to limit the impact on facility occupants. The most likely building for classroom conversions to laboratories is the Multi-Purpose Classroom (MPC) Building.

4. VACATED SPACES

The new Laboratory Building will help mitigate existing and some future demand. As such, minimal spaces will be vacated. Existing laboratories in the Science Building will retain their laboratory functions and will be repurposed/upgraded to accommodate new research.
CAPITAL BUDGET REQUEST
FY 2018

CAPITAL IMPROVEMENT PROJECT DESCRIPTION

(New Buildings, Additions or Major Renovations)

AGENCY: Idaho State University
AGENCY PROJECT PRIORITY: 1

PROJECT DESCRIPTION/LOCATION: Remodel Building Infrastructure and 3rd and 4th floor
(5M/yr. over two years 2018 and 2019)

CONTACT PERSON: Cheryl Hanson
TELEPHONE: (208) 282-2533

PROJECT JUSTIFICATION:

(A) Concisely describe what the project is.

This project will upgrade building infrastructure to include, but not limited to electrical, water, and HVAC systems as well as completely remodel the lab spaces on the top two floors.

(B) What is the existing program and how will it be improved?

Existing lab facilities were built in 1970 and the building infrastructure has not been substantially upgraded since then. There have been multiple remodels take place in the building with new systems of piping and wiring being hooked up to the aging and obsolete infrastructure in the building that has intermittent breakdowns that hinder the teaching and research that is conducted in the building. Some dangerous conditions also exist that need to be rectified including the electrical switchgear in the basement that is beyond its useable life and connects all four buildings in the complex together. Design/Planning should incorporate systems that can easily be adapted for future lab remodels that may include creating updated core facilities and team teaching approaches and research activities.

(C) What will be the impact on your operating budget?

Constant maintenance and repair of infrastructure demands inordinate amounts of attention to keep running and delivers less than optimal conditions for building occupants. Budgets will be positively impacted in facilities services and support for teaching and research will impact down times and lost revenues.

(D) What are the consequences if this project is not funded?
Building systems will continue to age and deteriorate at an exponential rate.

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Agency Head Signature: ______________________________

Date: ______________________________
CAPITAL BUDGET REQUEST

FY 2018

CAPITAL IMPROVEMENT PROJECT DESCRIPTION

(New Buildings, Additions or Major Renovations)

AGENCY: Idaho State University  AGENCY PROJECT PRIORITY:  2

PROJECT DESCRIPTION/LOCATION: Replace HVAC/Ductwork, Ceiling, Seismic Compliance (3 projects: one each floor,$2 million/yr. for 3 years). Eli Oboler Library Bldg. # 50

CONTACT PERSON: Cheryl Hanson  TELEPHONE: (208) 282-2533

PROJECT JUSTIFICATION:

(A) Concisely describe what the project is.

This project will remove the deteriorating fiberboard air ducting system, and replace it with an insulated steel duct system. This project will also replace associated ceiling and lights in the affected areas.

(B) What is the existing program and how will it be improved?

The existing fiberboard ducting is actively degrading, with resulting ductwork particulates being spread throughout the library. All surfaces within the Library, including the ceiling, are coated with deteriorated ducting material. This project will remove the existing ceiling and lighting systems, remove all fiberboard ducting, address all seismic issues with the ceiling and lighting system, and with the book stacks throughout the Library. New insulated steel ducting, ceiling systems, and lighting will be installed.

(C) What will be the impact on your operating budget?

The maintenance budget will be relieved in several areas as less custodial effort will be required to clean the Library, and repair work to deteriorating ductwork will no longer need to occur.

(D) What are the consequences if this project is not funded?

Ductwork will continue to degrade and contaminate the interior of the Library. Additional efforts will continue to be expended in an attempt to clean the library.
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<tr>
<th>ESTIMATED BUDGET:</th>
<th>FUNDING:</th>
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<tr>
<td>A/E fees</td>
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</tr>
<tr>
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<td>Agency Funds</td>
</tr>
<tr>
<td>F F &amp; E</td>
<td>Federal Funds</td>
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<td>Total</td>
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Agency Head Signature: ______________________________

Date: ______________________________
CAPITAL BUDGET REQUEST
FY 2018
CAPITAL IMPROVEMENT PROJECT DESCRIPTION
(New Buildings, Additions or Major Renovations)

AGENCY: Idaho State University  AGENCY PROJECT PRIORITY: 3

PROJECT DESCRIPTION/LOCATION: Upgrade Heating and Cooling System/ Graveley Hall Building #15

CONTACT PERSON: Cheryl Hanson  TELEPHONE: (208) 282-2533

PROJECT JUSTIFICATION:

(A) Concisely describe what the project is.

This project will remove the old window mounted room air conditioners and steam heat perimeter supply with a central system that addresses the need for fresh air and heating in an economical solution.

(B) What is the existing program and how will it be improved?

The existing systems are failing and costly to run and repair and replace and the air conditioning units are providing a lot of bird habitat. The new system will deliver fresh air, conditioned in a central system and augment the existing perimeter steam heating systems to cover all areas of the building. Poor piping insulation on the steam heat will be replaced so that A/C units are not being run in the winter to cool down rooms.

(C) What will be the impact on your operating budget?

The maintenance budget will be relieved in several areas as less work will be needed to maintain individual units than one building system that can be put on our centralized controls.

(D) What are the consequences if this project is not funded?

Building systems are continuing to deteriorate and require excessive maintenance and costs.
<table>
<thead>
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<th>ESTIMATED BUDGET:</th>
<th>FUNDING:</th>
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</thead>
<tbody>
<tr>
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Agency Head Signature: ______________________________

Date: ______________________________
CAPITAL BUDGET REQUEST

FY 2018

CAPITAL IMPROVEMENT PROJECT DESCRIPTION

(New Buildings, Additions or Major Renovations)

AGENCY: Idaho State University

AGENCY PROJECT PRIORITY: 4

PROJECT DESCRIPTION/LOCATION: Asbestos Mitigation, Replace Ceiling system and Lighting/ Beckley Nursing Building #66

CONTACT PERSON: Cheryl Hanson

TELEPHONE: (208) 282-2533

PROJECT JUSTIFICATION:

(A) Concisely describe what the project is.

This project will mitigate the asbestos in the building, with emphasis on the open plenum supply design ceiling system. The work will require asbestos mitigation and the replacement of flooring, ceilings, and other materials removed or impacted by asbestos abatement. This project will also provide for renovation of office and classroom spaces within Beckley Nursing.

(B) What is the existing program and how will it be improved?

Health and safety of building occupants and maintenance personnel. Even simple tasks of replacing ceiling tiles or replacing light bulbs can pose risks to staff.

(C) What will be the impact on your operating budget?

This project does not add square feet of functional space but will require agency to provide funding for temporaries moves to accommodate the mitigating and related construction work.

(D) What are the consequences if this project is not funded?

At this time, any maintenance work on lighting or ceiling panels required asbestos monitoring, which adds labor costs and delays in service response time. Additionally, some tasks are impossible to complete within the ceiling plenum. Finally, should there be some significant roof repairs; the building may need to be evacuated. If the required roof work takes place during the academic year, the disruptions to classes and labs would be intolerable.
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<thead>
<tr>
<th>ESTIMATED BUDGET:</th>
<th>FUNDING:</th>
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</thead>
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<td>Other</td>
<td>Other</td>
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<td>Total</td>
<td>$1,700,000</td>
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Agency Head Signature: ______________________________

Date: ______________________________
Project Title: WWAMI Building Addition

Institution/Agency: University of Idaho

Brief Description: The University plans to construct a 6,000 sf, one-story building addition to the WWAMI Building, located on the eastern edge of the Moscow campus. This building addition will provide needed expansion space for this growing medical education program.

Project Scope:  

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- Site and utility infrastructure
- Furnishings, Fixtures, and Equipment
- All project fees and related expenses.

Estimated Total Cost:

Estimated Total Cost: $2,400,000

Source of Construction Funds (by fund source and amount):

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Total: $2,400,000

Previous Appropriations:

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</table>
1. PROJECT DESCRIPTION AND JUSTIFICATION
Idaho’s WWAMI Medical Education Program is a partnership with the University of Washington School of Medicine and the states of Washington, Wyoming, Alaska, Montana, and Idaho. Students who enter the program are dual enrolled at the University of Idaho and the University of Washington School of Medicine and complete their foundations phase of medical school at the Moscow campus.

The State has supported the growth of the program over the last few years, doubling the student count from twenty seats to forty seats. Further, the changing curriculum now requires a given cohort to spend 18 months on campus (previously 12 months), resulting in an overlap of student cohorts from one year to the next. Changing pedagogy and accreditation requirements result in the need for more collaborative, active learning spaces. Thus, program space needs are growing rapidly, with a need to accommodate 80 students at a time, compared to only 20 students previously.

The WWAMI program has operated out of the 3rd floor of the Student Health Center for many years, supported by anatomy lab space at nearby Washington State University, and a dedicated classroom elsewhere on the Moscow campus. The desire is to meet all these space needs, to include all necessary collaboration and student support spaces for the expanded and overlapping cohorts, in one place.

The University has identified another campus building, previously used as a business incubator, to serve as the new home for the WWAMI program. This one story building is on the edge of campus and near the city’s medical complex, ideally supporting further collaboration and synergies with the local medical community. Planning is underway to convert this 25 year old building for WWAMI’s use, with $6M in funding support from WWAMI program reserves and private donors.

A recent feasibility study finds this converted building will still fall short of fully meeting WWAMI’s space needs. The University looks to construct an addition to the west side of the facility, providing additional space, primarily for expanded student clinical lab space with supporting small exam rooms. Additionally, the space will provide expanded student study, interaction, and support space, meeting accreditation requirements for the expanded cohorts.

2. PROJECT COMPONENTS
Prior to the anticipated expansion of the building, the existing building is to be renovated in 2017 and 2018 to provide an onsite anatomy and prosection labs and morgue, as well as two flexible, active learning classrooms. Other renovated spaces will include faculty offices, updated conference space, and limited student study and support space. Additional space will need to be created to fully support the needs of the growing WWAMI program.

As noted above, this will be achieved through construction of a 6,000 sf addition to the west side of the existing facility. This building addition will occur after the renovated building is occupied and in full use by the WWAMI program. Until that time, WWAMI will make continued use of their
current limited space in the Student Health Center, splitting their operations across multiple campus buildings.

The expansion space will provide student clinical lab space and associated small exam rooms. Such spaces support interactive group instruction for the students in conducting medical examinations, patient interview skills, and in developing ‘bedside’ manners. Additional space will support both private and group student study spaces dictated under medical instruction accreditation requirements.

3. ALTERNATIVES
Three alternatives have been studied to date.

Alternative 1: Include this Scope within the IRIC Facility Currently Under Construction

This alternative would have entailed including portions of WWAMI’s space needs within the scope of the Integrated Research and Innovation Center (IRIC) currently under construction and scheduled to open in January 2017. This alternative would have placed these spaces in a systems-intensive, high-performance facility. These spaces do not need to be in such a high-performance facility and placing them there would be an inefficient use of resources. The alternative also represents a poor choice in terms of opportunity costs as these spaces would by necessity would reduce the number and size of the research laboratories and core laboratories that could be constructed within IRIC.

In addition, the IRIC facility is a $52M effort, the largest single design and construction effort ever accomplished by the University of Idaho on a total dollars basis. At the time IRIC was in design, the medical instruction pedagogy was in the midst of an overhaul, lending uncertainty to the ideal space requirements to be met. Rather than expand an already large project scope, and with program uncertainties, the university rejected this alternative.

Alternative 2: Construct a Separate and Distinct Medical Education Building

This alternative consists of an attempt to identify and construct the spaces as described herein in a single new building. The university explored partnering with the local hospital under varying shared capital and real estate arrangements, and were unable to identify a mutually viable means of proceeding with a brand new construction project. The university rejected this alternative.

Alternative 3: Proceed with a Renovation of an Existing Campus Building

This option would entail identifying an existing campus structure, and modifying it to meet the expanding WWAMI space needs. It was infeasible to simply convert the existing Student Health Center; this 1930’s building would require substantial renovation, along with displacement of academic units, and with no readily available alternate campus space to which they might move.

The previous business incubator building was identified as the best location for WWAMI. This building housed limited incubator operations in recent years, and also hosted the Center for Disabilities and Human Development (CDHD), a unit with an outward, community focus. The university purchased a small building in the community, relocated CDHD to this off campus site, and is in the process of making incremental improvements to the incubator (now WWAMI) building. The planned improvements in the short term will assist in meeting the emerging active learning pedagogy, and incorporate the anatomy/morgue function, obviating the use of spaces at
Washington State University. Furthermore, this building is physically near the city's growing medical complex, facilitating opportunities for synergies between student learning, instructional outreach, and the local medical community.

The current footprint of the building required some expansion to ideally meet the full array of WWAMI’s space needs. Renovation and expansion of this structure best meets the breadth of needs for WWAMI and the displaced unit. This is the university’s preferred alternative.

4. VACATED SPACE
In the short term, there is no vacated space to be gained on the Moscow campus. WWAMI must still operate from within their historic spaces in the Student Health Center, even after the current incubator building is renovated and fully occupied by WWAMI. At that time, WWAMI can vacate the anatomy lab currently provided by Washington State University.

Once the proposed building addition is completed, WWAMI will be able to vacate the third floor of the Student Health Center. This will free approximately 5,000 sf of space. The Department of Psychology and Communications Studies is also located in the Student Health Center, and has a variety of faculty and labs scattered at various other locations about campus. WWAMI’s departure from the building will allow Psychology to consolidate their far flung faculty and labs into one building, ultimately freeing small pockets of space in multiple campus buildings. The ultimate disposition of these spaces is yet to be determined, but will likely serve the needs of other users located in adjacent spaces.
Project Title: University of Idaho Library Special Collections & Archive Facility

Institution/Agency: University of Idaho

Brief Description: The University desires to construct improvements dedicated to supporting the mission of the University of Idaho Special Collections and Archive unit of the University of Idaho Library. The Special Collections and Archive is currently located within the University of Idaho Library; itself located in the core of the on the Moscow campus of the University of Idaho. The existing facility is inadequate for the functions it serves, and is in need of renovations and improvements to provide a facility befitting the character and the nature of the collections housed therein.

Improvements to the third floor of the Library to house an improved Special Collections and Archive Facility were envisioned and described in a 2009 Library Master Plan. It is the intent of this project to start by testing the assumptions made in the 2009 Library Master Plan process and recommend the best course of action. Upon acceptance of a set of recommendations, the intent is to then plan, design and implement a project that best serves the programmatic needs and requirements of the Special Collections and Archive.

Project Scope:

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Estimated Total Cost:

Source of Construction Funds (by fund source and amount):

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<td>Gifted Funds</td>
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Total: $ 5,640,000
1. PROJECT DESCRIPTION AND JUSTIFICATION

Background and Planning Context:
The University of Idaho Library is the largest Library resource in the State of Idaho. It provides Library, Collection, Archival, Research, Group Learning, Tutoring, and Technology services not only to the students, faculty and staff of the University of Idaho, but also to stakeholders and researchers from across the State of Idaho. As the largest Library within the State of Idaho, the significance and import of the collections the University of Idaho Library houses cannot be overestimated.

The current University of Idaho Library structure was originally constructed and occupied in 1957. A significant whole-building renovation and addition was completed in 1992/93. With the addition, the University of Idaho Library measures 190,200 gsf. Inclusive of the basement, the University of Idaho Library is a five story structure and it is centrally located in the academic and research core of the main campus of the University of Idaho in Moscow, Idaho.

While advances in technology are reshaping today’s libraries, campus libraries remain the interdisciplinary hub for students and scholars. Campus libraries such as the University of Idaho Library become a community center extending learning beyond the classroom. Library buildings are iconic as symbols of the centuries of knowledge upon which today’s research builds. Surveys indicate that the library is one of four buildings on any given campus that most influence a prospective student’s decision to enroll at that university.

Yet it is also a given that libraries are in transition. Collections are no longer limited to physical materials held within a library’s walls; they are also digital. The role and mission of libraries in general is moving towards empowering access. That said, physical collections are still important, and it is incumbent upon libraries to service the curation of, and access to, both digital and physical collections.

In view of this, The University of Idaho invested in a robust evaluation and analysis of our campus Library in 2009. The outcome of this process is the development of a 2009 Master Plan for the University of Idaho Library entitled: “Preserving the Past, Inspiring the Future.” The planning
process was carried out over the course of the year and included all stakeholder through the use of several public planning workshops. The stakeholders identified planning goals essential to the vision of the University of Idaho Library as a significant, purposeful, and highly collaborative campus resource. They are:

- **Protect** and highlight the archival collections;
- **Encourage** new and different methods of learning;
- **Connect** students to the library resource(s);
- **Serve** as a vibrant, active and alive center of campus.

The resultant recommendations are contained in the 2009 Master Plan and are captured as an iterative series of phased improvement projects. The projects envisioned in the Master Plan provide the desired facilities necessary to promote and support:

- Scholarship and Creative Activity;
- Outreach and Engagement;
- The creation of a Collaborative Organization, Culture, and Climate.

**Work Completed to Date:**

Since completion of the 2009 “Preserving the Past, Inspiring the Future” Master Plan for the University of Idaho Library, the university has invested significantly in the implementation of the plan. As a starting point the plan calls for the purchase and installation of high-density, compact shelving on the Second Floor of the Library in order to free general floor space for the various proposed improvements. The first phase of this installation of high-density, compact shelving is complete.

Most recently, the University funded and competed the design and construction of portions of the planned improvements for the First Floor of the Library. These improvements include, but are not limited to, the initial phase of the envisioned “Information Commons,” Team Rooms for group study, work, and collaboration, the Map Room, reconfiguration of the Circulation Desk, a Multi-media Zone, and a Coffee Bar.

The investment by the university in these initial improvements to date exceeds $2,470,000.

**Project Request:**

The next phase of work anticipated by the 2009 Master Plan supports the University’s Special Collection and Archives program. The University of Idaho Special Collections and Archive is charged with the care and curation of a number of collections that are specific to the university and to the State of Idaho. The collections are of a high degree of import and it is essential that they are housed in a facility worthy of their character and nature.

The 2009 Library Master Plan makes the assumption that the Special Collections and Archive should be housed on the third floor of the University Library. However, enough time has since passed that the university wishes to test this assumption and consider possible alternative scenarios at the outset of this capital project implementation.
2. PROJECT COMPONENTS
Regardless of the final, selected location for the Special Collections and Archive, the necessary and requisite spaces and features required to provide the Special Collections and Archive with a prominent, State-of-the-Art facility include:

- Comfortable, inviting reading rooms that can be supervised by Special Collections and Archive staff;
- Adequate and suitable storage space for the collections materials;
- Display walls and cases that allow collections materials to properly and securely displayed through and under glass;
- Support spaces for the Special Collections and Archive personnel that facilitate the proper administration of the collections materials. The spaces include, but, may not be limited to;
  - reception area;
  - offices as needed;
  - holding area;
  - supplies and storage area;
  - records processing;
  - digital laboratory;
  - and support functions and areas as needed;
- Stable, controlled environmental conditions designed to preserve the collections and archive materials and prolong their anticipated life span.
  - UV protection and control
  - Tight, narrow range temperature control - 66 to 68 degrees F.
  - Tight, humidity control – 45% relative humidity
  - Secure, controlled access
  - Occupancy Sensors

3. ALTERNATIVES
As mentioned above, the 2009 “Preserving the Past, Inspiring the Future” Master Plan for the University of Idaho Library recommended including the Special Collections and Archive Facility within the current University of Idaho Library, specifically on the third floor. However, the university desires to revisit this recommendation as part of the early planning and programming phase of the project. Possible alternatives regarding the best location are, but are not necessarily limited to:

Alternative 1: Include the Special Collections and Archive scope within the University of Idaho Library, 3rd Floor per the 20089 Master Plan.

Alternative 2: Include the Special Collections and Archive scope within the University of Idaho Library, but, on another floor.

Alternative 3: Construct Separate and distinct Special Collections and Archive Building

Alternative 4: Renovate a portion of another campus location to serve as the Special Collections and Archive Facility.
4. **VACATED SPACE**
Assuming Alternatives 1 or 2 are selected, The Special Collections and Archive project does not result in any vacated space. Rather, it makes improved and more efficient use of existing space with the University of Idaho Library by reallocating space on the third floor for the Special Collections and Archive Suite and repurposing space in the basement to serve the receiving and cataloging functions. The existing elevator shaft that was constructed in 1992/93 but never outfitted will be put in service. Finally the efficiency of space utilization will be vastly improved through the installation of efficient, high-density, compact shelving within the Special Collections and Archive Suite.

Should Alternatives 3 or 4 are selected, the vacated space in the basement of the existing Library will be repurposed for Library functions yet to be identified.
OFFICE OF THE STATE BOARD OF EDUCATION

SET A

PROJECT SUMMARY

Project Title: Research and Classroom Facility

Institution/Agency: University of Idaho

Brief Description:
The University of Idaho is currently in the process of the construction of the Integrated Research and Innovation Center (IRIC), a new research intensive facility comprised of sophisticated research laboratories to be located in the core of campus at the next of the College of Engineering, College of Science, College of Natural Resources and the College of Agricultural and Life Sciences. IRIC is to be completed in the fall/winter of 2016, and operational in January of 2017. IRIC will be an exciting addition to the campus and to the university and carries with it the potential of driving the university’s research profile to new heights.

The character and nature of the IRIC facility is focused on high-performance, research intensive laboratories, collaborative spaces, and core laboratories to be available to all research units and researchers campus wide. Precisely because IRIC is to be such a high-performance facility, it does not contain much in the way of office space and there will be no classroom space. Including such spaces in such a systems and utilities intensive facility would not be an efficient use of resources.

Accordingly then, there is a need to provide spaces such as offices for additional research units and departments, space for grant driven activities, spaces for computational research activities, classrooms, seminar spaces, etc., in a location convenient to IRIC. These spaces will support learning, computational research, dissemination and transfer of knowledge and information, and other related support activities that may be related to, or a result of, the research activities housed within the IRIC facility. The Research and Classroom Facility will be comprised of such spaces and is to be located to the immediate southeast of IRIC on the east side of the Line Street Pedestrian Mall on the main campus of the University of Idaho.

Project Scope: Project Title: Research and Classroom Facility

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*Source of Construction Funds (by fund source and amount):*

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<tbody>
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Date Approved by State Board of Education:
FY 2018 represents the third request for this facility.

1. **PROJECT DESCRIPTION AND JUSTIFICATION**

The University of Idaho has a need to design and construct a Research and Classroom Facility supporting computational research and providing space to deliver academic programming on an existing site to the immediate southeast of the Integrated Research and Innovation Center (IRIC) on the main campus of the University of Idaho in Moscow, Idaho. This site is located in the core of the research neighborhood of the campus, adjacent not only to the new IRIC facility, but also to the College of Engineering, College of Science, and College of Natural Resources. The College of Agricultural and Life Sciences will be one building to the west, separated by IRIC itself.

The general intent of the Research and Classroom Facility is to provide space for learning, computational research, dissemination and transfer of knowledge and information, and other related support activities that may be related to, or a result of, the research activities housed within the IRIC facility. Because the IRIC is a high-performance, systems-intensive research facility with a resultant high initial cost on a unit basis, it is a much wiser use of resources and a more efficient investment to provide spaces for learning, computational research, dissemination and transfer of knowledge and information, and other related support activities in an adjacent, less systems-intensive facility.
The Research and Classroom Facility is envisioned to house offices, and office suites, computational research space, classrooms and other support spaces in an approximately 40,000 square foot facility located at the intersection of the 7th Street and Line Street pedestrian malls on the Moscow campus. This location will allow the Research and Classroom Facility to not only support the activities and research generated within IRIC, but will also allow it to support other activities and research with the Colleges of Engineering, Science, Natural Resources, and Agricultural and Life Sciences. Further it will support activities and Research from the Office of Research and the various institutes, as well as providing additional classroom stock available for general education classroom use.

2. PROJECT COMPONENTS

The preferred site for this Research and Classroom Facility is on the east side of the Line Street Pedestrian Mall, a major north/south pedestrian circulation spine on campus, just down the hill from the Idaho Commons. A portion of the site is currently vacant, as the old 5kW electrical substation was on the site prior to its demolition a few years ago. The remainder of the site currently old the existing NAMEC facility. NAMEC is a wood framed, surplus WWII era building long slated for demolition and removal in the university’s Long Range Campus Development Plan (LRCDP). NAMEC is currently occupied by the Native American Education Center and by the College Assistance Migrant Program (CAMP). Both of these functions will require relocation to a site as yet to be determined. The site is further bounded by the College of Science Building to the east, the Food Research Center to the south and the 7th Street Pedestrian Mall and the college of Engineering to the north. The site is sloped south to north and offers the opportunity for views to the north.

As mentioned, the Research and Classroom Facility is envisioned to be 40,000 square feet, minimum. It is envisioned of phase 1 of a 2 phase effort. A second phase of an additional 40,000 square feet to the south is envisioned at a yet to be determined point in the future.

Spaces within the Research and Classroom Facility will include, but may not necessarily be limited to:

- faculty offices and office suites that allow for small scale departments and research institutes to be house together in a collaborative fashion;
- computational research spaces;
- collaborative, technology rich classroom, constructed along the model of spaces prototyped in Renfrew Hall and the Teaching and Learning Center by the University of Idaho in 2013;
- research collaboration spaces and seminar rooms;
- Graduate and Research Assistant spaces;
- and other specialty research and research support spaces as determined to be required.

The Research and Classroom Facility will be designed and constructed in such a manner to support the potential future expansion of the building to accommodate additional academic programs and needs. Such additional program space would possibly include a tiered classroom, various breakout rooms, as well as reception and kitchen/dining services. The date of any such future expansion is yet to be determined and would be subject to further review and approval of the Board of Regents.
3. **ALTERNATIVES**

Three alternatives have been studied to date.

**Alternative 1: Include This Scope within the IRIC Facility Currently Under Design and Construction**

This alternative would have entailed including many, more office, office suites, classrooms, seminar rooms, etc. within the scope of the Integrated Research and Innovation Center (IRIC) currently under design and construction and scheduled to open in 2016. This alternative would have placed these spaces in a systems-intensive, high-performance facility. These spaces do not need to be in such a high-performance facility and placing them there would be an inefficient use of resources. The alternative also represents a poor choice in terms of opportunity costs as these spaces would by necessity reduce the number and size of the research laboratories and core laboratories that could be constructed within IRIC. 40,000 sf of office, office suites, classrooms, seminar rooms, etc., as described herein, and added to the IRIC scope as currently in design, would create structure too large for the IRIC site.

In addition, the IRIC facility is a $52 mil effort, the largest single design and construction effort ever accomplished by the University of Idaho on a total dollars basis. Adding an additional scope of $24 mil would have created an untenable and infeasible project. The university rejected this alternative.

**Alternative 2: Construct Separate, Dispersed Research and Classroom Spaces in existing Buildings**

This alternative consists of an attempt to identify and construct the spaces as described herein in separate, existing facilities dispersed across campus. The university simply does not have an existing stock of unused or underused space(s) to support this alternative. Space is at a premium on campus and existing programs are often forced into inadequate space. New programs are often denied space requested for their needs. Space is an extremely limited, and limiting, resource in the current campus environment. In addition, this approach does not readily support interdisciplinary interaction and collaboration. The university rejected this alternative.

**Alternative 3: Construct a Research and Classroom Facility**

This option would entail constructing a single facility adjacent to the site of the IRIC facility and within immediate adjacencies of the structures that comprise the research neighborhood in the core of the Moscow Campus. Overall project expenses are expected to be less under this approach since there will be only one site and construction of a single building allows elimination of unnecessary duplication of building systems. Placing these spaces in a less systems-intensive structure will also reduce costs. Combining these spaces in a single structure will also increase collaboration amongst research and research support units. This is the university’s preferred alternative.

4. **VACATED SPACE**

In the main, the Research and Classroom Facility is envisioned as new space to satisfy both existing, pent-up needs that are currently insufficiently housed into inadequate conditions on a “make-do” basis, and to satisfy projected research needs and support needs generated by the IRIC facility to be opened in 2016. Accordingly, there is little to no vacant space generated by
this request. Space currently used for instructional laboratories and some research laboratories that may be vacated may be reused to meet additional laboratory space demand. Other prospective uses of vacated space may be for offices and specialized learning areas including computer laboratories, seminar areas, team and group rooms, etc.

As mentioned hereinbefore, however, the design and construction of the Research and Classroom Facility on the selected site will require the demolition and removal of the existing, wood-framed NAMEC building. NAMEC is in poor repair and it is a structure that is of an inefficient size which vastly under-utilizes the site. The NAMEC building is listed as a structure to be removed under the university's adopted Long Range Campus Development Plan (LRCDP). NAMEC is currently occupied by two units and those units will need to be deployed elsewhere on campus as a part of the development of the Research and Classroom Facility. One possible option to be considered is placing these units within the new Research and Classroom Facility, however, the final location for these units is yet to be determined.
CAPITAL BUDGET REQUEST
FY 2018
CAPITAL IMPROVEMENT PROJECT DESCRIPTION
(New Buildings, Additions or Major Renovations)

AGENCY: Lewis-Clark State College
AGENCY PROJECT PRIORITY: 1

PROJECT DESCRIPTION/LOCATION: Living and Learning Complex

CONTACT PERSON: Todd Kilburn
TELEPHONE: 792-2240

PROJECT JUSTIFICATION:

(A) Concisely describe what the project is. Request is for a new, combined-use residential and classroom facility. The entire facility would be approximately 60,000 sq. ft. of which the College-funded dormitory related, dining and fitness space would approximately 52,800 sq. ft. and the classroom, student counseling center, student health and other instructional areas approximately 7,200 sq. ft. Agency funding would cover all dormitory-related areas of the facility. The classroom, student service and instructional sections would be covered by PBF dollars ($2.0 million which amounts to about 12% of the total project). The new facility (estimated 150 bed spaces, student counseling, health services and instructional (2 classroom and student study and collaboration areas) would enable LCSC to: 1) keep pace with steadily growing residential student enrollment (there is already a waiting list for students desiring to live in campus housing), 2) retire and/or re-purpose dilapidated, sub-standard dorm units, and 3) provide additional multi-purpose classroom space to support instructional programs.

(B) What is the existing program and how will it be improved? LCSC’s residential student population has grown significantly over the past ten years. Students are currently housed in four College-owned residence halls, including Talcott Hall (built in 1930), Clark Hall (1951), Parrish House (1956), and our only modern dormitory, Clearwater Hall (2006). Current housing will accommodate only 311 students. We have a significant waiting list at the current time and have completely filled all units, including our off-campus, College-owned units. We have doubled up students where possible in rooms designed for single occupancy. Students from out of the local area who desire to enroll in LCSC programs may choose not to attend the College if suitable, safe dormitories are not available. Bringing the new living and learning facility on board will provide safe, efficient, no-frills housing for our students, expand our classroom capacity, and enable us to re-purpose older units for offices and other suitable uses.

(C) What will be the impact on your operating budget? Costs of operating the dormitory portion of the facility will be covered by rent collected from student residents. Oversight of student residents will be provided by Residence Advisors (RAs) who are compensated by receiving free rooms. Custodial and upkeep costs for the classroom section of the facility would be offset with occupancy costs and institutional revenues.
(D) **What are the consequences if this project is not funded?** Without a newer facility of the type requested, access for current and future out-of-area students who seek degrees/certificates at LCSC would be limited. For first year and continuing students, the positive living and learning environment which is possible in a residential facility with integrated classrooms helps recruit and retain students and increases students’ opportunities for engagement and motivation. If PBF dollars were not available to support the classroom portion of the project, the College would need to press ahead using agency funds to meet student housing needs.

**PLEASE INCLUDE ANY ANTICIPATED ASBESTOS COSTS IN THE OVERALL BUDGET.**

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Agency Head Signature: ________________________________

Date: ________________________________
AGENCY: College of Southern Idaho  AGENCY PROJECT PRIORITY:

PROJECT DESCRIPTION/LOCATION: Canyon Building Remodel and Modernization

CONTACT PERSON: Jeff Harmon  TELEPHONE: 208-732-6210

PROJECT JUSTIFICATION:

(A) This project consists of remodeling and modernizing approximately 25,000 square feet of existing classrooms and offices which were originally constructed in 1976.

(B) This space houses our Information Technology Education Program. Remodeling will make more efficient use of the existing area and create an instructional environment more in line with modern instructional standards and practices.

(C) There will be no anticipated impact on our operating budget.

(D) Failing to fund this project will hinder our ability to create the most effective learning environment for the maximum number of students.

PLEASE INCLUDE ANY ANTICIPATED ASBESTOS COSTS IN THE OVERALL BUDGET.

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<thead>
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Agency Head Signature:  

Date:  

BAHR - SECTION II  TAB 2 Page 51
Agency: College of Western Idaho
Agency Project Priority: 1

Project Description/Location: Boise Campus Building & Site Development
Boise Campus

Contact Person: Craig Brown 562-3279 ph.

Project Justification

(A) Concisely describe the Project
This project will assist the College of Western Idaho with design work for a building and site improvements at the Boise Campus located at Main and Whitewater Blvd. It is anticipated that the College will have completed preliminary design and programming necessary to support this project. Any additional funds required for design services will be provided by the agency.

(B) What is the existing program and how will it be improved?
Existing programs and facilities are located within leased space located at the Black eagle business park on Overland Rd. and Maple Grove Rd. New College owned facilities will be required for accreditation to support long term feasibility and to better serve the community as a whole. It is anticipated at this time that a first phase building will occur on-site to support approximately 200,000 sf.

(C) What will be the impact on your operating budget?
Additional operating costs will be incurred related to utilities and maintenance. Some costs will be offset through relocation of some services and programs. Revenue will also be generated to support operations of the facility through retail and convention services.

(D) What are the consequences if this project is not funded?
Student fee increases may have to occur and it is likely the timing of the project would be delayed. The project scope would be impacted including the reduction of some services.

Estimated Budget:

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Agency Head Signature: ____________________________
Date: ____________________________
CAPITAL BUDGET REQUEST
FY 2018
Capital Improvement Project Description
(New Buildings, Additions or Major Renovations)

AGENCY: North Idaho College AGENCY PROJECT PRIORITY: 1

PROJECT DESCRIPTION/LOCATION: Hedlund Black Box Theater Remodel

CONTACT PERSON: Chris Martin TELEPHONE: 208-769-3340

PROJECT JUSTIFICATION:
(A) This project is a remodel of the diesel labs being vacated in the Hedlund Building. These labs and main restrooms will be converted into a black box theatre for enhanced lab and performance space for the performing arts.

(B) Currently the only performance space on campus is the Schuler Performing Arts Center with a 1,200 seat auditorium. The addition of a smaller, fully flexible black box space will enhance the music and theatre arts programs allowing smaller performances, flexible format space and also free up Schuler Performing Arts Center for larger performances.

(B) This project has no anticipated impact on operating budget.

(D) Without the establishment of the black box theatre the existing diesel lab spaces will be dormant and not fully utilized for student learning or college operations. The existing space is set-up for program specific labs for career and technical education programs.

ESTIMATED BUDGET:

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Agency Head Signature: ______________________________
Date: 6/3/16
BOISE STATE UNIVERSITY, IDAHO STATE UNIVERSITY, and UNIVERSITY OF IDAHO

SUBJECT
Report on National Collegiate Athletic Association (NCAA) Academic Progress Rate (APR) Scores

REFERENCE
August 2015 Board received NCAA APR Report

BACKGROUND/DISCUSSION
NCAA instituted the APR tracking system in 2004 in response to public concerns over academic performance and graduation rates among student athletes. The system has evolved over time, and the process is now adjusting to changes implemented in 2011 at the behest of NCAA college presidents. The APR is determined by using eligibility and retention data for each student-athlete on scholarship during an academic year. Student-athletes are awarded points for each semester they are enrolled and for each semester they are eligible for intercollegiate competition. The single and multi-year APR is determined as a percentage of points earned divided by total points possible for that cohort, with the resulting number multiplied by 1,000. Theoretically, if every scholarship athlete on a team’s roster maintains academically eligibility and stays in school, each of them would earn two points—the total of those points would be divided by the total possible points, and the team would receive a “perfect” 1,000 APR score. The NCAA calculates the APR rate as a four-year rolling average. Currently, the benchmark minimum score for each sport is 930. Teams that fall below the 930 minimum are subject to sanctions which may include loss of scholarships. APR averages which fall below 900 over time may also include restrictions on practice time, loss of post-season competition eligibility, and other penalties.

IMPACT
APR reports from the three NCAA member institutions are provided. All three institutions report that they are meeting the 930 APR benchmark and/or are making progress toward that goal. The current four-year rolling averages for all teams are above the 900 APR threshold which could trigger significant sanctions, if not met.

ATTACHMENTS
Institution narrative and NCAA 2014 – 2015 Academic Progress Rates
Boise State University APR Report Page 3
Idaho State University APR Report Page 9
University of Idaho APR Report Page 13
STAFF COMMENTS AND RECOMMENDATIONS

Overall, each of the three NCAA member institutions is making marked progress in APR scores. After any adjustments granted by the NCAA, all teams at all three of the universities have met the four-year 930 APR benchmark, with the exception of Football and Men's Cross Country at the University of Idaho (however, both teams were provided exceptions from the NCAA which relieved imposition of post-season competition sanctions). The APR system is a useful element in institutions' toolkits to track and encourage academic success for student athletes. When coupled with additional measures, such as Grade Point Averages and graduation/degree completion results, the APR can provide performance metrics to support data-informed decisions and effective engagement by athletic departments and institutions executives in support of the Board's academic goals.

BOARD ACTION

This item is for informational purposes only. Any action will be at the Board's discretion.
Boise State Athletics earned its highest single-year NCAA Academic Progress Rate for the 2014-15 reporting year, combining for a department record of 991. The department's multi-year APR of 981 was also a record.

In all, 13 of the Broncos' programs recorded perfect single-year scores of 1,000 for 2014-15 – men's cross country, women's cross country, men's golf, women's golf, gymnastics, soccer, swimming & diving, women's tennis, men's indoor track & field, men's outdoor track & field, women's indoor track & field, women's outdoor track & field and volleyball.

Additionally, nine programs recorded record multi-year APR scores, including women's cross country (996), men's golf (980), women's golf (1,000), soccer (1,000), softball (991), swimming & diving (998), women's tennis (1,000), women's indoor track & field (982) and wrestling (980).

The Boise State football team ranked second in the Mountain West with a multi-year score of 982, up one point from 2013-14 and ranking tied for 15th nationally amongst schools in the Football Bowl Subdivision.

Boise State's women's golf, swimming & diving and women's tennis teams led the Mountain West in multi-year APR, while the volleyball team ranked second in the league (995) and the women's cross country (996), softball (991) and men's tennis (992) teams each ranked third.

At 961, the men's basketball team's multi-year score is up 10 points from last year's release, and 20 points from two years ago.

The Broncos' women's golf and women's tennis teams each earned Public Recognition Awards for having multi-year APR scores in the top-10 percent of their respective sports nationally.
2014 - 2015 NCAA Division I Academic Progress Rate Public Report

Institution: Boise State University

Date of Report: 04/18/2016

This report is based on NCAA Division I Academic Progress Rate (APR) data submitted by the institution for the 2011-12, 2012-13, 2013-14 and 2014-15 academic years.

[Note: All information contained in this report is for four academic years. Some squads may still have small sample sizes within certain sport groups. In accordance with the Family Educational Rights and Privacy Act's (FERPA's) interpretation of federal privacy regulations, data cells containing three or fewer student-athletes have been suppressed and are indicated by an * symbol. The information in this report does not reflect any changes to data made after this date.]

The following chart represents by-sport APR averages for noted subgroups. National aggregates are based on all squads that have certified their academic data as final.

<table>
<thead>
<tr>
<th>Sport (N)</th>
<th>Multiyear APR</th>
<th>Percentile Rank within Sport</th>
<th>Percentile Rank within All</th>
<th>All Division I Public Institutions</th>
<th>Private Institutions</th>
<th>Football Bowl Subdivision</th>
<th>Football Championship Subdivision</th>
<th>Division I (Non-Football)</th>
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By Sport - Men's
## 2014 - 2015 NCAA Division I Academic Progress Rate Public Report

Institution: Boise State University

### Date of Report: 04/18/2016

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<th>Sport (N)</th>
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<th>2014-2015 APR</th>
<th>Percentile Rank within Sport</th>
<th>Percentile Rank within All Sports</th>
<th>All Division I</th>
<th>Public Institutions</th>
<th>Private Institutions</th>
<th>Football Subdivision</th>
<th>Bowl Subdivision</th>
<th>Football Championship</th>
<th>Division I (Non-Football)</th>
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### By Sport - Women's

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<th>2014-2015 APR</th>
<th>Percentile Rank within Sport</th>
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<th>All Division I</th>
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<th>Private Institutions</th>
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<th>Bowl Subdivision</th>
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### 2014 - 2015 NCAA Division I Academic Progress Rate Public Report

**Institution:** Boise State University  
**Date of Report:** 04/18/2016

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<th>Sport (N)</th>
<th>Multiyear APR</th>
<th>2014-2015 APR</th>
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<th>Bowl Subdivision</th>
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### 2014 - 2015 NCAA Division I Academic Progress Rate Public Report

Institution: Boise State University  
Date of Report: 04/18/2016

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<tr>
<th>Sport (N)</th>
<th>Multiyear APR</th>
<th>2014-2015 APR</th>
<th>Percentile Rank within Sport</th>
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<th>All Division I Public Institutions</th>
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<th>Football Championship Subdivision</th>
<th>Football Bowl Subdivision</th>
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N/A = No APR or not applicable

N = Number of teams represented

1 Denotes APR that does not subject the team to ineligibility for postseason competition based on institutional, athletics and student resources and the team’s Graduation Success Rate.

2 Denotes APR that does not subject the team to ineligibility for postseason competition due to the team’s demonstrated academic improvement.

3 Denotes APR that does not subject the team to ineligibility for postseason competition due to the squad-size adjustment. The “upper confidence boundary” of a team’s APR must be below 930 for that team to be subject to ineligibility for postseason competition. Squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

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6 Denotes APR based on a one year cohort, not subject to ineligibility for postseason competition and/or any penalties

7 Denotes APR based on a two year cohort, not subject to ineligibility for postseason competition and/or any penalties

8 Denotes that team is not subject to ineligibility for postseason competition and/or penalties based on institutional reserves

9 Denotes that team’s APR is under review

10 Denotes APR that does not subject the team to penalties based on the low resource APR limit of 910.
Idaho State University
Spring 2016 NCAA Academic Progress Rate (APR) Report Summary

The 2014-15 one-year score for the whole department was 972. This is the 4th highest single year score for ISU’s overall APR (2011-12: 983, 2013-14: 983, 2012-13: 973). The one-year Eligibility score was the 4th highest ever for the department with a score of 966 and the one-year Retention score was the 2nd highest ever for the department with a score of 973.

- 5 of ISU’s 15 teams scored a perfect 1000 (Down from 7 last year)
  - Women’s Golf had their sixth perfect 1000 single-year score in the last 6 years and their 7th in the last 8 years. The four-year average for Women’s Golf remains at a perfect 1000.
  - Men’s Cross Country had their second perfect 1000 in a row and their 6th single year 1000 in the twelve-year history of the APR. Their four-year score is at a 990. However, with the upper confidence boundary statistical adjustment for having less than 30 members in the cohort for the four-year average, they have a four-year score of a 998.
  - Men’s Tennis had their second perfect 1000 in a row for their one-year score to move their four-year score to a 966. The four-year score of 967 is the highest four-year score ever for Men’s Tennis. In addition, the four-year retention score (947) and the four-year eligibility score (984) are the highest ever for Men’s Tennis.
  - Women’s Cross Country had a perfect 1000 for the 5th time ever and the second time in 3 years.
  - Volleyball achieved a perfect 1000 for the 6th time in the twelve-year history of the APR. The four-year score for volleyball is at a 990 which ties their record for the highest four-year score for them (2012-13, 2013-14).

The 2014-15 four-year average for the whole department was the highest ever at 980 up from last year’s record of 973. The four-year Eligibility score was the highest ever for the department with a score of 976 and the four-year Retention score was also the highest ever for the department with a score of 973.

- Football had a one-year score of 972 (the 3rd highest ever for Football). The four-year score for football is now a 977 which is a four-year record for them. The previous record was 962 for the 2010-14 four-year period. This marks the 4th year in a row that the Football team has improved on its four-year score (881, 914, 942, 962).
- Women’s Basketball achieved a record four-year score for them at a 991. The previous record was 986 for the 2010-14 four-year period. This marks the 4th year in a row that Women’s Basketball has improved their four-year score (931, 947, 976, 986).
- Men’s Basketball achieved a record four-year score for them at 973. Their previous high for a four-year score was 947 for the 2010-14 four-year period. This is the third year in a row that the four-year score has increase for this team (913, 918, 947).
Men’s Cross Country achieved its highest four-year eligibility score ever (981) and its highest overall four-year score ever (990). In addition, Men’s Cross Country was given an upper confidence boundary statistical adjustment so their four-year score is a 998 now.

Men’s Tennis achieved their highest four-year score ever with a 966. Additionally they set the record for highest four year retention score (947) and highest four year eligibility score (984)

Women’s Golf for the 3rd year in a row has a perfect 1000 four-year score.

Women’s Soccer’s achieved their highest four-year score of 983.

Women’s Tennis achieved their highest four-year retention score with a 982. The previous record was 971 for the 2010-14 four-year period.

Women’s Track achieved their highest four-year score with a 983. The previous record for Women’s’ Track was 981 from the 2010-14 four-year period. Women’s Track also achieved their highest four-year eligibility score of 977.

Note: Women’s Track Indoor and Outdoor have been combined into one score by the NCAA. This is also true for Men’s Track

Volleyball has tied its top four-year mark of 990 (2009-13 and 2010-14). This marks the third year in a row that the four-year mark has been 990 while the one-year mark is 1000. The marks of 990 for both retention and eligibility also tie the record for volleyball.

Softball has achieved its highest four-year score with a 986. This marks the 5th year in a row that the softball team has improved its four-year score (893, 896, 925, 971, 981)

For the first time in the history of the APR, four year scores for all of the teams at ISU are above the 960 mark. The 2010-14 period was the first four-year period that all teams were above a 930.

Summary

3 teams made one-year score improvements from the year before (Football, Women’s Cross Country and Women’s Soccer)

4 teams (Men’s Cross Country, Men’s Tennis, Women’s Golf and Volleyball) had the same one-year score, a perfect 1000, as they did in the 2013-14 school year.

9 Teams Made four-year score improvements from the year before. (Men’s Basketball, Men’s Cross Country, Football, Men’s Tennis, Women’s Basketball, Women’s Cross Country, Women’s Soccer, Softball, Women’s Track)

Women’s Golf can’t go any higher because they have a four-year score of 1000 the last three years.

Volleyball stayed the same at 990

6 teams saw a decrease in their one-year scores (Men’s Basketball, Men’s Track, Women’s Basketball, Softball, Women’s Tennis, Women’s Track)

2 teams saw a decrease in their four-year scores (Men’s Track and Women’s Tennis)
This report is based on NCAA Division I Academic Progress Rate (APR) data submitted by the institution for the 2011-12, 2012-13, 2013-14 and 2014-15 academic years. Institutions are encouraged to forward this report to appropriate institutional personnel on campus.

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9 Denotes APR that requires an APP Improvement Plan be created for this sport.
**NCAA Division I 2014 - 2015 Academic Progress Rate Institutional Report**

Institution: Idaho State University  
Date of Report: 05/24/2016

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University Of Idaho  
Spring 2016 Academic Progress Rate (APR) Report Summary

The University of Idaho sponsors sixteen NCAA sports and of those, fourteen currently maintain a 4-year average of at least 950. In 2014-2015, seven of those sports posted a perfect 1000 single year score. Those sports include men’s basketball, women’s basketball, women’s cross country, women’s golf, women’s tennis, women’s track and women’s volleyball. Women’s golf scored a perfect 1000 for the fifth year in a row and was recently honored by the NCAA for performing in the top 10 percent of all squads in their respective sport.

Overall, the multiyear APR scores increased for the entire department. Idaho’s average multiyear APR score, by sport, is 961.86, an increase of 6.63 points from the prior year’s average. Idaho’s average single year APR score is 970.86. That is an increase of 3.3 points compared to the prior year’s average.

Football and Men’s Cross Country are the only sports below the benchmark 930 Multiyear Rate to be eligible for post-season competition. However, both teams met exceptions that provided relief to the post-season ban and associated penalties. Football’s two-year average for academic years 2013-14 and 2014-15 was 953. This met the NCAA two-year APR average requirement of 950 to be exempt from all penalties. Their four-year average was 904, an 8-point increase from the prior four-year average. Men’s Cross Country met the small roster exemption, allowing them to compete for post-season competition.

The Men’s Golf team was set to incur penalties in 2015-16 for posting a rate below the 930 multiyear APR benchmark in 2014-15. However the team recovered an adjustment point from the 2010-11 academic year which bolstered the team multiyear rate above the 930 benchmark.

Football’s implementation of the APR Improvement Plan under Head Coach Paul Petrino has proven effective as their single year rate has increased steadily over the past three years. The team incurred level-one penalties in 2014-15, received a conditional waiver for the level-two penalties in 2015-16 due to the increase in performance, and are projected to meet the 950 two-year average exemption that would provide relief from any additional penalties in 2016-17.
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<td>Men's Basketball</td>
<td>965 (52)</td>
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<td>1000</td>
</tr>
<tr>
<td>Women's Cross Country</td>
<td>980 (41)</td>
<td>N/A</td>
<td>1000 (13)</td>
<td>974</td>
<td>1000</td>
<td>974</td>
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</tr>
<tr>
<td>Women's Golf</td>
<td>1000 (33)</td>
<td>N/A</td>
<td>1000 (8)</td>
<td>1000</td>
<td>1000</td>
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<td>1000</td>
</tr>
<tr>
<td>Women's Soccer</td>
<td>986 (95)</td>
<td>N/A</td>
<td>988 (24)</td>
<td>1000</td>
<td>1000</td>
<td>971</td>
<td>974</td>
</tr>
<tr>
<td>Women's Swimming</td>
<td>956 (95)</td>
<td>N/A</td>
<td>981 (27)</td>
<td>956</td>
<td>1000</td>
<td>956</td>
<td>962</td>
</tr>
</tbody>
</table>

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### NCAA Division I 2014 - 2015 Academic Progress Rate Institutional Report

**Institution:** University of Idaho  
**Date of Report:** 07/14/2016

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<table>
<thead>
<tr>
<th>Sport</th>
<th>APR</th>
<th>Eligibility/Graduation</th>
<th>Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women's Tennis</td>
<td>969 (34)</td>
<td>N/A</td>
<td>1000 (9)</td>
</tr>
<tr>
<td>Women's Track</td>
<td>972 (95)</td>
<td>N/A</td>
<td>1000 (26)</td>
</tr>
<tr>
<td>Women's Volleyball</td>
<td>980 (52)</td>
<td>N/A</td>
<td>1000 (13)</td>
</tr>
</tbody>
</table>

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2014 - 2015 NCAA Division I Academic Progress Rate
Public Report

Institution: University of Idaho
Date of Report: 04/18/2016

This report is based on NCAA Division I Academic Progress Rate (APR) data submitted by the institution for the 2011-12, 2012-13, 2013-14 and 2014-15 academic years.

[Note: All information contained in this report is for four academic years. Some squads may still have small sample sizes within certain sport groups. In accordance with the Family Educational Rights and Privacy Act's (FERPA's) interpretation of federal privacy regulations, data cells containing three or fewer student-athletes have been suppressed and are indicated by an * symbol. The information in this report does not reflect any changes to data made after this date.]

The following chart represents by-sport APR averages for noted subgroups. National aggregates are based on all squads that have certified their academic data as final.

<table>
<thead>
<tr>
<th>Sport (N)</th>
<th>Multiyear APR</th>
<th>2014-2015 APR</th>
<th>Percentile Rank within Sport</th>
<th>Percentile Rank within All Sports</th>
<th>All Division I Public Institutions</th>
<th>Private Institutions</th>
<th>Football Subdivision Bowl</th>
<th>Football Subdivision Championship</th>
<th>Division I (Non-Football)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseball (300)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>970</td>
<td>966</td>
<td>978</td>
<td>974</td>
<td>968</td>
</tr>
<tr>
<td>Basketball (350)</td>
<td>965</td>
<td>1000</td>
<td>40th-50th</td>
<td>10th-20th</td>
<td>964</td>
<td>960</td>
<td>970</td>
<td>967</td>
<td>960</td>
</tr>
<tr>
<td>Cross Country (315)</td>
<td>926</td>
<td>850</td>
<td>1st-10th</td>
<td>1st-10th</td>
<td>977</td>
<td>972</td>
<td>987</td>
<td>982</td>
<td>972</td>
</tr>
<tr>
<td>Football (251)</td>
<td>904</td>
<td>957</td>
<td>1st-10th</td>
<td>1st-10th</td>
<td>959</td>
<td>956</td>
<td>968</td>
<td>964</td>
<td>954</td>
</tr>
</tbody>
</table>

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# 2014 - 2015 NCAA Division I Academic Progress Rate
## Public Report
### Institution: University of Idaho
### Date of Report: 04/18/2016

<table>
<thead>
<tr>
<th>Sport (N)</th>
<th>Multiyear APR</th>
<th>2014-2015 APR</th>
<th>Percentile Rank within Sport</th>
<th>Percentile Rank within All Division I</th>
<th>Public Institutions</th>
<th>Private Institutions</th>
<th>Football Subdivision</th>
<th>Bowl Subdivision</th>
<th>Football Championship</th>
<th>Division I (Non-Football)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fencing (18)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>984</td>
<td>970</td>
<td>989</td>
<td>969</td>
<td>997</td>
<td>984</td>
</tr>
<tr>
<td>Golf (301)</td>
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<td>930</td>
<td>1st-10th</td>
<td>10th-20th</td>
<td>983</td>
<td>980</td>
<td>988</td>
<td>986</td>
<td>980</td>
<td>982</td>
</tr>
<tr>
<td>Gymnastics (15)</td>
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<td>NA</td>
<td>NA</td>
<td>986</td>
<td>986</td>
<td>995</td>
<td>989</td>
<td>1000</td>
<td>942</td>
</tr>
<tr>
<td>Ice Hockey (59)</td>
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<td>NA</td>
<td>NA</td>
<td>987</td>
<td>984</td>
<td>989</td>
<td>988</td>
<td>993</td>
<td>983</td>
</tr>
<tr>
<td>Lacrosse (69)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>977</td>
<td>973</td>
<td>979</td>
<td>985</td>
<td>977</td>
<td>975</td>
</tr>
<tr>
<td>Skiing (11)</td>
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<td>NA</td>
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<td>980</td>
<td>988</td>
<td>982</td>
<td>987</td>
<td>978</td>
</tr>
<tr>
<td>Soccer (205)</td>
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<td>NA</td>
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<td>970</td>
<td>977</td>
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<td>976</td>
<td>973</td>
</tr>
<tr>
<td>Swimming (134)</td>
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<td>NA</td>
<td>NA</td>
<td>980</td>
<td>976</td>
<td>985</td>
<td>980</td>
<td>983</td>
<td>978</td>
</tr>
<tr>
<td>Tennis (261)</td>
<td>957</td>
<td>917</td>
<td>10th-20th</td>
<td>10th-20th</td>
<td>979</td>
<td>978</td>
<td>982</td>
<td>982</td>
<td>978</td>
<td>979</td>
</tr>
<tr>
<td>Track (281)</td>
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<td>969</td>
<td>20th-30th</td>
<td>10th-20th</td>
<td>969</td>
<td>965</td>
<td>979</td>
<td>974</td>
<td>963</td>
<td>973</td>
</tr>
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<td>Volleyball (22)</td>
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<td>NA</td>
<td>985</td>
<td>982</td>
<td>988</td>
<td>983</td>
<td>985</td>
<td>985</td>
</tr>
<tr>
<td>Water Polo (22)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>984</td>
<td>981</td>
<td>985</td>
<td>988</td>
<td>991</td>
<td>976</td>
</tr>
<tr>
<td>Wrestling (77)</td>
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<td>970</td>
<td>969</td>
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<td>973</td>
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</table>

### By Sport - Women's

<table>
<thead>
<tr>
<th>Sport (N)</th>
<th>Multiyear APR</th>
<th>2014-2015 APR</th>
<th>Percentile Rank within Sport</th>
<th>Percentile Rank within All Division I</th>
<th>Public Institutions</th>
<th>Private Institutions</th>
<th>Football Subdivision</th>
<th>Bowl Subdivision</th>
<th>Football Championship</th>
<th>Division I (Non-Football)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basketball (348)</td>
<td>962</td>
<td>1000</td>
<td>10th-20th</td>
<td>10th-20th</td>
<td>978</td>
<td>975</td>
<td>984</td>
<td>978</td>
<td>978</td>
<td>978</td>
</tr>
<tr>
<td>Bowling (31)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>971</td>
<td>966</td>
<td>978</td>
<td>989</td>
<td>963</td>
<td>985</td>
</tr>
</tbody>
</table>

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# 2014 - 2015 NCAA Division I Academic Progress Rate

## Public Report

**Institution:** University of Idaho  
**Date of Report:** 04/18/2016

<table>
<thead>
<tr>
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<th>Multiyear APR</th>
<th>2014-2015 APR</th>
<th>Percentile Rank within Sport</th>
<th>Percentile Rank within All Sports</th>
<th>All Division I Public Institutions</th>
<th>Private Institutions</th>
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<th>Football Championship Subdivision</th>
<th>Division I (Non-Football)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross Country</td>
<td>980</td>
<td>1000</td>
<td>20th-30th</td>
<td>40th-50th</td>
<td>986</td>
<td>983</td>
<td>990</td>
<td>989</td>
<td>982</td>
</tr>
<tr>
<td>Fencing (23)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>984</td>
<td>961</td>
<td>994</td>
<td>985</td>
<td>996</td>
</tr>
<tr>
<td>Field Hockey (78)</td>
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<td>NA</td>
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<td>988</td>
<td>985</td>
<td>990</td>
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<td>990</td>
</tr>
<tr>
<td>Golf (262)</td>
<td>1000</td>
<td>1000</td>
<td>90th-100th</td>
<td>90th-100th</td>
<td>989</td>
<td>987</td>
<td>993</td>
<td>992</td>
<td>987</td>
</tr>
<tr>
<td>Gymnastics (61)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>992</td>
<td>992</td>
<td>993</td>
<td>994</td>
<td>994</td>
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<tr>
<td>Ice Hockey (35)</td>
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<td>Lacrosse (107)</td>
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<td>Rowing (87)</td>
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<td>991</td>
<td>989</td>
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<td>988</td>
<td>993</td>
</tr>
<tr>
<td>Soccer (331)</td>
<td>986</td>
<td>988</td>
<td>40th-50th</td>
<td>50th-60th</td>
<td>984</td>
<td>982</td>
<td>989</td>
<td>986</td>
<td>983</td>
</tr>
<tr>
<td>Softball (294)</td>
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<td>981</td>
<td>978</td>
<td>989</td>
<td>985</td>
<td>977</td>
</tr>
<tr>
<td>Swimming (196)</td>
<td>956</td>
<td>981</td>
<td>1st-10th</td>
<td>10th-20th</td>
<td>990</td>
<td>988</td>
<td>992</td>
<td>990</td>
<td>992</td>
</tr>
<tr>
<td>Tennis (322)</td>
<td>969</td>
<td>1000</td>
<td>10th-20th</td>
<td>20th-30th</td>
<td>985</td>
<td>983</td>
<td>990</td>
<td>988</td>
<td>982</td>
</tr>
<tr>
<td>Track (333)</td>
<td>972</td>
<td>1000</td>
<td>20th-30th</td>
<td>20th-30th</td>
<td>981</td>
<td>977</td>
<td>988</td>
<td>983</td>
<td>977</td>
</tr>
<tr>
<td>Volleyball (333)</td>
<td>980</td>
<td>1000</td>
<td>20th-30th</td>
<td>40th-50th</td>
<td>984</td>
<td>982</td>
<td>991</td>
<td>987</td>
<td>982</td>
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**Public Report**

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<th>Football Championship Subdivision</th>
<th>Division I (Non-Football)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Polo (32)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>987</td>
<td>983</td>
<td>992</td>
<td>987</td>
<td>990</td>
</tr>
<tr>
<td>Rifle (23)</td>
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<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>981</td>
<td>980</td>
<td>1000</td>
<td>981</td>
<td>982</td>
</tr>
</tbody>
</table>

By Sport - Co-Ed:

* Denotes APR that does not subject the team to ineligibility for postseason competition based on institutional, athletics and student resources and the team's Graduation Success Rate.

2 Denotes APR that does not subject the team to ineligibility for postseason competition due to the team's demonstrated academic improvement.

3 Denotes APR that does not subject the team to ineligibility for postseason competition due to the squad-size adjustment. The "upper confidence boundary" of a team's APR must be below 930 for that team to be subject to ineligibility for postseason competition. Squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

4 Denotes APR that does not subject the team to penalties due to the team's demonstrated academic improvement.

5 Denotes APR that does not subject the team to penalties due to the squad-size adjustment. The "upper confidence boundary" of a team's APR must be below 930 for that team to be subject to penalties. The squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

6 Denotes APR based on a one year cohort, not subject to ineligibility for postseason competition and/or any penalties.

7 Denotes APR that does not subject the team to penalties based on the low resource APR limit of 910.

8 Denotes that team is not subject to ineligibility for postseason competition and/or penalties based on institutional resources.

9 Denotes that team’s APR data is under review.

10 Denotes APR that does not subject the team to penalties based on the low resource APR limit of 910.
IDAHO NATIONAL LABORATORY

SUBJECT
Request for Idaho State Board of Education (Board) sponsorship of Idaho National Laboratory (INL) facility expansion project

REFERENCE
May 2016 Board received initial overview briefing on proposed project from INL Program Manager.

June 2016 Board members toured potential construction sites for new facilities on properties adjacent to INL operations. Board assigned two of its members to serve on a project feasibility/coordination team.

APPLICABLE STATUTE, RULE, OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.I. Real and Personal property and Services

BACKGROUND/DISCUSSION
The Idaho National Laboratory (INL) proposes to expand, through new construction, its Cybercore and Collaborative Computing Center (C3) operations in Idaho Falls. The Cybercore and C3 programs are currently carried out in smaller facilities at the INL site, and additional space is needed to accommodate the increased demand for the programs carried out in the two facilities. The Cybercore supports a wide range of cyber security research projects. The C3 provides massive, high-speed computational capability to support regional and national research operations. The new facility construction could be financed through bonds issued by the Idaho State Building Authority (ISBA). The ISBA would also oversee construction of the facilities. The preferred sites for the new Cybercore and C3 facilities include properties owned by the Board and/or the Idaho State University Foundation (Foundation), adjacent to existing INL research facilities.

Likely lease arrangements would include a ground lease of the construction site property from the Board to the ISBA. In parallel, lease arrangements would be established for the ISBA to lease the new facilities to the Board, which would sub-lease the facilities to the INL. Rent from INL for the facilities would be passed back through the Board to ISBA until the facilities were paid off, at which time all rent proceeds from INL would go to the Board and ISBA’s role would be complete. The facility lease to INL would be triple net, with the lessee being responsible for all operational costs, utilities, applicable taxes, insurance, and maintenance. There would be no operational costs for the Board under the anticipated arrangements, and financing and project management responsibilities would be borne by ISBA, to suit Board interests.
The proposed use of the properties would help preserve contiguity of a growing INL Idaho Research Campus. The proposed lease arrangements parallel those currently used in the Board’s lease of the Center for Advanced Energy Studies (CAES) facilities to the INL. The Board has been invited to be the state Sponsor for the project, a pre-requisite for using ISBA bonding authority. Bonding will also require Legislative action in the form of a concurrent resolution in the upcoming 2017 session.

A Board member-chaired working group has been established to work with INL, ISBA, Idaho State University (ISU) and the ISU Foundation, as needed, to flesh out plans and prepare options for Board action/decisions. On June 30, 2016, the Board’s working group members (Hill and Atchley) received additional updates on the status of project planning and reviewed additional information on potential construction sites. Early discussions on the project have taken place with the Governor's Office. The project is being forwarded to the full Board for discussion and consideration of INL’s sponsorship request.

IMPACT

Board sponsorship of the proposed INL Cybercore and C3 project will enable the initiative to move forward and will enhance the opportunities for joint research activities by the INL and regional research universities. The project will have a positive impact on the region and the state in two areas of critical importance to global competitiveness and national security. Following payment of debt for construction, lease payments from INL would redound to the Board and would be available to support additional strategic goals and objectives. No institution or agency dollars would be needed to carry out the two construction projects (each estimated at approximately $40 Million, for a total of $80 Million).

ATTACHMENTS

Attachment 1 – INL information update on Cybercore and C3 project Page 5
Attachment 2 – Background info on Idaho State Building Authority Page 25

STAFF COMMENTS AND RECOMMENDATIONS

Board sponsorship of this project will enable design and financial planning efforts to move forward. Following a decision to sponsor the project, the Board would have a number of decision points in the future prior to moving ahead with detailed design, construction, financing, and lease arrangements. Implementation would also be contingent upon legislative concurrence for the financing plan. The ISBA is highly-experienced in financing and managing major construction projects for the state. The proposed leasing arrangements would enable the INL funds which will drive the project to be used effectively and meet the needs of the Board. Staff recommends approval of Board sponsorship as a necessary step in fleshing out further planning for the initiative.
BOARD ACTION

I move to approve the request for Board sponsorship of the Idaho National Laboratory Cybercore and Collaborative Computing Center project, subject to subsequent approval of plans for financing and construction of the project through the Idaho State Building Authority.

Moved by____________ Seconded by____________ Carried Yes____ No____
Briefing to State Board of Education
Working Group Members
C3 and Cybercore Facilities

June 30, 2016
Dr. Kelly J. Beierschmitt,
Deputy Laboratory Director of Science and Technology
State of Idaho Advantages from Facility Lease

Benefits for the state of Idaho to pursue the partnership with INL include:

• Provides a defined and steady income for the State Board of Education (SBOE)
• Utilizes underdeveloped state-owned properties
• Supports economic growth
• Creates opportunities for Idaho students to engage in nuclear and cybersecurity research
• Increases partnership between INL and SBOE in higher education and research
INL to Expand Research and Education Campus

Leased facilities will be procured to enhance the nuclear energy and national security missions at the lab

• Cybercore
  – Virtual Research Park to unify and integrate resources for urgent and high consequence national control systems security challenges
  – A holistic approach to people, partnerships and technology to ensure progress on hard challenges with expert support across multiple agency missions
  – Facilitates an elite talent pipeline for a unique interdisciplinary domain within cybersecurity

• Collaborative Computing Center (C3)
  – Center focused on collaboration to support advanced computation needs of the lab, academia and industry
  – C3 is an important capability that helps enable the Gateway for Accelerated Innovation in Nuclear (GAIN), Idaho universities, and modeling and simulation needs across the region
Cybercore Advances University Collaborations

University Partnerships

• Enhances engagement with Idaho universities, including lab research initiatives at Boise State University’s Cyber Center.

Internship Opportunities

• Provides opportunities for increased student internships in areas like cybersecurity and controls system engineering
• Supports graduate research and technology innovation
Cybercore supports Idaho engagement

- Extends partnering with Idaho and federal agencies and other national labs on cybersecurity challenges related to critical infrastructure security.

- Increases opportunities for interactions and research with critical infrastructure owners and operators including Idaho-based utilities.
Cybercore Provides Career Opportunities

Some of the employment options for Idaho students include:

- Power Engineering
- Wireless Research
- Controls Systems Engineering
- Cybersecurity
- Experimental Mechanics
- Chemistry
- Physics
- Thermodynamics
- Nuclear Engineering
- Electrical Engineering
C3 Advances University Collaborations

University Partnerships

• Extends university computation and research opportunities, as the computational hours available for university collaborators will significantly increase as additional capacity is installed at C3.
• The computational hours available for university collaborators will significantly increase as additional capacity is installed at C3.

Interns and Post Doctoral Opportunities

• Provides dedicated office and research space to support university researchers, student interns and post doctoral collaboration and computation.
• Enhances opportunities for students to engage in nuclear energy research, computation and collaboration with the lab, for example, the recently announced $5.5 million in research allocations from DOE to Idaho Universities.
C3 supports Idaho engagement

Idaho and Federal Partnerships

• Extends partnership opportunities with the State of Idaho in modeling and simulation research and collaborative computational science efforts.

Industry Engagement

• Increases opportunities for cooperation with Idaho industry interested in nuclear and clean energy research.
• Facilitates greater access to research expertise, computation science skills, and computational power needed to solve technical challenges to the adoption and expansion of nuclear energy.
C3 Provides Career Opportunities

Some of the employment options for Idaho students include:

- Nuclear Engineering
- Computational Science
- Material Science
- Computer Science
- Radiological Chemistry
- Environmental Science
- Nuclear Chemistry
- Physics
- Thermodynamics
- Computational Mechanics
- Electrical Engineering
- Structural Mechanics
INL/Idaho State Board of Education partnership request

Sponsorship by the SBOE for leasing Cybercore and C3 facilities to INL utilizing the Idaho State Building Authority (ISBA) processes.

• With SBOE approval to sponsor, the ISBA with the support from INL, as requested will:
  – Draft the required legislation
  – Introduce the legislation for approval by legislative branches

• With legislative approval, the ISBA, with support from INL, as requested will:
  – Acquire property (if needed)
  – Plan and develop each facility
  – Contract for design, construction management and construction of each facility
  – Structure and gain required financing for each facility
  – Develop leases for each facility between the ISBA and SBOE
  – Develop sub-leases for each facility between SBOE and INL
Possible schedule and risk reduction opportunities

• With approval of the SBOE, INL would contract the design for both facilities to expedite schedule and possible reduction of lease costs to INL or inclusion of the design costs as a part of each lease.

• If all parties agree to INL contracting the designs/construction bid documents and if required legislation is not approved, SBOE would define the lease or purchase prices for each preferred site for developers to utilize the INL contracted design to construct leased facilities for INL.

• With approval of the SBOE, INL and Idaho State Building Authority (ISBA) would develop the request for proposals (RFP) documents for construction management services and construction for each facility.

• With approval of the SBOE, INL and ISBA would develop sub-lease requirements for each facility to support INL request for DOE approval.
C3 and Cybercore Preferred Sites

June 24, 2016
C3 and Cybercore Preferred sites
Ownership of land adjacent /intermixed within the INL Campus

1 Kennedy Trust
2 & 3 Bauchman Kingston
4 Idaho State Board of Education
5 ISU Foundation
6 ERC III, LLC (Voigt)
7 LDS Church
8 REL Facilities, LLC (Ormond)
9 ISU Foundation
10 ERC III, LLC (Voigt)
11 & 12 Idaho State Board of Education
13 & 14 ISU Foundation
15, 16 & 17 Battelle Facility Owner (Boyer)
18 Daggitt, LLC
19 Idaho State Board of Education

Preferred Sites

Alternative Sites
C3 Preferred sites

- UNIVERSITY BLVD.
- CAES PARKING
- INL – CENTER FOR ADVANCED ENERGY STUDIES (CAES)
- PROPOSED C3 PARKING
- PROPOSED C³ FACILITY
- UNIVERSITY PLACE

BAHR - SECTION II
C3 — Floor Plans
Cybercore — Preferred sites
Cybercore — Floor Plans
The Authority was created in 1974 by enactment of the Idaho State Building Authority Act of 1974 (the "Act"). In general, the Act empowers the Authority to acquire, construct and develop facilities for lease to the state government entities and community college districts and to finance the costs by issuing notes and bonds payable from the lease revenues derived from those facilities. The Authority is authorized to provide facilities for state agencies and institutions and for community college districts provided, as a condition of “financing” of such facilities, the state agency or community college district obtains "prior legislative approval" to enter into agreements with the Authority for financing of the facilities.

The Act delegates broad powers and discretion to the Authority relating to acquisition of property, planning and development of facilities, contracting for design and construction of facilities, and structuring of financing.

The Authority is governed by a board of seven commissioners appointed by the Governor with the advice and consent of a majority of the members of the Senate. Commissioners serve for terms of five years.

Throughout the financing and development of projects, the Authority works closely with the using agency and others involved in the project. Thorough participation by the using agencies and other intended occupants is critical through design and construction to ensure the facilities meet their needs and preferences and that the project can be delivered within budget and within the time required. The Authority’s financing activities, project budgets, contracts and accounts relating to projects are open to review at all times and the Authority conducts its business subject to the Idaho Public Records Act and the Idaho Open Meetings Law.

Financing of Projects. The Authority may not finance any facility unless: (a) the state body or community college district has prior legislative approval to enter into agreements with the Authority for specific facilities; (b) the state body or community college district has entered into appropriate agreements with the Authority for the facilities; and (c) the Authority board finds that the facilities "will be of public use and will provide a public benefit". The Authority can, if necessary, arrange interim financing to pay project-related costs to be incurred prior to issuing bonds for the project. The interim financing is repaid from the proceeds of bonds together with all financing expenses and other anticipated costs to complete the project.

Bonds are typically underwritten and sold on the bond market as either tax-exempt or taxable bonds depending upon the mix of intended users of the facilities. For portions of the facility to be used by state agencies, local government entities and qualified non-profit entities, tax-exempt interest bonds may be used. For portions of the facilities to be used by federal agencies or private entities, taxable bonds are issued. The Authority requires that all bonds be offered on a first-priority basis to Idaho residents.

The term of bonds is determined based upon the amount of total financing required, the amount available for using entities to pay annual rent to the Authority to service the debt, and other factors.

Acquisition of Property. The Authority may purchase, lease or otherwise acquire real property for development of facilities. Where the facilities to be financed and developed by the Authority are to be located on land already owned by the state of Idaho, the Authority typically enters into a long-term ground lease with the state for the land and simultaneously enters into a lease-back of the facilities to be constructed to the primary using agency which may enter into subleases with other users. The Act expressly authorizes the state to lease, with or without
consideration, real or personal property to the Authority for a term not to exceed 50 years. The ground lease and lease-back agreement each include provisions that both leases terminate automatically when all bonds issued to finance the project have been paid in full and full ownership of the facilities then revert to the state. The agreements for acquisition of land and leases may vary depending upon the particular requirements of a project.

Design, Construction and Development. The Authority has considerable flexibility in contracting for design and construction of facilities. The Act expressly states that contracts for construction or acquisition of facilities need not comply with provisions of any other state law applicable to contracts for construction or acquisition by the state. The Authority has used various contracting methods for development of facilities, including competitive bidding, competitive negotiation, construction management, and design-build. The method used is determined based upon the particular characteristics of the project and needs of the using agency.

Completed Projects. The Authority has successfully financed numerous projects, including:

- Several state government offices in Lewiston, Boise and Idaho Falls;
- Teaching and housing facilities at the School for Deaf & Blind in Gooding;
- Several state prison projects for Department of Correction;
- Headquarters and park facilities for Department of Parks & Recreation;
- Housing and related facilities at Idaho State School & Hospital for Department of Health & Welfare;
- Renovation and Expansion of Idaho State Capitol Building
- Capitol Mall Parking facilities
- Idaho Water Center for University of Idaho and Department of Water Resources
- Higher Educations projects on the campuses of University of Idaho, Idaho State University, Boise State University, North Idaho College, Lewis & Clark State College, College of Southern Idaho and Eastern Idaho Technical College.
BOISE STATE UNIVERSITY

SUBJECT
Request to license Oracle’s HCM Cloud application under the existing Public Sector Agreement for Oracle Cloud Services.

REFERENCE
February 2011  Board approved licensing agreement for $330,000 with iStrategy to assist in final phase of data warehouse move from PeopleSoft enterprise resource planning systems to new Human Resources/Payroll, Financial, and Financial Aid modules. Feasibility of moving all eight public postsecondary institutions to iStrategy in support of the Statewide Longitudinal Data System (SLDS) was considered but deemed infeasible due to cost, timing, and system incompatibility concerns.

April 2011  Enterprise System Roadmap Implementation Project update (information item) provided by Boise State University.

October 2011  Board approved (not to exceed) $1.5M contract with CIBER for consulting and project management services to support student services system upgrades as part of the university’s continuing Enterprise Roadmap project. Board discussed feasibility of system-wide software platforms for support of SLDS.

APPLICABLE STATUTE, RULE, OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.I.3.a. and b.

BACKGROUND/DISCUSSION
In April of 2011, Boise State University (BSU) presented the Idaho State Board of Education (Board) with its Enterprise System Roadmap as a strategy to transition to a more sustainable and maintainable system state, and more importantly, to gain more value and effectiveness from our enterprise systems. Since that presentation, many large projects have been completed including:

- PeopleSoft Campus Solutions refresh
- Infrastructure Upgrades
- Identity & Access Management
- myBoiseState
- Data Warehouse for Student data
• User Productivity Kit
• Project Management Office
• eAdvising
• myBoiseState Mobile
• PeopleSoft Human Capital Management renovation project
• Established University cyber infrastructure
• Expanded learning and discovery technologies in the classroom
• Implemented Hobsons admissions systems
• Expanded IT communications, training offerings and learning opportunities
• Developed Online Major Change application

In furtherance of its effort to shift resources from sustaining systems to innovating and advancing systems, in April 2015, BSU embarked on a project to transition from its on-site PeopleSoft financial system to Oracle’s ERP Cloud product. BSU partnered with Oracle as a charter institution and on July 1, 2016, became the first higher education institution in the world to go-live on the cloud software. The project aligns with the institutional commitment to reduce customizations and operating costs and embrace best practices in process improvement, creating a more sustainable operation.

Migrating enterprise systems to the cloud has many benefits to BSU. The operating costs are lower than on-site systems. Cloud systems also eliminate the need for costly multi-million dollar upgrades as technological improvements are added to the cloud every six months through version releases.

In addition, system security has been strengthened in the Oracle ERP Cloud as it:

• Reduced critical security software patching requirements. Keeping all of the technologies required to securely maintain and patch the PeopleSoft infrastructure was becoming unwieldy, and, in some cases, BSU was at the end-of-life on operating systems with no critical patches available.

• Allowed BSU to deploy end-to-end encryption on all data. The mix and match technologies used for PeopleSoft caused technical issues with deploying end-to-end encryption.

• Meets and attests to Payment Card Industry (PCI), Family Educational Rights and Privacy Act (FERPA), Gramm-Leach Bliley Act (GLBA), and Health Insurance Portability and Accountability Act (HIPPA) compliance requirements. As a service provider, Oracle Cloud meets Service Organization Control (SOC) 1, 2 and 3 reporting requirements and follows Statement on Standards for Attestation Engagements No. 16 (SSAE 16) audit standards.
As part of the Enterprise Resource Planning (ERP) Cloud project, BSU also implemented a new change facilitation process. Recognizing that campus units also need to "implement" in order to achieve the maximum return on investment (ROI), a significant amount of effort was spent on individual campus units' process improvement. Historically, BSU found that campus added new tasks to existing tasks when new systems replaced old. Rarely were processes evaluated to determine how they could evolve at the unit level. Over 400 people were actively engaged in the process redesign sessions. Unit level decision points were tracked against related leadership goals, which will allow BSU to calculate the project ROI. Rapidly improving cloud technology is only valuable if BSU actually implements the new functionality. The strategies used for this implementation will be repeated for each incremental roll-out of functionality ensuring BSU maximizes the tool on an ongoing basis. This process is unique in higher education and BSU has been asked to present this process at conferences and to provide assistance to other institutions.

IMPACT

The ERP Cloud project replaced all of BSU's financial, procurement and reporting applications and introduced new post award grant functionality. The next step in the process involves replacing the PeopleSoft Human Capital Management system. Like the old PeopleSoft finance system, BSU is operating on a version that is no longer supported.

BSU has negotiated the licensing of the Oracle HCM Cloud product under the terms of its existing Public Sector Agreement for Oracle Cloud Services to replace its PeopleSoft HCM suite. The contract allows BSU to reduce the maintenance cost of its PeopleSoft products during the implementation period.

The product includes modules addressing:

- Core HR and Benefits
- Payroll
- Time and Labor
- Performance Management (new)
- Talent Review (new)
- Succession Management (new)
- Goals Management (new)

The total cost of the product suite of $2,147,963 is offset by PeopleSoft maintenance cost savings of $867,090 for a net cash flow over five years of $1,295,273 million. The source of funding is institutional funds set aside for system investments and current operating budget.

This investment will provide state-of-the-art technology and allow for improved business processes. Employees will benefit from improved efficiencies, more self-service options and greater access to transactional data to support analysis. As
with the finance project, BSU will work closely with campus to ensure adoption of the features and maximize ROI in alignment with program prioritization goals.

ATTACHMENTS
Attachment 1 – Ordering Document Page 5
Attachment 2 – Public Sector Agreement for Oracle Cloud Services Page 13

STAFF COMMENTS AND RECOMMENDATIONS
This project—adoption of a state-of-the-art Human Capital Management (HCM) system—is part of an ongoing sequence of initiatives at BSU to migrate central data systems to the cloud and to enhance usability and security of operations. The institution has been diligent in coordinating a highly complex project among its multiple users and stakeholders. The proposed licensing arrangement should alleviate many of the follow-on support and software patching headaches that have been typical in legacy, on-line systems. Staff recommends approval.

BOARD ACTION
I move to approve the request by Boise State University to execute an ordering document under the Public Sector Agreement for Oracle Cloud Services to license the products as presented to the Board in Attachment 1.

Moved by __________ Seconded by __________ Carried Yes _____ No _____
New Subscription

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A. Terms of Your Order

1. Agreement
This order incorporates by reference the terms of the Public Sector Agreement for Cloud Services US-CSA-QT5341943 and all amendments and addenda thereto (the "Agreement"). The defined terms in the Agreement shall have the same meaning in this order unless otherwise specified herein.

2. Payment Terms:
Net 30 days from invoice date

3. Payment Frequency:
Quarterly Arrears

4. Currency:
US Dollars

5. Offer Valid through:
26-AUG-2016

6. Services Period
The Services Period for the Services commences on the date stated in this order. If no date is specified, then the "Cloud Services Start Date" for each Service will be the date that the User login names and password are issued to you to access the Services, and the "Consulting/Professional Services Start Date" is the date that Oracle begins performing such services.

7. Service Specifications
Service Specifications applicable to the Cloud Services and the Consulting/Professional Services ordered may be accessed at www.oracle.com/contracts.

8. Renewals
Notwithstanding any statement to the contrary in the Services Specifications, the parties expressly agree that the Cloud Services acquired under this order will not Auto-Renew.

The Unit Net Price for the renewal will not increase by more than 4% of the Unit Net Price for such Cloud Service set forth in this order. The Cloud Services may not be renewed as described in this paragraph if: (i) Oracle is no longer making such Cloud Services generally available to commercial customers, or (ii) You are seeking to cancel or reduce the ordered quantity of the Cloud Services set forth in this order.

B. Additional Order Terms

1. Shelving of Licenses
a) Program Licenses Subject to Shelving. In order to use the Cloud Services specified in the Cloud Services table above, and subject to the terms of this provision, You agree to desupport, and not to use, the non-Cloud Oracle program licenses listed in the attached License Shelving Exhibit during the Shelving Period (as defined below). The desupport and non-use of such non-Cloud Oracle program licenses in accordance with the terms of this "Shelving of On Premise Program Licenses" section shall be referred to as "shelving." The Oracle program licenses listed in the License Shelving Exhibit are those on-premise program licenses You previously acquired under a separate contract with Oracle, and are referred to as the "Shelved On Premise Licenses." The shelving of the Shelved On Premise Licenses is subject to the requirements set forth in this "Shelving of On Premise Program Licenses" section. Notwithstanding anything to the contrary, You acknowledge and agree that the Shelved On Premise Licenses may only include Oracle on-premise program licenses for which You maintain technical support in accordance with Your separate contract with Oracle for those licenses and technical support services up to the commencement of the Transition Period (as defined below).

b) Transition Period. Except as otherwise provided in this section, You may continue to use the Shelved On Premise Licenses and Oracle technical support for such on-premise program licenses in accordance with Your separate contract with Oracle for those licenses and technical support services during the period beginning on the Cloud Services Start Date and ending on the earlier of the following to occur (the "Initial Transition Period"): (i) six months from the Cloud Services Start Date, or (ii) Your written notice to Oracle of the commencement of the Shelving Period for the Shelved On Premise Licenses. Notwithstanding anything to the contrary in Your separate contract for technical support services for the Shelved On Premise Licenses, during the Initial Transition Period only, Oracle will provide technical support limited to product support services, security patch updates, critical patch updates and tax, legal and regulatory updates (but not any major version release updates) for the Shelved On Premise Licenses (the "Limited On Premise Support") at no additional charge. If the Initial Transition Period ends under clause (i) of the preceding paragraph, You may elect to continue

CPQ-51659 - 1

Issued by Oracle America, Inc. 21-JUL-2016

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using the Shelved On Premise Licenses and receiving the Limited On Premise Support in accordance with the separate contract for such program licenses and technical support services by purchasing additional Limited On Premise Support for the Shelved On Premise Licenses in additional three month increments (each increment, an "Extended Transition Period" and collectively, the "Extended Transition Periods"); provided that, (1) all such Extended Transition Periods may not exceed a cumulative total of sixteen (16) consecutive months, and (2) in no event may the total cumulative period of the Initial Transition Period and the Extended Transition Periods (collectively, the "Transition Period") exceed twenty-two (22) consecutive months as measured from the Cloud Services Start Date. For each three month Extended Transition Period, You will be billed 8% of the previously annualized support fee quarterly, in arrears, for the Limited On Premise Support provided for the Shelved On Premise Licenses. You are not eligible for an Extended Transition Period if the Initial Transition Period ends under clause (ii) of the preceding paragraph, and any Extended Transition Period then in effect shall immediately end upon Your providing notice to Oracle of the commencement of the Shelving Period under such clause (ii). At the commencement of the Transition Period Oracle will issue a credit for any unused Oracle technical support services fees that You prepaid for the Shelved On Premise Licenses that remain unused as of the commencement of the Transition Period, if any, or if there is no Transition Period, then as of the commencement of the Shelving Period, provided that the invoices for such technical support services have been paid in full. This credit will be applied against Your first invoice for the Cloud Services acquired under this order and may not be used by You for purchase of any other Oracle products or services.

c) Shelving Period. The period for which the Shelved On Premise Licenses are considered to be shelved will commence at the end of the Transition Period and will end upon the earlier of the following to occur (the "Shelving Period"): (1) the end of the Services Period specified in this order, (2) Your resumption of use of the Shelved On Premise Licenses, or (3) Your non-compliance as described in the "Non Compliance" section below. If the Shelving Period ends under clause (1) of the prior sentence, then You may extend the Shelving Period by entering into an order with Oracle to renew the Cloud Services that expressly extends the Shelving Period for the Shelved On Premise Licenses listed in the License Shelving Exhibit. During the Shelving Period, You must: (i) not use the Shelved On Premise Licenses for any purposes other than read-only access to historical archived data, (ii) not receive or use the benefit of any direct or indirect Oracle technical support in any manner, including but not limited to updates, patches, fixes, accessing historical archived data, phone support, or on-line support accessible through a web browser or other connectivity tool, for the Shelved On Premise Licenses, and (iii) continue to maintain Oracle technical support for Your remaining program licenses contained in the license set of the Shelved On Premise Licenses (i.e., those program licenses not specifically identified in the License Shelving Exhibit) in accordance with the terms of Your separate contract for those Oracle program licenses.

d) Certification. At the end of the Transition Period, and annually thereafter during the Shelving Period, You are required to certify in writing to Oracle that the Shelved On Premise Licenses are desupported and unused as required under this "Shelving of On Premise Program Licenses" section.

e) Non Compliance. If You are not in compliance with the requirements set forth in this "Shelving of On Premise Program Licenses" section at any time during the Shelving Period or if the Cloud Services under this order are terminated prior to the end of the initial Service Period, then as of the date of non-compliance or termination, as applicable: (i) the Shelving Period shall end and the Shelved On Premise Licenses are then no longer shelved under these provisions, (ii) the repricing rules of the Oracle technical support policies located at http://www.oracle.com/support/policies.html will apply to the Shelved On Premise Licenses, and (iii) a reinstatement fee and applicable back support will be charged for the Shelved On Premise Licenses.

f) Unshelving of On Premise Licenses. Except as provided in the "Non Compliance" section above, You may resume use of the Shelved On Premise Licenses in accordance with Your separate license agreement, and technical support will be reinstated at the annual rate previously in effect, (1) at any time during the Services Period, provided that You provide Oracle with prior written notice of Your intention to resume use of the Shelved On Premise Licenses and You pay all technical support fees for the Shelved On Premise Licenses no later than 30 days from the resumption of use, or (2) at the end of the Services Period, provided that You resume payment for technical support of the Shelved On Premise Licenses no later than 30 days from the end of the Services Period. If You do not pay all technical support fees as stated in the preceding sentence, then (i) the repricing and matching support level rules of the Oracle technical support policies (located at http://www.oracle.com/support/policies.html) will be applied to the applicable remaining supported licenses as defined in the Oracle technical support policies, and (ii) should You wish to support the license at a future date, a reinstatement fee and applicable back support for the period commencing at the earlier of Your resumption of use or the end of the Services Period will be charged for the Shelved On Premise Licenses. For clarity, this order for Cloud Services, and all rights and obligations hereunder (including payment obligations), shall remain in full in force and effect for the duration of the Services Period notwithstanding any resumption of use by You of the Shelved On Premise Licenses prior to the end of the Services Period.

g) Additional On Premise Licenses. In the event that You require additional non-Cloud Oracle program licenses for one or more of the Shelved On Premise Licenses, You must first unshelf the required number of licenses, up to the total number shelved, in accordance with the "Unshelving of On Premise Licenses" section above. You may not purchase additional licenses for that program until all Shelved On Premise Licenses have been unshelved.

2. Restricted Use

The following products are restricted and are not for the access, use, or benefit of student employees:

• Oracle Fusion Performance Management Cloud Service
• Oracle Fusion Talent Review and Succession Management Cloud Service
• Oracle Fusion Workforce Compensation Cloud Service

3. Non-appropriation of Funds

In the event sufficient budgeted funds are not available for a new fiscal period due to a lack of State Legislature appropriated funds, You may terminate this Ordering Document immediately without penalty or expense as to the remaining portion of the ordered service period; provided, however, that: (a) for each of the five 12-month terms of the order, You must provide a purchase order, and (b) Your issuance of each 12-month purchase order shall

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signify to Oracle that all funds for the given 12-month term have been fully appropriated and are available and no longer subject to any appropriations contingency. Notwithstanding the foregoing, You agree to pay for all services performed by Oracle prior to Oracle's receipt of Your notice of non-appropriations.

4. Service Level Credit

The Oracle Cloud Service Level Objective Policy, within the Hosting and Delivery Policies applicable to the Cloud Services ordered by You, establishes a Target System Availability Level objective and describes how Oracle defines, measures and reports system availability. Subject to the terms of this Section and the applicable terms and definitions of the Oracle Cloud Service Level Objective Policy, You may receive a Service Credit in the event that the System Availability Level is below the Target System Availability Level in two (2) consecutive monthly reporting periods or more than five (5) monthly reporting periods in the past twelve months ("Missed Service Level"). If You have more than one production instance within a Services Environment, the System Availability Level will be calculated as an average across all such production instances for a monthly reporting period. You must submit a written request to Oracle (including reference to any applicable service request number) no later than thirty (30) days after the Missed Service Level occurs. Following receipt of Your request and confirmation of Your eligibility to receive a Service Credit (defined below), for each monthly reporting period within the Missed Service Level, Oracle will credit to Your account an amount equal to one (1) day of Applicable Cloud Services Fees (as defined in the following paragraph) for every 1/10th of a percentage point that the System Availability Level is below the Target System Availability Level in the applicable monthly reporting period, up to a maximum credit of 10% of the Applicable Cloud Services Fees paid for that month ("Service Credit"). You shall be eligible to receive only one Service Credit per monthly reporting period of the Missed Service Level.

For purpose of calculating the Service Credit, "Applicable Cloud Services Fees" means the prorated Cloud Services fees that You paid to Oracle for the particular Cloud Service for the applicable monthly reporting period in which the Missed Service Level occurred. "Applicable Cloud Services Fees" do not include the fees for other Cloud Services or Professional Services ordered by You, or for other production Services Environments that did not experience System Availability Levels below the Target System Availability Level. The Service Credit will be provided only towards any outstanding balance for Cloud Services owed to Oracle under this order, and the remittance of such Service Credit will represent Your exclusive remedy, and Oracle's sole liability, for the Missed Service Level.

5. One-Time Extension of Shelving Transition Period

In consideration for this order, You have received a special one-time only Extended Transition Period and Transition Period as documented in B.1.b, Shelving of Licenses.
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<thead>
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<th>Ship To</th>
</tr>
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<tr>
<td>Contact Email</td>
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</tr>
<tr>
<td>Contact Email</td>
<td><a href="mailto:Maxdavis-johnson@boisestate.edu">Maxdavis-johnson@boisestate.edu</a></td>
</tr>
</tbody>
</table>
License Shelving Exhibit

You have agreed to shelve the following on-premise program licenses you previously acquired under separate contract(s) with Oracle pursuant to the terms of your Cloud Services order CPQ-51659:

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<tr>
<th>CSI Number</th>
<th>Instance Number</th>
<th>Product Description</th>
<th>License Metric</th>
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GMA ID: 748140
This Public Sector Agreement for Oracle Cloud Services (this "Agreement") is between Oracle America, Inc. ("Oracle") and the entity that has executed this Agreement as identified in the signature block below ("You"). This Agreement sets forth the terms and conditions that govern orders placed by You for Services under this Agreement.

1. AGREEMENT DEFINITIONS

1.1. "Ancillary Software" means any software agent or tool that Oracle makes available to You for download for purposes of facilitating Your access to, operation of, and/or use with, the Services Environment.

1.2. "Auto Renew" or "Auto Renewal" is the process by which the Services Period of certain Cloud Services under an order is automatically extended for an additional Services Period unless such Services are otherwise terminated in accordance with the terms of the order or this Agreement. The Service Specifications incorporated into Your order define which Cloud Services are eligible for Auto Renewal as well as any terms applicable to any such renewal. Please note: Auto Renewal does not apply to purchases under this Agreement. Please see Section 9.1 infra for renewal requirements.

1.3. "Cloud Services" means, collectively, the Oracle cloud services (e.g., Oracle software as a service offerings and related Oracle Programs) listed in Your order and defined in the Service Specifications. The term "Cloud Services" does not include Professional Services.

1.4. "Data Center Region" refers to the geographic region in which the Services Environment is physically located. The Data Center Region applicable to the Cloud Services is set forth in Your order.

1.5. "Oracle Programs" refers to the software products owned or licensed by Oracle to which Oracle grants You access as part of the Cloud Services, including Program Documentation, and any program updates provided as part of the Cloud Services.

1.6. "Professional Services" means, collectively, the consulting and other professional services which You have ordered. Professional Services include any deliverables described in Your order and delivered by Oracle to You under the order. The term "Professional Services" does not include Cloud Services.

1.7. "Program Documentation" refers to the user manuals referenced within the Service Specifications for Cloud Services, as well as any help windows and readme files for the Oracle Programs that are accessible from within the Services. The Program Documentation describes technical and functional aspects of the Oracle Programs. For Oracle Infrastructure-as-a-Service (IaaS) Cloud Services, "Program Documentation" includes documentation, help windows and readme files for the IaaS hardware products. You may access the documentation online at http://oracle.com/contracts or such other address specified by Oracle.

1.8. "Services" means, collectively, both the Cloud Services and Professional Services that You have ordered.

1.9. "Services Environment" refers to the combination of hardware and software components owned, licensed or managed by Oracle to which Oracle grants You and Your Users access as part of the Cloud Services which You have ordered. As applicable and subject to the terms of this Agreement and Your order, Oracle Programs, Third Party Content, Your Content and Your Applications may be hosted in the Services Environment.

1.10. "Service Specifications" means the descriptions on www.oracle.com/contracts, or such other address specified by Oracle, that are applicable to the Services under Your order, including any Program Documentation, hosting, support and security policies (for example, Oracle Cloud Hosting and Delivery Policies), and other descriptions referenced or incorporated in such descriptions or Your order.

1.11. "Services Period" refers to the period of time for which You have ordered Cloud Services as specified in Your order.
1.12. "Third Party Content" means all text, files, images, graphics, illustrations, information, data, audio, video, photographs and other content and material, in any format, that are obtained or derived from third party sources outside of Oracle and made available to You through, within, or in conjunction with Your use of, the Cloud Services. Examples of Third Party Content include data feeds from social network services, rss feeds from blog posts, data libraries and dictionaries, and marketing data.

1.13. "Users" means those employees, contractors, and end users, as applicable, authorized by You or on Your behalf to use the Cloud Services in accordance with this Agreement and Your order. For Cloud Services that are specifically designed to allow Your clients, agents, customers, suppliers, or other third parties to access the Cloud Services to interact with You, such third parties will be considered "Users" subject to the terms of this Agreement and Your order.

1.14. "You" and "Your" refers to the entity that has executed this Agreement.

1.15. "Your Applications" means all software programs, including any source code for such programs, that You or Your Users provide and load onto, or create using, any Oracle "platform-as-a-service" or "infrastructure-as-a-service" Cloud Services. Services under this Agreement, including Oracle Programs and Services Environments. Oracle intellectual property, and all derivative works thereof, do not fall within the meaning of the term "Your Applications."

1.16. "Your Content" means all text, files, images, graphics, illustrations, information, data (including Personal Data as that term is defined in the Data Processing Agreement for Oracle Cloud Services described in Section 11.2 below), audio, video, photographs and other content and material (other than Your Applications), in any format, provided by You or on behalf of Your Users that reside in, or run on or through, the Services Environment.

2. TERM OF AGREEMENT

Unless this Agreement is terminated earlier as described below, You may place orders governed by this Agreement for a period of five years from the effective date of this Agreement (indicated below in Section 25). This Agreement will continue to govern any order for the duration of the Services Period of such order.

3. RIGHTS GRANTED

3.1 For the duration of the Services Period and subject to Your payment obligations, and except as otherwise set forth in this Agreement or Your order, You have the non-exclusive, non-assignable, worldwide limited right to access and use the Services that You ordered, including anything developed by Oracle and delivered to You as part of the Services, solely for Your internal business operations and subject to the terms of this Agreement and Your order, including the Service Specifications. You may allow Your Users to use the Services for this purpose and You are responsible for Your Users' compliance with this Agreement and the order.

3.2 You do not acquire under this Agreement any right or license to use the Services, including the Oracle Programs and Services Environment, in excess of the scope and duration of the Services stated in Your order. Upon the end of the Services ordered, Your right to access and use the Services will terminate.

3.3 To enable Oracle to provide You and Your Users with the Services, You grant Oracle the right to use, process and transmit, in accordance with this Agreement and Your order, Your Content and Your Applications for the duration of the Services Period plus any additional post-termination period during which Oracle provides You with access to retrieve an export file of Your Content and Your Applications. If Your Applications include third party programs, You acknowledge that Oracle may allow providers of those third party programs to access the Services Environment, including Your Content and Your Applications, as required for the interoperability of such third party programs with the Services. Oracle will not be responsible for any use, disclosure, modification or deletion of Your Content or Your Applications resulting from any such access by third party program providers or for the interoperability of such third party programs with the Services.

3.4 Except as otherwise expressly set forth in Your order for certain Cloud Services offerings (e.g., a private cloud hosted at Your facility), You acknowledge that Oracle has no delivery obligation for Oracle Programs and will not ship copies of such programs to You as part of the Services.

3.5 As part of certain Cloud Services offerings, Oracle may provide You with access to Third Party Content. The type and scope of any Third Party Content is defined in Your order or applicable Service Specifications. The third party owner, author or provider of such Third Party Content retains all ownership and intellectual property
rights in and to that content, and Your rights to use such Third Party Content are subject to, and governed by, the terms applicable to such content as specified by such third party owner, author or provider, unless otherwise specified in Your order.

4. OWNERSHIP AND RESTRICTIONS

4.1 You retain all ownership and intellectual property rights in and to Your Content and Your Applications. Oracle or its licensors retain all ownership and intellectual property rights to the Services, including Oracle Programs and Ancillary Software, and derivative works thereof, and to anything developed or delivered by or on behalf of Oracle under this Agreement.

4.2 You may not and may not cause or permit others to:

a) remove or modify any program markings or any notice of Oracle's or its licensors' proprietary rights;
b) make the programs or materials resulting from the Services (excluding Your Content and Your Applications) available in any manner to any third party for use in the third party's business operations (unless such access is expressly permitted for the specific Services You have acquired);
c) modify, make derivative works of, disassemble, decompile, reverse engineer, reproduce, distribute, republish or download any part of the Services (the foregoing prohibitions include but are not limited to review of data structures or similar materials produced by programs), or access or use the Services in order to build or support, and/or assist a third party in building or supporting, products or Services competitive to Oracle;
d) perform or disclose any benchmark or performance tests of the Services, including the Oracle Programs;
e) perform or disclose any of the following security testing of the Services Environment or associated infrastructure: network discovery, port and service identification, vulnerability scanning, password cracking, remote access testing, or penetration testing; and
f) license, sell, rent, lease, transfer, assign, distribute, host, outsource, permit timesharing or service bureau use, or otherwise commercially exploit or make available the Services, Oracle Programs, Ancillary Software, Services Environments or Oracle materials, to any third party, other than as expressly permitted under the terms of the applicable order.

5. SERVICE SPECIFICATIONS

5.1 The Services are subject to and governed by Service Specifications applicable to Your order. Service Specifications may define provisioning and management processes applicable to the Services (such as capacity planning), types and quantities of system resources (such as storage allotments), functional and technical aspects of the Oracle Programs, as well as any Services deliverables. You acknowledge that use of the Services in a manner not consistent with the Service Specifications may adversely affect Services performance and/or may result in additional fees. If the Services permit You to exceed the ordered quantity (e.g., soft limits on counts for Users, sessions, storage, etc.), then You are responsible for promptly purchasing such additional quantity to account for Your excess usage.

5.2 Oracle may make changes or updates to the Services (such as infrastructure, security, technical configurations, application features, etc.) during the Services Period, including to reflect changes in technology, industry practices, patterns of system use, and availability of Third Party Content. The Service Specifications are subject to change at Oracle's discretion; however, Oracle changes to the Service Specifications will not result in a material reduction in the level of performance, security or availability of the applicable Services provided to You for the duration of the Services Period.

5.3 Your order will specify the Data Center Region in which Your Services Environment will reside. As described in the Service Specifications and to the extent applicable to the Cloud Services that You have ordered, Oracle will provide production, test, and backup environments in the Data Center Region stated in Your order. Oracle and its affiliates may perform certain aspects of Cloud Services, such as service administration and support, as well as other Services (including Professional Services and disaster recovery), from locations and/or through use of subcontractors, worldwide.

6. USE OF THE SERVICES

6.1 You are responsible for identifying and authenticating all Users, for approving access by such Users to the Services, for controlling against unauthorized access by Users, and for maintaining the confidentiality of usernames, passwords and account information. By federating or otherwise associating Your and Your Users' usernames, passwords and accounts with Oracle, You accept responsibility for the confidentiality and timely and...
proper termination of user records in Your local (intranet) identity infrastructure or on Your local computers. Oracle is not responsible for any harm caused by Your Users, including individuals who were not authorized to have access to the Services but who were able to gain access because usernames, passwords or accounts were not terminated on a timely basis in Your local identity management infrastructure or Your local computers. You are responsible for all activities that occur under Your and Your Users' usernames, passwords or accounts or as a result of Your or Your Users’ access to the Services, and agree to notify Oracle immediately of any unauthorized use. You agree to make every reasonable effort to prevent unauthorized third parties from accessing the Services.

6.2 You shall not use or permit use of the Services, including by uploading, emailing, posting, publishing or otherwise transmitting any material, including Your Content, Your Applications and Third Party Content, for any purpose that may (a) menace or harass any person or cause damage or injury to any person or property; (b) involve the publication of any material that is false, defamatory, harassing or obscene, (c) violate privacy rights or promote bigotry, racism, hatred or harm, (d) constitute unsolicited bulk e-mail, "junk mail", "spam" or chain letters; (e) constitute an infringement of intellectual property or other proprietary rights, or (f) otherwise violate applicable laws, ordinances or regulations. In addition to any other rights afforded to Oracle under this Agreement, Oracle reserves the right, but has no obligation, to take remedial action if any material violates the restrictions in the foregoing sentence (the "Acceptable Use Policy"), including the removal or disabling of access to such material. Oracle shall have no liability to You in the event that Oracle takes such action. You shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness and ownership of all of Your Content and Your Applications. To the extent not prohibited by applicable law, You agree to defend and indemnify Oracle against any claim arising out of a violation of Your obligations under this section.

6.3 You are required to accept all patches, bug fixes, updates, maintenance and service packs (collectively, "Patches") necessary for the proper function and security of the Services, including for the Oracle Programs, as such Patches are generally released by Oracle as described in the Service Specifications. Oracle is not responsible for performance or security issues encountered with the Cloud Services that result from Your failure to accept the application of Patches that are necessary for the proper function and security of the Services. Except for emergency or security related maintenance activities, Oracle will coordinate with You the scheduling of application of Patches, where possible, based on Oracle's next available standard maintenance window.

7. TRIAL USE AND PILOT CLOUD SERVICES

7.1 For certain Cloud Services, Oracle may make available "trials" and "conference room pilots" for non-production evaluation purposes. Cloud trials and conference room pilots must be ordered under a separate agreement.

7.2 Oracle may make available "production pilots" for certain Cloud Services under this Agreement. Production pilots ordered by You are described in the Service Specifications applicable to Your order, and are provided solely for You to evaluate and test Cloud Services for Your internal business purposes. You may be required to order certain Professional Services as a prerequisite to an order for a production pilot.

8. FEES AND TAXES

8.1 All fees payable to Oracle are due within thirty (30) days from the invoice date. Once placed, Your order is non-cancellable and the sums paid non-refundable, except as provided in this Agreement or Your order. You agree to pay any sales, value-added or other similar taxes imposed by applicable law that Oracle must pay based on the Services You ordered, except for taxes based on Oracle's income. Fees for Services listed in an order are exclusive of taxes. If You are a tax exempt entity, You must provide the applicable tax certificate of exemption with Your order. Reimbursement of expenses related to providing any Professional Services, if any, will be addressed in the relevant ordering document and/or statement of work.

8.2 You understand that You may receive multiple invoices for the Services You ordered. Invoices will be submitted to You pursuant to Oracle's Invoicing Standards Policy, which may be accessed at http://oracle.com/contracts.

8.3 You agree and acknowledge that You have not relied on the future availability of any Services, programs or updates in entering into the payment obligations in Your order; however, the preceding does not relieve Oracle of its obligation during the Services Period to deliver Services that You have ordered per the terms of this Agreement.
9. SERVICES PERIOD; END OF SERVICES

9.1 Services provided under this Agreement shall be provided for the Services Period defined in Your order, unless earlier suspended or terminated in accordance with this Agreement or the order. Even though You order Cloud Services that are designated in the Service Specifications or Your Order as Auto Renew, such services will NOT automatically renew. In order to renew, You must provide Oracle with written notice no later than thirty (30) days prior to the end of the applicable Services Period of Your intent to renew and You must execute a contract modification evidencing such renewal. The preceding sentence shall not apply if Oracle provides You with written notice no later than ninety (90) days prior to the end of the applicable Services Period of its Intention not to renew such Cloud Services.

9.2 Upon the end of the Services, You no longer have rights to access or use the Services, including the associated Oracle Programs and Services Environments; however for a period of up to 60 days after the end of the applicable Services Period, Oracle will make available Your Content and Your Applications then in the Services Environment for the purpose of retrieval by You. At the end of such 60 day period, and except as may be required by law, Oracle will delete or otherwise render inaccessible any of Your Content and Your Applications that remain in the Services Environment.

9.3 Oracle may temporarily suspend Your password, account, and access to or use of the Services if You or Your Users violate any provision within the ‘Rights Granted’, 'Ownership and Restrictions', 'Fees and Taxes', 'Use of the Services', or 'Export' sections of this Agreement, or if in Oracle’s reasonable judgment, the Services or any component thereof are about to suffer a significant threat to security or functionality. Oracle will provide advance notice to You of any such suspension in Oracle's reasonable discretion based on the nature of the circumstances giving rise to the suspension. Oracle will use reasonable efforts to re-establish the affected Services promptly after Oracle determines, in its reasonable discretion, that the situation giving rise to the suspension has been cured; however, during any suspension period, Oracle will make available to You Your Content and Your Applications as existing in the Services Environment on the date of suspension. Oracle may terminate the Services under an order if any of the foregoing causes of suspension is not cured within 30 days after Oracle’s initial notice thereof. Any suspension or termination by Oracle under this paragraph shall not excuse You from Your obligation to make payment(s) under this Agreement.

9.4 If either of us breaches a material term of this Agreement and fails to correct the breach within 30 days of written specification of the breach, then the breaching party is in default and the non-breaching party may terminate the order under which the breach occurred. If Oracle terminates the order as specified in the preceding sentence, You must pay within 30 days all amounts that have accrued prior to such termination, as well as all sums remaining unpaid for the Services under such order plus related taxes and expenses. Except for nonpayment of fees, the non-breaching party may agree in its sole discretion to extend the 30 day period for so long as the breaching party continues reasonable efforts to cure the breach. You agree that if You are in default under this Agreement, You may not use those Services ordered.

9.5 You may terminate this Agreement at any time without cause by giving Oracle 30 days prior written notice of such termination. Termination of the Agreement will not affect orders that are outstanding at the time of termination. Those orders will be performed according to their terms as if this Agreement were still in full force and effect. However, those orders may not be renewed subsequent to termination of this Agreement.

9.6 If You have used an Oracle Financing Division contract to pay for the fees due under an order and You are in default under that contract, You may not use the Services that are subject to such contract.

9.7 Provisions that survive termination or expiration of this Agreement are those relating to limitation of liability, indemnification, payment and others which by their nature are intended to survive.

10. NONDISCLOSURE

10.1 By virtue of this Agreement, the parties may have access to information that is confidential to one another ("Confidential Information"). We each agree to disclose only information that is required for the performance of obligations under this Agreement. To the extent permitted by law, Confidential Information shall be limited Your Content and Your Applications residing in the Services Environment, and all information clearly identified as confidential at the time of disclosure.

10.2 A party's Confidential Information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party; (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c)
is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (d) is independently
developed by the other party.

10.3 Subject to applicable law, we each agree not to disclose each other’s Confidential Information to any third
party other than as set forth in the following sentence for a period of three years from the date of the disclosing
party’s disclosure of the Confidential Information to the receiving party, however, Oracle will hold Your
Confidential Information that resides within the Services Environment in confidence for as long as such
information resides in the Services Environment. We each may disclose Confidential Information only to those
employees, agents or subcontractors who are required to protect it against unauthorized disclosure in a manner
no less protective than required under this Agreement. Oracle will protect the confidentiality of Your Content or
Your Applications residing in the Services Environment in accordance with the Oracle security practices defined
as part of the Service Specifications applicable to Your order. In addition, Your Personal Data will be treated in
accordance with the terms of Section 11 below. Nothing shall prevent either party from disclosing the terms or
pricing under this Agreement or orders placed under this Agreement in any legal proceeding arising from or in
connection with this Agreement or from disclosing the Confidential Information to a governmental entity as
required by law.

The parties acknowledge and agree that You and this Agreement are subject to applicable freedom of
information or open records law. Should You receive a request under such law for Oracle’s Confidential
Information, You agree to give Oracle adequate prior notice of the request and before releasing Oracle’s
Confidential Information to a third party, in order to allow Oracle sufficient time to seek injunctive relief or other
relief against such disclosure.

11. DATA PROTECTION

11.1 In performing the Services, Oracle will comply with the Oracle Services Privacy Policy, which is available at
Services Privacy Policy is subject to change at Oracle’s discretion; however, Oracle policy changes will not result
in a material reduction in the level of protection provided for Your Personal Data provided as part of Your Content
during the Services Period of Your order.

11.2 Oracle’s Data Processing Agreement for Oracle Cloud Services (the “Data Processing Agreement”), which
is available at http://www.oracle.com/data-processingagreement and incorporated herein by reference, describes
the parties’ respective roles for the processing and control of Personal Data that You provide to Oracle as part of
the Cloud Services. Oracle will act as a data processor, and will act on Your instruction concerning the treatment
of Your Personal Data residing in the Services Environment, as specified in this Agreement, the Data Processing
Agreement and the applicable order. You agree to provide any notices and obtain any consents related to Your
use of the Services and Oracle’s provision of the Services, including those related to the collection, use,
processing, transfer and disclosure of Personal Data.

11.3 The Service Specifications applicable to Your order define the administrative, physical, technical and other
safeguards applied to Your Content residing in the Services Environment, and describe other aspects of system
management applicable to the Services. You are responsible for any security vulnerabilities, and the
consequences of such vulnerabilities, arising from Your Content and Your Applications, including any viruses,
Trojan horses, worms or other programming routines contained in Your Content or Your Applications that could
limit or harm the functionality of a computer or that could damage, intercept or expropriate data. You may
disclose or transfer, or instruct Oracle to disclose or transfer in writing, Your Content or Your Applications to a
third party, and upon such disclosure or transfer Oracle is no longer responsible for the security or confidentiality
of such content and applications outside of Oracle.

11.4 You may not provide Oracle access to health, payment card or similarly sensitive personal information that
imposes specific data security obligations for the processing of such data unless specified in Your order. If
available, You may purchase services from Oracle (e.g., Oracle Payment Card Industry Compliance Services,
Oracle HIPAA Security Services, Oracle Federal Security Services, etc.) designed to address particular data
protection requirements applicable to Your business or Your Content.

12. WARRANTIES, DISCLAIMERS AND EXCLUSIVE REMEDIES

12.1 Oracle warrants that it will perform (i) Cloud Services in all material respects as described in the Service
Specifications, and (ii) Professional Services in a professional manner in accordance with the Service
Specifications. If the Services provided to You were not performed as warranted, You must promptly provide
written notice to Oracle that describes the deficiency in the Services (including, as applicable, the service request
number notifying Oracle of the deficiency in the Services).

12.2 ORACLE DOES NOT GUARANTEE THAT (A) THE SERVICES WILL BE PERFORMED ERROR-FREE OR UNINTERRUPTED, OR THAT ORACLE WILL CORRECT ALL SERVICES ERRORS, (B) THE SERVICES WILL OPERATE IN COMBINATION WITH YOUR CONTENT OR YOUR APPLICATIONS, OR WITH ANY OTHER HARDWARE, SOFTWARE, SYSTEMS, SERVICES OR DATA NOT PROVIDED BY ORACLE, AND (C) THE SERVICES WILL MEET YOUR REQUIREMENTS, SPECIFICATIONS OR EXPECTATIONS. YOU ACKNOWLEDGE THAT ORACLE DOES NOT CONTROL THE TRANSFER OF DATA OVER COMMUNICATIONS FACILITIES, INCLUDING THE INTERNET, AND THAT THE SERVICES MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF SUCH COMMUNICATIONS FACILITIES. ORACLE IS NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGE RESULTING FROM SUCH PROBLEMS. ORACLE IS NOT RESPONSIBLE FOR ANY ISSUES RELATED TO THE PERFORMANCE, OPERATION OR SECURITY OF THE SERVICES THAT ARISE FROM YOUR CONTENT, YOUR APPLICATIONS OR THIRD PARTY CONTENT.

12.3 FOR ANY BREACH OF THE SERVICES WARRANTY, YOUR EXCLUSIVE REMEDY AND ORACLE'S ENTIRE LIABILITY SHALL BE THE CORRECTION OF THE DEFICIENT SERVICES THAT CAUSED THE BREACH OF WARRANTY, OR, IF ORACLE CANNOT SUBSTANTIALLY CORRECT THE DEFICIENCY IN A COMMERCIALMELY REASONABLE MANNER, YOU MAY END THE DEFICIENT SERVICES AND ORACLE WILL REFUND TO YOU THE FEES PAID FOR THE DEFICIENT SERVICES FOR THE PERIOD OF TIME DURING WHICH THE SERVICES WERE DEFICIENT.

12.4 TO THE EXTENT NOT PROHIBITED BY LAW, THESE WARRANTIES ARE EXCLUSIVE AND THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS INCLUDING FOR SOFTWARE, HARDWARE, SYSTEMS, NETWORKS OR ENVIRONMENTS OR FOR MERCHANTABILITY, SATISFACTORY QUALITY AND FITNESS FOR A PARTICULAR PURPOSE.

13. LIMITATION OF LIABILITY

NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, OR ANY LOSS OF REVENUE OR PROFITS (EXCLUDING FEES UNDER THIS AGREEMENT), DATA, OR DATA USE. ORACLE'S AGGREGATE LIABILITY FOR ALL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT OR YOUR ORDER, WHETHER IN CONTRACT OR TORT, OR OTHERWISE, SHALL BE LIMITED TO THE TOTAL AMOUNTS ACTUALLY PAID TO ORACLE FOR THE SERVICES UNDER THE ORDER GIVING RISE TO THE LIABILITY IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO SUCH LIABILITY LESS ANY REFUNDS OR CREDITS RECEIVED BY YOU FROM ORACLE UNDER SUCH ORDER.

14. INDEMNIFICATION

14.1 Subject to the terms of this Section 14 (Indemnification), if a third party makes a claim against either You or Oracle ("Recipient" which may refer to You or Oracle depending upon which party received the Material), that any information, design, specification, instruction, software, service, data, hardware, or material (collectively, "Material") furnished by either You or Oracle ("Provider" which may refer to You or Oracle depending upon which party provided the Material) and used by the Recipient infringes the third party's intellectual property rights, the Provider, at the Provider's sole cost and expense, will, to the extent not prohibited by law, defend the Recipient against the claim and indemnify the Recipient from the damages, liabilities, costs and expenses awarded by the court to the third party claiming infringement or the settlement agreed to by the Provider, if the Recipient does the following:

a. notifies the Provider promptly in writing, not later than 30 days after the Recipient receives notice of the claim (or sooner if required by applicable law);

b. gives the Provider sole control of the defense and any settlement negotiations, to the extent permitted by law; and

c. gives the Provider the information, authority and assistance the Provider needs to defend against or settle the claim.

14.2 If the Provider believes or it is determined that any of the Material may have violated a third party's intellectual property rights, the Provider may choose to either modify the Material to be non-infringing (while substantially preserving its utility or functionality) or obtain a license to allow for continued use, or if these alternatives are not commercially reasonable, the Provider may end the license for, and require return of, the applicable Material and refund any unused, prepaid fees the Recipient may have paid to the other party for such
Material. If such return materially affects Oracle's ability to meet its obligations under the relevant order, then Oracle may, at its option and upon 30 days prior written notice, terminate the order. If such Material is third party technology and the terms of the third party license do not allow Oracle to terminate the license, then Oracle may, upon 30 days prior written notice, end the Services associated with such Material and refund to You any unused, prepaid fees for such Services.

14.3 The Provider will not indemnify the Recipient if the Recipient (a) alters the Material or uses it outside the scope of use identified in the Provider's user or program documentation or Service Specifications, (b) uses a version of the Material which has been superseded, if the infringement claim could have been avoided by using an unaltered current version of the Material which was made available to the Recipient, or (c) continues to use the applicable Material after the end of the license to use that Material. The Provider will not indemnify the Recipient to the extent that an infringement claim is based upon any information, design, specification, instruction, software, service, data, hardware or material not furnished by the Provider. Oracle will not indemnify You for any portion of an infringement claim that is based upon the combination of any Material with any products or Services not provided by Oracle. Oracle will not indemnify You to the extent that an infringement claim is based on Third Party Content or any Material from a third party portal or other external source that is accessible or made available to You within or by the Services (e.g., a social media post from a third party blog or forum, a third party Web page accessed via a hyperlink, marketing data from third party data providers, etc. Oracle will not indemnify You for infringement caused by Your actions against any third party if the Services as delivered to You and used in accordance with the terms of this Agreement would not otherwise infringe any third party intellectual property rights. Oracle will not indemnify You for any intellectual property infringement claim(s) known to You at the time Services rights are obtained.

14.4 This Section 14 provides the parties' exclusive remedy for any infringement claims or damages.

15. THIRD PARTY WEB SITES, CONTENT, PRODUCTS AND SERVICES

15.1 The Services may enable You to link to, transmit Your Content to, or otherwise access, other Web sites, platforms, content, products, services, and Information of third parties. Oracle does not control and is not responsible for such Web sites or platforms or any such content, products, services and information accessible from or provided through the Services, and You bear all risks associated with access to and use of such Web sites and third party content, products, services and information.

15.2 Any Third Party Content made accessible by Oracle is provided on an "as-is" and "as available" basis without any warranty of any kind. Third Party Content may be indecent, offensive, inaccurate, infringing or otherwise objectionable or unlawful, and You acknowledge that Oracle is not responsible for and under no obligation to control, monitor or correct Third Party Content; however, Oracle reserves the right to take remedial action if any such content violates applicable restrictions under Section 6.2 of this Agreement, including the removal of, or disablement of access to, such content. Oracle disclaims all liabilities arising from or related to Third Party Content.

15.3 You acknowledge that: (i) the nature, type, quality and availability of Third Party Content may change at any time during the Services Period, and (ii) features of the Services that interoperate with third parties such as Facebook™, YouTube™ and Twitter™, etc. (each, a "Third Party Service"), depend on the continuing availability of such third parties' respective application programming interfaces (APIs) for use with the Services. Oracle may update, change or modify the Services under this Agreement as a result of a change in, or unavailability of, such Third Party Content, Third Party Services or APIs. If any third party ceases to make its Third Party Content or APIs available on reasonable terms for the Services, as determined by Oracle in its sole discretion, Oracle may cease providing access to the affected Third Party Content or Third Party Services without any liability to You. Any changes to Third Party Content, Third Party Services or APIs, including their availability or unavailability, during the Services Period does not affect Your obligations under this Agreement or the applicable order, and You will not be entitled to any refund, credit or other compensation due to any such changes.

15.4 Any Third Party Content that You store in Your Services Environment will count towards any storage or other allotments applicable to the Cloud Services that You ordered.

16. SERVICES TOOLS AND ANCILLARY SOFTWARE

16.1 Oracle may use tools, scripts, software, and utilities (collectively, the "Tools") to monitor and administer the Services and to help resolve Your Oracle service requests. The Tools will not collect or store any of Your Content or Your Applications residing in the Services Environment, except as necessary to provide the Services or troubleshoot service requests or other problems in the Services. Information collected by the Tools (excluding
Your Content and Your Applications) may also be used to assist in managing Oracle’s product and service portfolio, to help Oracle address deficiencies in its product and service offerings, and for license and Services management.

16.2 Oracle may provide You with on-line access to download certain Ancillary Software for use with the Services. If Oracle licenses Ancillary Software to You and does not specify separate terms for such Ancillary Software, then, subject to Your payment obligations, (i) You have the non-exclusive, non-assignable, worldwide limited right to use such Ancillary Software solely to facilitate Your access to, operation of, and use of the Services Environment, subject to the terms of this Agreement and Your order, including the Services Specifications, (ii) Oracle will maintain such Ancillary Software as part of the Cloud Services, and (iii) Your right to use such Ancillary Software will terminate upon the earlier of Oracle’s notice (which may be through posting on https://support.oracle.com or such other URL designated by Oracle) or the end of the Cloud Services associated with the Ancillary Software. If Ancillary Software is licensed to You under separate third party license terms, then Your use of such software is subject solely to such separate terms.

17. SERVICE ANALYSES

Oracle may (i) compile statistical and other information related to the performance, operation and use of the Services, and (ii) use data from the Services Environment in aggregated form for security and operations management, to create statistical analyses, and for research and development purposes (clauses i and ii are collectively referred to as “Service Analyses”). Oracle may make Service Analyses publicly available; however, Service Analyses will not incorporate Your Content or Confidential Information in a form that could serve to identify You or any individual, and Service Analyses do not constitute Personal Data. Oracle retains all intellectual property rights in Service Analyses.

18. EXPORT

18.1 Export laws and regulations of the United States and any other relevant local export laws and regulations apply to the Services. You agree that such export laws govern Your use of the Services (including technical data) and any Services deliverables provided under this Agreement, and You agree to comply with all such export laws and regulations (including “deemed export” and “deemed re-export” regulations). You agree that no data, information, software programs and/or materials resulting from Services (or direct product thereof) will be exported, directly or indirectly, in violation of these laws, or will be used for any purpose prohibited by these laws including, without limitation, nuclear, chemical, or biological weapons proliferation, or development of missile technology.

18.2 You acknowledge that the Cloud Services are designed with capabilities for You and Your Users to access the Services Environment without regard to geographic location and to transfer or otherwise move Your Content and Your Applications between the Services Environment and other locations such as User workstations. You are solely responsible for the authorization and management of User accounts, as well as export control and geographic transfer of Your Content and Your Applications.

19. FORCE MAJEURE

Neither of us shall be responsible for failure or delay of performance if caused by: an act of war, hostility, or sabotage; act of God; pandemic; electrical, Internet, or telecommunication outage that is not caused by the obligated party; government restrictions (including the denial or cancelation of any export, import or other license); or other event outside the reasonable control of the obligated party. We both will use reasonable efforts to mitigate the effect of a force majeure event. If such event continues for more than 30 days, either of us may cancel unperformed Services and affected orders upon written notice. This Section does not excuse either party’s obligation to take reasonable steps to follow its normal disaster recovery procedures or Your obligation to pay for the Services.

20. NOTICE

20.1 Any notice required under this Agreement shall be provided to the other party in writing. If You have a dispute with Oracle or if You wish to provide a notice under the Indemnification Section of this Agreement, or if You become subject to insolvency or other similar legal proceedings, You will promptly send written notice to: Oracle America, Inc., 500 Oracle Parkway, Redwood Shores, CA 94065. Attention: General Counsel, Legal Department.
20.2 To request a termination of Services in accordance with this Agreement, You must submit a service request to Oracle at the address specified in Your order or the Service Specifications.

20.3 Oracle may give notices applicable to Oracle’s Cloud Services customer base by means of a general notice on the Oracle portal for the Cloud Services, and notices specific to You by electronic mail to Your e-mail address on record in Oracle’s account information or by written communication sent by first class mail or pre-paid post to Your address on record in Oracle’s account information.

21. ASSIGNMENT

You may not assign this Agreement or give or transfer the Services (including the Oracle Programs) or an interest in them to another individual or entity. If You grant a security interest in any portion of the Services, the secured party has no right to use or transfer the Services or any deliverables, and if You decide to finance Your acquisition of the Services, You will follow Oracle’s policies regarding financing which are at http://oracle.com/contracts.

22. OTHER

22.1 Oracle is an independent contractor and we agree that no partnership, joint venture, or agency relationship exists between us. We are each responsible for paying our own employees, including employment related taxes and insurance. You understand that Oracle’s business partners and other third parties, including any third parties with which Oracle has an integration or that are retained by You to provide consulting or implementation services or applications that interact with the Cloud Services, are independent of Oracle and are not Oracle’s agents. Oracle is not liable for, bound by, or responsible for any problems with the Services. Your Content or Your Applications arising due to any acts of any such business partner or third party, unless the business partner or third party is providing Services as an Oracle subcontractor on an engagement ordered under this Agreement and, if so, then only to the same extent as Oracle would be responsible for Oracle resources under this Agreement.

22.2 If any term of this Agreement is found to be invalid or unenforceable, the remaining provisions will remain effective and such term shall be replaced with another term consistent with the purpose and intent of this Agreement.

22.3 Except for actions for nonpayment or breach of Oracle’s proprietary rights, no action, regardless of form, arising out of or relating to this Agreement may be brought by either party more than two years after the cause of action has accrued.

22.4 Oracle Programs and Services are not designed for or specifically intended for use in nuclear facilities or other hazardous applications. You agree that it is Your responsibility to ensure safe use of Oracle Programs and Services in such applications.

22.5 You shall obtain at Your sole expense any rights and consents from third parties necessary for Your Content, Your Applications, and Third Party Content, as well as other vendor’s products provided by You that You use with the Services, including such rights and consents as necessary for Oracle to perform the Services under this Agreement.

22.6 You agree to provide Oracle with all information, access and full good faith cooperation reasonably necessary to enable Oracle to provide the Services and You will perform the actions identified in Your order as Your responsibilities.

22.7 You remain solely responsible for Your regulatory compliance in connection with Your use of the Services. You are responsible for making Oracle aware of any technical requirements that result from Your regulatory obligations prior to entering into an order governed by this Agreement. Oracle will cooperate with Your efforts to determine whether use of the standard Oracle Services offering is consistent with those requirements. Additional fees may apply to any additional work performed by Oracle or changes to the Services.

22.8 Oracle may audit Your use of the Services (e.g., through use of software tools) to assess whether Your use of the Services is in accordance with Your order and the terms of this Agreement. You agree to cooperate with Oracle’s audit and provide reasonable assistance and access to information. Any such audit shall not unreasonably interfere with Your normal business operations. You agree to pay within 30 days of written notification any fees applicable to Your use of the Services in excess of Your rights. If You do not pay, Oracle
can end Your Services and/or Your order. You agree that Oracle shall not be responsible for any of Your costs incurred in cooperating with the audit.

22.9 The purchase of Cloud Services, Professional Services, or other service offerings, programs or products are all separate offers and separate from any other order. You understand that You may purchase Cloud Services, Professional Services, or other service offerings, programs or products independently of any other order. Your obligation to pay under any order is not contingent on performance of any other service offerings or delivery of programs or products.

23. ENTIRE AGREEMENT

23.1 You agree that this Agreement and the information which is incorporated into this Agreement by written reference (including reference to information contained in a URL or referenced policy), together with the applicable order, is the complete agreement for the Services ordered by You and supersedes all prior or contemporaneous agreements or representations, written or oral, regarding such Services.

23.2 It is expressly agreed that the terms of this Agreement and any Oracle order shall supersed the terms in any purchase order, procurement internet portal, or other similar non-Oracle document and no terms included in any such purchase order, portal, or other non-Oracle document shall apply to the Services ordered. In the event of any inconsistencies between the terms of an order and the Agreement, the order shall take precedence; however, unless expressly stated otherwise in an order, the terms of the Data Processing Agreement shall take precedence over any inconsistent terms in an order. Except as otherwise permitted in Section 5 (Service Specifications), Section 11 (Data Protection) and Section 15 (Third Party Web Sites) with respect to the Services, this Agreement and orders hereunder may not be modified and the rights and restrictions may not be altered or waived except in a writing signed or accepted online through the Oracle Store by authorized representatives of You and of Oracle. No third party beneficiary relationships are created by this Agreement.

24. CLOUD SERVICES EFFECTIVE DATE

The Effective Date of this Cloud Services Agreement is ___________________. (DATE TO BE COMPLETED BY ORACLE)

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<thead>
<tr>
<th>Customer Name</th>
<th>Boise State University</th>
<th>Oracle America, Inc.</th>
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<tbody>
<tr>
<td>Signature</td>
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<tr>
<td>Name</td>
<td>Stacy Peterson</td>
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<td>Title</td>
<td>VPEA</td>
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<td>Signature Date</td>
<td>2/9/2015</td>
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<tr>
<td>Agreement No</td>
<td>US-CSA-QT 5341943 [to be completed by Oracle]</td>
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Agreement Information

This Amendment amends the Oracle Public Sector Agreement for Cloud Services US-CSA-QT5341943, dated ________, and all amendments and addenda thereto (the "Agreement") between You and Oracle America, Inc. ("Oracle").

The parties agree to amend the Agreement as follows:

1. Section 3. RIGHTS GRANTED

   The text of Section 3.2 is deleted and is replaced with the following:
   
   "You do not acquire under this Agreement any right or license to use the Services, including the Oracle Programs and Services Environment, in excess of the scope and/or duration of the Services stated in Your order. Subject to Section 9.2 hereof, upon the end of the Services ordered, Your right to access and use the Services will terminate. Oracle does not acquire under this Agreement any right or license to Your Content and Your Applications in excess of the scope and/or duration of the Services that is appropriate for Your Order. Subject to Section 9.2 hereof, upon the end of the Services ordered, Oracle's right under Your Order to access Your Content and Your Applications will terminate."

2. Section 3. RIGHTS GRANTED

   The text of Section 3.3 is deleted and is replaced with the following:
   
   "To enable Oracle to provide You and Your Users with the Services, You grant Oracle the right to use, process and transmit, in accordance with this Agreement and Your order and only to the extent necessary to provide the Services in accordance with this Agreement and Your Order, Your Content and Your Applications for the duration of the Services Period plus any additional post-termination period during which Oracle provides You with access to retrieve an export file of Your Content and Your Applications. If Your Applications include third party programs, You acknowledge that Oracle may allow providers of those third party programs to access the Services Environment, including Your Content and Your Applications, solely to the extent required for the interoperation of such third party programs with the Services. Oracle will not be responsible for any use, disclosure, modification or deletion of Your Content or Your Applications resulting from any such access by third party program providers or for the interoperability of such third party programs with the Services. The third party owner, author or provider of such third party program retains all ownership and intellectual property rights in and to that content."

3. Section 4. OWNERSHIP AND RESTRICTIONS

   The first sentence of Section 4.1 is deleted and is replaced with the following:
   
   "You retain all ownership and intellectual property rights in and to Your Content and Your Applications and no implied license is granted to use Your Content and Your Applications following termination of this Agreement."
4. Section 6. USE OF THE SERVICES

The third sentence in Section 6.1 is deleted and is replaced with the following:

"To the extent permitted by applicable law and subject to the Idaho Tort Claims Act, Idaho Code Sections 6-901 through 6-929 (the "Idaho Tort Claims Act"), you are responsible for all activities that occur under your and your Users' usernames, passwords or accounts as a result of your or your Users' access to the Services, and agree to notify Oracle immediately of any unauthorized use."

5. Section 6. USE OF THE SERVICES

The last sentence of Section 6.2 is deleted and is replaced with the following:

"To the extent permitted by applicable law and subject to the Idaho Tort Claims Act, you agree to defend and indemnify Oracle against any claim arising out of a violation of your obligations under this section."

6. Section 8. FEES AND TAXES

The first sentence of 8.2 is deleted and is replaced with the following:

"You understand that you may receive multiple invoices for the Services you ordered (but such invoices will not be charging you more than once for the applicable ordered Service)."

7. Section 9. SERVICES PERIOD; END OF SERVICES

The second sentence of Section 9.3 is deleted and is replaced with the following:

"Oracle will provide advance notice to you of any such suspension in Oracle's reasonable discretion based on the nature of the circumstances giving rise to the suspension, provided Oracle will endeavor to provide such notice within seven business days prior to such suspension."

8. Section 9. SERVICES PERIOD; END OF SERVICES

The second sentence of Section 9.4 is deleted and is replaced with the following:

"If Oracle terminates the order as specified in the preceding sentence, you must pay within 30 days all amounts that have accrued prior to such termination, as well as all sums remaining unpaid for the Services delivered under such order plus related taxes and expenses."

9. Section 10. NONDISCLOSURE

The last sentence of Section 10.3 is deleted and is replaced with the following:

"Nothing shall prevent either party from disclosing the terms or pricing under this Agreement or orders placed under this Agreement in any legal proceeding arising from or in connection with this Agreement or from disclosing any Confidential Information to a governmental entity or as otherwise required by law, provided that the disclosing party shall provide written notice of such disclosure as soon as possible to the extent allowable by law or such governmental entity to the non-disclosing party."
10. Section 13. LIMITATION OF LIABILITY

The text of Section 13 is deleted and is replaced with the following:

"NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, OR ANY LOSS OF REVENUE OR PROFITS (EXCLUDING FEES UNDER THIS AGREEMENT), DATA, OR DATA USE. ORACLE'S AGGREGATE LIABILITY FOR ALL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT OR YOUR ORDER, WHETHER IN CONTRACT OR TORT, OR OTHERWISE, SHALL BE LIMITED TO THE TOTAL AMOUNTS ACTUALLY PAID TO ORACLE FOR THE SERVICES UNDER THE ORDER GIVING RISE TO THE LIABILITY IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO SUCH LIABILITY LESS ANY REFUNDS OR CREDITS RECEIVED BY YOU FROM ORACLE UNDER SUCH ORDER, PROVIDED, HOWEVER, THIS LIMITATION SHALL NOT APPLY TO DAMAGES OR LIABILITIES ARISING FROM THE GROSSLY NEGLIGENT OR WILLFUL MISCONDUCT OF ORACLE IN PERFORMING ITS OBLIGATIONS UNDER THIS AGREEMENT."

11. Section 14. INDEMNIFICATION

The text of Section 14.1 is deleted and is replaced with the following:

"Subject to the terms of this Section 14 (Indemnification), if a third party makes a claim against either You or Oracle ("Recipient" which may refer to You or Oracle depending upon which party received the Material), that any information, design, specification, instruction, software, service, data, hardware, or material (collectively, "Material") furnished by either You or Oracle ("Provider" which may refer to You or Oracle depending on which party provided the Material) and used by the Recipient infringes the third party's intellectual property rights, the Provider, at the Provider's sole cost and expense, will, to the extent permitted and not prohibited by law and with regard to You subject to the Idaho Tort Claims Act, defend the Recipient against the claim and indemnify the Recipient from the damages, liabilities, costs and expenses awarded by the court to the third party claiming infringement or the settlement agreed to by the Provider, if the Recipient does the following:

a. notifies the Provider promptly in writing, not later than 30 days after the Recipient receives notice of the claim (or sooner if required by applicable law);

b. gives the Provider sole control of the defense and any settlement negotiations, to the extent permitted by law; and

c. gives the Provider the information, authority and assistance the Provider needs to defend against or settle the claim."

12. Section 14. INDEMNIFICATION

The following is inserted as a new subsection in Section 14:

"14.5 Nothing in this Agreement shall be deemed to constitute a waiver by either party of any privilege, protection, or immunity otherwise afforded it under state or federal law. Except as necessary to enforce the terms hereof, nothing in this Agreement shall be deemed a waiver of Your sovereign immunity, which is hereby expressly retained."

13. Section 18. EXPORT

The second sentence of Section 18.1 is deleted and is replaced with the following:

"You agree that such export laws govern Your use of the Services (including technical data) and any Services deliverables provided under this Agreement, and You agree to comply with all such export laws and regulations (including "deemed export" and "deemed re-export" regulations) relating to Your use of the Services."
14. Section 19. FORCE MAJEURE

The first sentence of Section 19 is deleted and is replaced with the following:

"Neither of us shall be responsible for failure or delay of performance if caused by: an act of war, hostility, or sabotage; act of God; pandemic; extended electrical, internet, or telecommunication outage that is not caused by the obligated party nor within the reasonable control of the obligated party; government restrictions (including the denial or cancelation of any export, import or other license); or other event outside the reasonable control of the obligated party."

15. Section 22. OTHER

The third sentence of Section 22.8 is deleted and is replaced with the following:

"Any such audit shall not unreasonably interfere with Your normal business operations and must in all respects comply with applicable laws regarding privacy and confidentiality of Your data or other applicable laws."

16. Section 22. OTHER

The following is added as a new subsection in Section 22:

"22.10 Governing Law and Jurisdiction. This Agreement shall be construed in accordance with and governed by the laws of the State of Idaho without regard to conflicts of law. Any action to enforce the provisions of this Agreement shall be brought in courts located in Idaho. Each party hereby consents to service and jurisdiction in such courts."

17. Section 22. OTHER

The following is added as a new subsection in Section 22:

"22.11 Sufficient Appropriation by Legislature Required. It is understood and agreed that You are a governmental entity, and this 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. You reserve the right to terminate this Agreement and any Order in place, in whole or in part if, in Your judgment, the legislature of the State of Idaho fails, neglects or refuses to appropriate sufficient funds as may be required for You to continue such Agreement and Order, or requires any return or “give-back” of funds, or if the Executive Branch mandates any cuts or holdbacks in spending. All affected future rights and liabilities of both Parties hereunder and under any Order Documents shall thereupon cease within thirty (30) days after the notice to Oracle."

18. Section 22. OTHER

The following is added as a new subsection in Section 22:

"22.12 Officials, Agents and Employees of You 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 or of the Boise State University be in any way liable or responsible for any covenant or agreement contained in this Agreement, express or implied, nor for any statement, representation or warranty made in or in any way connected with this Agreement. In particular, and without limitation of the foregoing, no full-time or part-time agent or employee of the State of Idaho, including Boise State University, shall have any personal liability or responsibility under this Agreement, and the sole responsibility and liability for the performance of this Agreement and all of the provisions and covenants contained in this Agreement shall rest in and be vested with Boise State University."
Subject to the modifications herein, the Agreement shall remain in full force and effect.

The Effective Date of this amendment is ______________, (to be completed by Oracle)

Boise State University

Signature: [Signature]
Name: [Name]
Title: [Title]
Signature Date: [Date]
Agreement Number: US-CSA-QT5341943

Oracle America, Inc.

Signature: [Signature]
Name: [Name]
Title: [Title]
Signature Date: [Date]

IDAHO STATE UNIVERSITY

SUBJECT
Lease amendment: land use (parking area) swap between Idaho State University (ISU) and Idaho State University Federal Credit Union (ISU FCU)

APPLICABLE STATUTE, RULE, OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.1.5.b.i.
Section 58-335, Idaho Code

BACKGROUND/DISCUSSION
In 1977, ISU acquired ten lots of land which were subsequently used as parking lots. ISU and ISU FCU entered into a lease agreement in 1989 that allowed ISU FCU to build a credit union building on a portion of the ISU parking lot. Because the parking area adjacent to the credit union building continued to be used for parking by ISU, the credit union purchased land across the street (E. Lovejoy St.) for use as dedicated parking for ISU FCU’s staff and customers. The result was that ISU retained parking slots next to the credit union, while the credit union’s parking slots were displaced from their building, closer to the ISU campus.

ISU FCU has approached ISU to discuss swapping the use of an equal number of parking spaces so that ISU FCU staff/customers could park closer to the credit union building, with no inconvenience to ISU students/staff who would have access to the former ISU FCU parking area. An overhead map of the proposed parking lot area swap is provided in Attachment 2. Ownership of the land will not be changed (ISU continues to own the property). The amended lease which makes the parking area swap possible requires State Board of Education (Board) approval because the term of the lease exceeds five years (lease extends through January 2039).

IMPACT
Approval of the request will allow ISU and ISU FCU to swap the use of the affected parking areas, and will be of mutual benefit to both entities. ISU faculty and students will be able to park closer to ISU’s main campus, and the credit union will be able to provide better customer service to its clients, including ISU stakeholders.

ATTACHMENTS
Attachment 1 – Lease Amendment Page 3
Attachment 2 – Map of Area Page 5

STAFF COMMENTS AND RECOMMENDATIONS
The revised parking lot assignments made possible by the proposed lease amendment make sense for both parties. ISU is coordinating this action with the Division of Public Works statewide leasing manager. Staff recommends approval.
BOARD ACTION

I move to approve the request by Idaho State University to execute an amended lease agreement with the Idaho State University Federal Credit Union in accordance with the terms provided in Attachment 1.

Moved by __________ Seconded by __________ Carried Yes _____ No _____
AMENDMENT TO LEASE AGREEMENT BETWEEN
IDAHO STATE UNIVERSITY AND ISU FEDERAL CREDIT UNION

This AMENDMENT TO LEASE AGREEMENT is made by and between Idaho State University, hereinafter called “LESSOR” and Idaho State University Federal Credit Union, hereinafter called “LESSEE”.

WHEREAS, LESSOR AND LESSEE previous entered into a Lease Agreement on January 25, 1989 wherein LESSOR agreed to lease to LESSEE certain real property for a period of fifty (50) years for the purpose of conducting business as a federal credit union;

WHEREAS, LESSOR is the owner of certain real property located adjacent to the property which is the subject of the Lease Agreement; and

WHEREAS, LESSEE is the owner of certain real property located on the corner of E Lovejoy Street and S 9th Avenue; and

WHEREAS, LESSOR AND LESSEE desire to exchange their properties for the duration of the lease term under the terms and conditions set forth herein; and

WHEREASE, the Idaho State Board of Education has given its approval for LESSOR to amend the Lease Agreement to exchange the properties that are the subject of this Amendment to Lease Agreement.

NOW THEREFORE, in consideration of the mutual covenants and promises contained in the original Lease Agreement and herein, the parties agree as follows:

1. PROPERTIES SUBJECT TO THE EXCHANGE. The following described real property of LESSOR shall be leased to LESSEE:

   S15' X E70' LOT 4; E70' LOTS 5 THRU 8; N15' X E70' LOT 9 BLOCK 183
   POCATELLO TOWNSITE
   The following described real property of LESSEE shall be leased to LESSOR:

   E80' LOTS 1 & 2 BLOCK 184 POCATELLO TOWNSITE

2. USE. The parties shall use these properties as parking spaces. LESSOR shall place signage on both properties to clearly indicate usage and LESSEE shall approve all signage. All parking spaces (8), shall be marked as credit union member parking, utilizing the LESSEE’s existing signage from the current, existing eight (8) parking stalls. LESSEE shall provide its own employee parking permits and will provide the LESSOR with the identity of the valid parking permits. Finally, LESSOR shall patrol the reserved parking stalls and shall ticket parking violators, where and when applicable.

3. TERM. The term of this Amendment to Lease Agreement shall be the same as that described in the original Lease Agreement. That is, this Amendment to Lease Agreement shall expire simultaneously with the expiration of the original Lease Agreement.

4. REVERSION. At the expiration of the original Lease Agreement and this Amendment to Lease Agreement, or upon the discontinuance of the use of the leased property as the ISU Federal Credit Union, whichever occurs first, said property, along with all improvements, shall revert to the LESSOR without cost.
5. **INCORPORATION INTO ORIGINAL LEASE AGREEMENT.** This Amendment to Lease Agreement shall be incorporated into and become a part of the original Lease Agreement, subject to the terms and conditions set forth therein, being modified only to the extent expressly set forth herein.

**IN WITNESS WHEREOF,** the authorized representatives of the parties have executed this Agreement on this _______ day of ______________________, 2016.

**.LESSOR BY:**

_____________________________
Cheryl Hanson, Associate Vice President, Facilities Services

**LESSEE BY:**

_____________________________
Manager, Idaho State University Federal Credit Union

**AUTHORIZATION BY:**

_____________________________
Linda S. Miller, Statewide Leasing Manager, Division of Public Works
IDAHO STATE UNIVERSITY

SUBJECT
Disposal of Idaho State University real property in McCammon, Idaho

APPLICABLE STATUTE, RULE, OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.I. Sections 58-335 and 67-5722, Idaho Code

BACKGROUND/DISCUSSION
Between 1987 and 1991, Idaho State University (ISU) was gifted approximately 120 acres in McCammon, Idaho, from the Robert E. & Joan O’Neall Trust. The property was gifted in five pieces, with the last piece deeded to ISU in 1991. The property was intended to provide an ecological reserve for ISU and its interested students and faculty. Part of the property included a 6.5 acre right-of-way that provided access to the east side of the property.

In 2013 Wayne Taysom, the property’s neighbor to the south, raised concerns to ISU officials about weeds that had overgrown ISU’s land and were beginning to interfere with his land. ISU’s facilities crews could not adequately remove the weeds because they had grown on a riverbank that was difficult to access. ISU enlisted the help of Bannock County Noxious Weed Control to mitigate the weeds for the past two years. However, the County will not be able to continue this assistance in the future.

The subject property, 10.17 acres consisting of three irregular-shape sections located east of the railroad tracks (see diagram at Tab 7 page 26), offers little to no research or economic value to ISU. Disposal of the property would obviate the need for weed control and general upkeep of this unused area.

The subject property was appraised at $6,600. ISU contacted neighboring property owners, and has received an offer of $7,000 from Mr. Taysom (who is also the only property owner with convenient access to the property).

IMPACT
Approval of the request will allow ISU to dispose of the unneeded property, avoid upkeep costs, and maintain good relations with the neighboring property owners.

ATTACHMENTS
Attachment 1 – Draft Quitclaim Deed Page 3
Attachment 2 – Appraisal Page 5

STAFF COMMENTS AND RECOMMENDATIONS
The proposed sale of this parcel will enable ISU to avoid upkeep costs for an unused section of property. ISU was advised that land values in the area have not
changed significantly since the attached appraisal was conducted within the past two years (September 2014). The $7,000 offer (from the only local property owner with feasible access to the property) exceeds the appraised value of the property. This action would return the property to economic use. Staff recommends approval.

BOARD ACTION
I move to approve the request by Idaho State University to proceed with the sale of the subject real property in McCammon, Idaho for $7,000, and to authorize Idaho State University finance staff to sign all necessary documents to complete the sale on behalf of the Board of Trustees, as described in the documents provided.

Moved by __________ Seconded by __________ Carried Yes _____ No _____
QUITCLAIM DEED

THIS QUITCLAIM DEED made this _____ day of _____, 2016, between IDAHO STATE UNIVERSITY, a state educational institution and body politic and corporate, organized and existing under the laws and constitution of the State of Idaho, herein referred to as “Grantor,” and Wayne Taysom, whose address is PO Box 4519, Pocatello, ID 83205, herein referred to as “Grantee”.

That Grantor, for good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby REMISE, RELEASE, CONVEY and forever QUITCLAIM, unto Grantee, that certain real property situated in the County of Bannock, State of Idaho, generally prescribed as Part of the S1/2 of Section 23, Township 8 South, Region 36, E.B.M., and more particularly described as:

A portion of the east half of the southwest quarter, namely all areas east of the railroad tracks of Section 23, Township 8 South, Region 36, E.B.M.

Also, beginning at the south 1/16 corner on the meridional center line of Section 23, Township 8 South, Range 36 E.B.M., thence easterly along the south 1/16 of said section 1,632 feet, more or less, to a point on the southwesterly right of way lone of U.S. Highway 91-191, said point being marked by a department of highways reference marker, thence southeasterly along said southeasterly right of way line 70 feet, thence westerly parallel to the south 1/16 line of said section 120 feet; thence northwesterly parallel to aforementioned southwesterly highway right of way line, 48 feet, more or less, to a point that is 20 feet at right angles southerly from the south 1/16 line of said section; thence westerly parallel to said south 1/16 line, 1465 feet, more or less, to a point that is 20 feet southerly and 60 feet easterly from the south 1/16 corner on the meridional center line of said section, thence southerly parallel to the meridional center line of said section, 340 feet; thence westerly parallel to the south 1/16 line of said section, 60 feet to intersect the meridional center line of Section 23: thence northerly along said meridional center line, 360 feet to the point of beginning.

Also, commencing at the south 1/16 corner on the meridional center line of Section 23, Township 8 South, Range 36 E.B.M., thence easterly along the south 1/16 lone of said section, 1632 feet, more or less, to a pint on the southwesterly right of way line of U.S. Highway 91-191, said point being marked by a department of highways reference marker, thence southeasterly along said southeasterly right of way line, 70 feet to the point of beginning; thence continuing southeasterly along said right of way line 132 feet, thence westerly parallel to said south 1/16 line 120 feet; thence northwesterly, parallel to said right of way line, 132 feet, thence easterly parallel to said south 1/16 line, 120 feet to the point of beginning, Bannock County, Idaho.

SUBJECT TO all valid easements, right of ways, covenants, conditions, reservation and restrictions of record.

Grantor quitclaims to Grantee said real property together with all estate, right, title, interest, possession, claim and demand whatsoever, in law as well as in equity of the Grantor in or to the said property, and all and singular the tenements, hereditaments, and appurtenances thereunto belonging.
IN WITNESS WHEREOF, Grantor has hereunto set its hand on the day and year first above written.

GRANTOR: Idaho State University

By: ____________________________
    James A. Fletcher, Vice President,
    Finance and Administration

STATE OF IDAHO )
    ) ss.
County of Bannock )

On this _____ day of _____, 2016, before me, the undersigned, a Notary Public in and for said State, Personally appeared James A Fletcher, known to me to be the Vice President for Finance and Administration of Idaho State University, the University that executed the instrument, and acknowledged to me that he executed the same for and on behalf of Idaho State University.

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: _____________________
Vernon L. Nelson
Appraisals, Consulting and Real Estate
Idaho Certified General Appraiser, CGA-143
P. O. Box 191, Rockland, Idaho 83271
Office -208-849-2690, Cell- 208-221-7527

BILLING DATE: September 30, 2014

BILLIED TO: Idaho State University Foundation, Stop 8050, 921 South 8th Avenue, Pocatello, Idaho 83201. C/O Ms. Pauline Thiros.

PROPERTY APPRAISED: Idaho State University Foundation 10.17 acre McCammon property. Located some four miles North of McCammon, Idaho in Bannock County.

APPRaisal FEE: $1,620.00. See attached appraisal work time sheet.

Pay $1,400.00 if paid on delivery of the Appraisal Report.

Please Make Check to:
Farm and Land Services
P. O. Box 191
Rockland, Idaho 83271

Thank you for the opportunity to have been of service.

Vernon L. Nelson
Farm and Land Services
Idaho General Real Estate Appraiser - CGA-143.
Expires 01/09/2015.

Appraisal Work Time:

<table>
<thead>
<tr>
<th>Task</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appraisal Inspection</td>
<td>1.00 h</td>
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<tr>
<td>Courthouse Research</td>
<td>0.40 h</td>
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<tr>
<td>Market Information Research</td>
<td>9.20 h</td>
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<tr>
<td>Subject Property Valuation Analysis</td>
<td>3.40 h</td>
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<tr>
<td>Report Writing/Compiling Report/Copying</td>
<td>13.00 h</td>
</tr>
<tr>
<td><strong>Total Time</strong></td>
<td>27.00 h</td>
</tr>
</tbody>
</table>

Appraisal Fee: 27.0 hrs x $60/hr = $1,620.00
This report is the result of an Appraisal which conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) for an appraisal report. It presents only summary discussions of the data, reasoning, and analysis that were used in the appraisal process to develop the Appraiser’s opinion of the value. Any additional supporting documentation concerning the data, reasoning and analysis is retained in the Appraiser’s files. The depth of the discussion contained in this report is to meet the needs of the client. The appraiser is not responsible for any unauthorized use of this report.

This report is the result of an Appraisal that has been completed for the Client who is the Idaho State University Foundation for matters pertaining to a potential sale of the subject property of this report. I have considered the Cost, Sales and Income Approaches to value and have used the approach or approaches to value, which in my opinion are the most applicable and relevant in the valuation analysis for the subject property.

CLIENT: Idaho State University Foundation.

APPRAISER: Vernon L Nelson
Farm and Land Services
P. O. Box 191
Rockland, Idaho 83271

SUBJECT: Idaho State University 10.17 acre McAmmon property.

PURPOSE OF THE APPRAISAL: To provide the Appraiser’s estimate of Market Value "As Is" of the Fee Simple Interest of the subject property.

PROPERTY RIGHTS APPRAISED: This is an appraisal of the Fee Simple Interest of the Subject Property of this report. It has been appraised as though the property parcels were free and clear without any encumbrances. Property rights considered are those surface rights and interests held by the Subject Property in Fee Simple. Mineral rights if any exist are not included. A Title Report has not been provided to the Appraiser, nor has a Title Report been viewed by the Appraiser.

AUTHORIZATION OF THE REPORT: This report has been prepared at the request of Ms. Pauline Thiros for the Idaho State University Foundation.

FUNCTION OF THE REPORT: This appraisal report has been prepared to assist the Client; who is the Idaho State University Foundation in matters pertaining to a potential sale of the subject property.

EFFECTIVE DATE OF THE REPORT VALUE: The effective date of value is August 21, 2014.


INTEREST APPRAISED: The Fee Simple ownership interest has been appraised.
DISCUSSION OF THE APPRAISAL PROBLEM: I have been asked to prepare an Appraisal Report of the Idaho State University 10.17 acre McComb property. The property consists of 8.50 acres of river bottom land bisected by the Portneuf River with the remaining 1.67 acres considered as dry grazing land that provides access to the subject from Highway 91 with the access ending at the river and the need to cross the river to reach most of the 8.50 acres. The subject is considered with a highest and best use as an add on property to the Wayne Taysom property which adjoins the subject property on the South and North sides with a pasture land use or wildlife habitat use for the property as an add on land parcel. The adjoining Taysom property actually provides better access to the subject property than the current existing access to the property. The property is zoned Agricultural and has no future development potential other than as an add on land parcel to the adjoining Wayne Taysom property with use as pasture land or wildlife habitat land.

The Appraisal Problem is to complete a Market Value "as is" of the Fee Simple Interest of the Subject Property for use by the Idaho State University Foundation in matters pertaining to a potential sale of the subject property.

DEFINITION OF MARKET VALUE: Market Value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

Buyer and Seller are typically motivated;
Both parties are well informed or well advised, and acting in what they consider their own best interest;
A reasonable time is allowed for exposure in the open market;
Payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and
The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.


FEE SIMPLE INTEREST DEFINED: In the “English Common Law”, the Fee Simple Interest is defined as the highest estate one can hold in land and which consists of a collection or “Bundle” of rights held by the owner which includes the right to occupy and use, to build upon, to grant easements, to mortgage, to mine or farm, to restrict use, to create covenants, to sell or refuse to sell, to give away or abandon, to rent or lease and to devise by will. No mineral interests or rights are valued or considered in this appraisal.

COMPETENCY PROVISION: I have taken the appropriate steps to comply with the competency provision as required by USPAP. Requirements have been satisfied, based on my educational training, knowledge of the area, prior appraisal experience of appraising rural, commercial and residential properties.

This appraisal has been developed in conformance with the Uniform Standards of Professional Appraisal Practice as adopted by the Appraisal Standards Board of the Appraisal Foundation. It
conforms to the standards of the Professional practice and Code of Ethics of the Appraisal Institute.

In my 25 years of Real Estate Appraisal Practice and work, I have appraised many agricultural and development properties in Southern and Eastern Idaho to include the Bannock County area where the subject property is located. I feel, based on my lifetime involvement in agriculture and my appraisal experience, I am competent under USPAP to complete this appraisal assignment.

**EXPOSURE AND MARKETING TIME:** Market Value as estimated and the costs and other estimates used in arriving at the estimate of value is as of the date of the appraisal. Because markets upon which these estimates and conclusions are based upon are dynamic in nature, they are subject to change over time. Further, the report and value estimates are subject to change if future physical, financial or other conditions differ from the conditions as of the effective date of this appraisal report, which date is September.

In applying the market value definition to this appraisal, a reasonable exposure time of 6 months has been estimated for the subject property based on current market demand for Agricultural properties and after talking with area Farmland Realtors and Appraiser's. Exposure time is the estimated length of time the property interest being appraised would have been offered in the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; exposure time is always presumed to precede the effective date of the appraisal.

Market Value as estimated in this appraisal report is for the effective date of value as shown and contained in this appraisal report. The markets upon which the conclusions and values for the subject property are based are dynamic in nature and subject to change over time. Further, the report and value estimates are subject to change if future physical, financial and other conditions differ from conditions as of the date of appraisal.

Marketing time, however, is an estimate of the amount of time it takes to sell a property interest at the estimated market value during the period after the effective date of the appraisal. An estimate of marketing time is not intended to be a prediction of a date of sale. It is appropriate to assume that the value as of the effective date of appraisal remains stable during a marketing period. Additionally, the appraiser's have considered market factors external to this appraisal report and have concluded that a reasonable marketing time for the subject property is 6 months.

In today's market there is good demand for agricultural land to include cropland and pasture lands. The subject property is a unique property based on its location, size and type in that it has very little use by itself. It has a much better use as an add on property to the adjoining Taysom property with it becoming a part of the Taysom pasture land which also includes river bottom land which based on its adjoining location provides better overall access to the subject property than the current existing subject property access provided by the Subject Property land located in Tax Nos. 7 and 9 Many buyers in today's agricultural market are outside investors to include pension fund companies. Investors do not want to place their monies in the volatile investment markets and would rather purchase quality farmland as an investment. Low interest rates, high commodity prices and the volatile investment markets had created the current buyer demand nationwide for quality farmland. Farmland values in certain areas have exploded over what they were two and three years ago. The subject because it is considered with a highest and best use as an add on land parcel to the adjoining Taysom property with use as pasture or wildlife habitat creates a special situation where a marketing period and time is almost exclusively based on the
desire and demand for Mr. Wayne Taysom to purchase the property for his own use as an add on property to his existing adjoining property. The small acreage size, location, access to the river bottom land and also the overall shape and potential flooding of the river bottom land very much limits the demand or desire to own the subject property creating an almost impossible ability to forecast exposure and marketing times for the subject property.

SCOPE OF THE APPRAISAL: The scope of the appraisal process encompasses the necessary research and analysis to prepare and complete a report in accordance with the intended use and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. In regards to the Subject Property tracts, this involved the following steps:

On August 21, 2014, a visual drive over and walk over inspection of the subject property was completed by myself, Vernon L. Nelson, accompanied by Mr. Wayne Taysom who is the adjoining property owner to the South side of the subject property.

This report has been prepared at the request of the Client to estimate the Market Value "As Is" of the Fee Simple Interest of the subject property land parcels for use in matters pertaining to a potential sale of the subject property.

I have gathered and confirmed information on comparable land sales in the Subject’s market area for use in the valuation analysis.

The area and neighborhood data contained in this report is based on information available through office files, past appraisal reports that have been completed in the area and interviews with local people such as Realtors, Bankers, Buyers and Sellers of Real Estate and other Appraisers who are considered to have good knowledge of the area.

The Highest and Best Use of the Subject Property is based on the type and analysis of the properties to include land type, zoning, land size, land shape, overall access to the subject property, current and past uses of the land parcel, surrounding area land use, and market conditions. The location, small property size at 10.17 acres, very irregular overall property shape, river bottom land portion consisting of 8.50 acres mol which is bisected by the Portneuf River along with the potential for flooding along with access to the 8.50 acres requiring the crossing of the Portneuf River without a bridge to reach that portion of the subject property very much limits the use of the subject property.

In developing the approaches to value, I have considered use of the Cost, Sales and Income Approaches to value and used the approach/approaches to value which are the most relevant in valuing the subject property based the type of subject property land, subject property location, physical and access factors pertaining to the subject property and available market information for use.

After assembling and analyzing the data defined in the scope of this report, a final estimate of the Market Values of the Fee Simple Estate of the subject properties of this report were made.
This appraisal has been prepared for the Client who is the Idaho State University Foundation to help estimate a value of the subject property for use in matters pertaining to a potential sale of the subject property.

This Summary Appraisal Report is a brief recapitulation of my appraisal data, analysis and conclusions. Supporting documentation not contained in this report is contained in my appraisal files.

HISTORY OF THE SUBJECT PROPERTY: The subject property as described and valued in this report has been under the ownership of Idaho State University for a reported many years.

ZONING: The subject property is zoned Agricultural according to the Bannock County Planning and Zoning Department.

CURRENT AGREEMENTS OF SALE, OPTION AND LISTING: None has been reported or found to exist at the time of this appraisal. There has been talk between the Idaho State University Foundation and Mr. Wayne Taysom who owns the adjoining land to the south side of the subject property regarding a possible sale and purchase of the subject property.

APPRAISER’S PERSPECTIVE ON MARKET CONDITIONS AND VALUE: The market value estimate of this appraisal report is based on the effective date of August 21, 2014. I have researched the subject area market for sales and market data that will fit within the effective valuation date of August 21, 2014. This report has a date of September 15, 2014 with a report valuation date of August 21, 2014. Because these two dates are very close in time I find that Market Value under such circumstances is considered to be current.

EFFECT ON VALUE OF ENCUMBRANCES, EASEMENTS AND ENCROACHMENTS: No encumbrances, on the subject property were noted, nor have I been made aware of any encumbrances on the subject property and, therefore, there is no effect on value from any encumbrances. There is a power line easement that crosses the Eastern area of the property.
SUMMARY OF FACTS AND CONCLUSIONS

Subject Property: Idaho State University Foundation - McCammon 10.17 acres mol.

Location: Four miles North of McCammon, Idaho in Bannock County.

Owner of Record: The records of the Bannock County Tax Assessor show ownership as Idaho State University.

Type of Report: Appraisal Report.

Client for the Report: Idaho State University Foundation.

Authorization: Ms. Pauline Thiros for the Idaho State University Foundation.

Intended Users of the Report: Idaho State University Foundation.

Purpose of the Report: To estimate the Market Value "As Is" of the Fee Simple Interest for the Subject Property of this report.

Function of the Appraisal: For use in matters pertaining to a sale of the subject property.

Property Rights Appraised: Fee Simple Interest.

Appraisal Conditions: The valuation of the subject property has been completed as the Market Value "As Is" of the Fee Simple ownership interest. There is not a full survey and legal description for the subject property of this report. Tax No. 7 consisting of 1.34 acres and Tax No. 9 consisting of 0.33 acres have legal descriptions, but the remaining 8.50 acres mol which is part of Tax No. R4057022200 consisting of 80.0 acres mol does not have a legal description. It is located on the East side of the railroad tracks and is bisected by the Portneuf River. The land located to the East of the railroad tracks was measured by the County Assessor to consists of 8.50 acres mol. There is no current land survey or legal description to describe the 8.50 acres mol located to the East of the River and not included with Tax Nos. 7 and 9. Total acreage is estimated to be 10.17 acres.

Brief Property Description: Subject property consists of approximately 10.17 acres. The land consists of Tax 7 which is 1.34 acres of land including the 20 foot wide access from Tax 9 to the river with a portion of Tax 7 located on the West side of the river requiring the need to cross the river without a bridge to access the property. Tax 9 is located adjacent to Highway 91 and provides access to the subject property from the highway. Tax 9 consists of 0.33 acres and is also the site of an old residence in poor condition and a well that is located in an area...
subject to runoff flooding from the highway and the East because Tax 9 land is located well below the road grade of Highway 91. The remaining 8.50 acres is located to the East of the Railroad tracks and is bisected by the Portneuf River. Access to the west end of Tax 7 and the 8.50 acres requires crossing the river without use of a bridge. The 8.50 acres is river bottom and is subject to flooding from the river during periods of high water and runoff. The best river crossing access to the property is from the adjoining Wayne Taysom property. The river bottom land also has areas of heavy underground of willows, haws bushes, native vegetation and noxious weeds that need to be controlled. The subject property because of its agricultural zoning, small and irregular size and shape along with flooding from runoff and the river has no development potential. The land has the best use as an add on land parcel to the adjoining Wayne Taysom property with an add on use for pasture or wildlife habitat.

**Zoning:**

Agricultural.

**Flood Hazard:**

Bottom land consisting of approximately 8.50 acres according to the measurements of the Bannock County Assessor is bisected by Portneuf River and is subject to flooding during the periods of high water runoff in the Portneuf River.

**Highest and Best Use:**

Agricultural - Add on tract to adjoining property for use as livestock pasture or wildlife habitat with access to the bottom 8.50 acres from use of land in Tax 7 and Tax 9 which connects with Highway 91.

**Date of Value Estimate:**

August 21, 2014.

**Date of the Report:**

September 15, 2014.

**Estimates of Value:**

- Cost Approach: $ N/A
- Sales Comparison Approach: $6,600
- Income Approach: $ N/A
- Subject Property Value: $ N/A

* Valued using the Extraordinary Assumption as discussed in the Letter of Transmittal and in the appraisal report.
Overall Property Comments

Mineral Rights: Mineral Rights are assumed to be included in the Fee Simple Interest. I have not researched or been made aware of any mineral rights that pertain to the subject property. Mineral rights are not typical in the agricultural market and are not considered to have any effect on value.

Water Rights: The subject property has no water rights for irrigation.

Other:
- Climate - High Desert valley area with 10 to 12" annual precipitation.
- Elevation - 4,800 feet.
- Frost Free Days - 100 to 120 days.
- Utilities - Electrical and telephone are available to Tax 9 located off of Highway 91.
- City Services - None
- Shopping, Employment and Services - Basic services located in McCammon. Major retail, professional and medical are located in Pocatello.
- Pocatello: Schools - K - 12 grades are part of the Marsh Valley School District with elementary schools located in Inkom. McCammon, Lava Hot Springs and Downey. Junior High and High School is located in Arimo.
- Location - Average in location to McCammon and Pocatello.
- Access - Good for Tax 7 and Tax 9 from Highway 91 and poor for the access to the river bottom land consisting of 8.50 acres because of the need to cross the river to access much of this portion of the subject property.
- Rentability - Poor
- Market Appeal - Poor. Most attractive as an add on land parcel to adjoining land.

Easements and Encroachments: No easements or encroachments are reported or known to exist in the area or to have an effect on the property.

Hazards and Detriments: Potential for runoff flooding for the land site in Tax 7 and flooding of the 8.50 acres of river bottom land from high water overflow from the Portneuf River.
SUBJECT PROPERTY PHOTOGRAPHS

1 - Old House located on Tax No. 9 land adjacent to Highway 91.
2 - Well and Pump House located on Tax No. 9 land near the old House.
This area has the potential for flooding from runoff from Highway 91 and the area to the East which is located on an higher elevation than the subject land located in Tax No. 9. Well condition and availability for use is unknown.
SUBJECT PROPERTY PHOTOGRAPHS

1 - Access to Subject Property Tax No. 9 land from Highway 91. Old house is located in the background. The land is below road level in elevation and prone to runoff flooding from Highway 91 and the area to the East and South of the property.

2 - Southeast area of Tax No. 9 land with the private road access to the Wayne Taysom residence located in the background.
SUBJECT PROPERTY PHOTOGRAPHS

1 - View looking East at the 20 foot wide land strip of Tax No. 7 which dead ends at the Portneuf River requiring the need to cross the river without a bridge to access the West area of Tax No. 7 and the remaining subject property 8.50 acres.

2 - View of the subject property’s river bottom land consisting of 8.50 acres mol that is bisected by the Portneuf River with the need to cross the river without a bridge to access the land.
SUBJECT PROPERTY PHOTOGRAPHS
1 and 2 - View of the Portneuf River as it bisects through the river bottom land of the subject property located to the East of the Railroad tracks consisting of 8.50 acres mol according to County Assessor's land measurement.
SUBJECT PROPERTY PHOTOGRAPHS

1 and 2 - River bottom land consisting of 8.50 acres mol according to County Assessor’s land measurement. Note the overgrowth of willows, haws bushes, sage brush and noxious weeds that need controlling. The overgrowth limits the use of this area of the subject property to Wildlife habitat rather than pasture.
SUBJECT PROPERTY PHOTOGRAPHS

1 - River bottom land located to the East of the river that has pasture potential but also has a noxious weed problem.
PLAT MAP
SUBJECT PROPERTY PLAT SKETCH

Not to Scale - Visual Use Only.

HIGHWAY 41

TAX 9
OLD HOUSE

TAX 7
1.34 AC

20 FOOT
WIDE
LAND STRIP

TAYSONIC
PROPERTY

PORTNEUF RIVER

NO BRIDGE ACCESS TO CROSS THE RIVER

8.50 ACRES
EAST OF RAILROAD TRACKS
NO ROAD OR BRIDGE
ACCESS TO CROSS THE
RIVER

RAILROAD MAINLINE TRACKS

TOTAL:

TAX 7 - 1.34 ACRES
TAX 9 - 0.33 ACRES
RIVER - 8.50 ACRES
BOTTOM
TOTAL 10.17 ACRES MOL
LOCATION MAP
### SALES SUMMARY VALUE TABLE

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Buyer</th>
<th>Sale Date</th>
<th>Location</th>
<th>Dry Pasture Acre/Size</th>
<th>Abstracted Price/Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>Scott Land and Livestock, Inc</td>
<td>08/2013</td>
<td>Downey area Bannock County</td>
<td>Dry Grazing</td>
<td>$433</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.12 acres</td>
<td></td>
</tr>
<tr>
<td>Two</td>
<td>Udy</td>
<td>09/2012</td>
<td>Power County Rockland Valley</td>
<td>Creek Bottom Pasture 83.56 acres Dry Grazing 34.23 acres</td>
<td>$817</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>34.23 acres</td>
<td></td>
</tr>
<tr>
<td>Three</td>
<td>Arimo Corp</td>
<td>11/2011</td>
<td>Arimo area Bannock County</td>
<td>Dry Grazing</td>
<td>$565</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>79.74 acres</td>
<td></td>
</tr>
<tr>
<td>Four</td>
<td>Schaneveldt</td>
<td>09/2010</td>
<td>Soda Springs area of Caribou County</td>
<td>Dry Grazing</td>
<td>$550</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>239.00 acres</td>
<td></td>
</tr>
<tr>
<td>Five</td>
<td>Confidential</td>
<td>05/2010</td>
<td>Franklin area Franklin County</td>
<td>Dry Grazing</td>
<td>$700</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>425.00 acres</td>
<td></td>
</tr>
<tr>
<td>Six</td>
<td>Neil Anderson</td>
<td>03/2010</td>
<td>Lava Hot Springs Area Bannock County</td>
<td>Native Mountain Pasture - 1,248.00 acres</td>
<td>$582</td>
</tr>
<tr>
<td>Seven</td>
<td>Roxine Store</td>
<td>11/2009</td>
<td>Bone area of Bingham County</td>
<td>Dry Grazing - 1,920.00 acres</td>
<td>$781</td>
</tr>
<tr>
<td>Five</td>
<td>Hancock</td>
<td>07/2009</td>
<td>Daniels Area Oneida County</td>
<td>Native Mountain Pasture - 491.66 acres</td>
<td>$933</td>
</tr>
</tbody>
</table>

The comparable sales are the most recent sales transactions that I could find based on my market research. There are no sales directly comparable to the subject property with similar overall physical and general characteristics to include small acreage size, irregular shape, access problems to the river bottom land, flooding and runoff problems. The subject property is considered to be an add on land parcel to the adjoining Wayne Taysom property with the add on use as pasture or wildlife habitat. The preceding seven sales are considered to be the most comparable to the subject property for this valuation analysis. The sales consist of Dry Grazing Pasture land or a combination of land types to include Native Mountain Pasture land and Dry Grazing.

Dry grazing pasture lands do not readily sell in the market as they are not readily available for sale.
ASSUMPTIONS AND LIMITING CONDITIONS

The Appraiser’s certification appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth in the report.

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be marketable. The property is appraised as though under responsible management.

2. Sketches in the report may show approximate dimensions and are included only to assist the reader in visualizing the property. The Appraiser has made no survey of the property. Drawings and/or plats are not represented as an engineer’s work product, nor are they proved for legal reference.

3. The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made.

4. Any distribution of the valuation in the report applies only under the existing program of utilization. The separate valuations of components must not be used outside of this appraisal and are invalid if so used.

5. The Appraiser has, in the process of exercising due diligence, requested, reviewed and considered information provided by the ownership of the property and client, and the Appraiser has relied on such information and assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, for engineering which might be required to discover such factors, or the cost of discovery or correction.

6. While the Appraiser has inspected the subject property and has considered the information developed in the course of such inspection together with the information provided by the ownership and client, the Appraiser is not qualified to verify or detect the presence of hazardous substances by visual inspection or otherwise, nor qualified to determine the effect, if any, of known or unknown substances present. Unless otherwise stated, the final value conclusion is based on the subject property being free from hazardous waste contaminations, and it is specifically assumed that present and subsequent ownerships will exercise due diligence to insure that the property does not become otherwise contaminated.

7. Information, estimates, and opinions furnished to the Appraiser, and contained in this report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the Appraiser can be assumed by the Appraiser.

8. Unless specifically cited, no value has been allocated to mineral rights or deposits.
ASSUMPTIONS AND LIMITING CONDITIONS

9. Water requirements and information provided has been relied on and, unless otherwise stated, it is assumed that:

All water rights to the property have been secured or perfected, that there are no adverse easements or encumbrances, and the property complies with the Bureau of Reclamation or other regulations;
Irrigation and domestic water and drainage system components, including distribution equipment and piping, are real estate fixtures;
Any mobile surface piping or equipment essential for water distribution, recovery, or drainage is secured with the title to real estate; and
Title to all such property conveys with the land.

10. Disclosure of the contents of this report is governed by the applicable law and/or bylaws and regulations of the professional appraisal organization/s with which the Appraiser is affiliated.

11. Neither all nor any part of the report, or copy thereof, shall be used for any purposes by anyone but the client specified in the report without the written consent of the Appraiser. This report was prepared for the client’s use at the client’s sole discretion within the framework of the function stated in the report and its use for any other purpose is beyond the scope contemplated in the appraisal.

12. Where the appraisal conclusions are subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusions are contingent upon completion of the improvements in a workmanship manner consistent with the plans, specifications and/or scope of work relied upon in the appraisal.

13. No one provided significant professional assistance to the person/s signing this report.

14. Appraiser liability is limited to the fee charged for the report and professional services.

15. Acceptance of the report by the client constitutes acceptance of all assumptions and limiting conditions contained in the report.

16. Other Contingent and Limiting Conditions:

This report has been prepared for the Fee Simple Interest in the Subject Property. It is assumed that no restrictions, contracts, or covenants are in place that would alter the Fee Simple Interest of the property appraised in this report.

Prior to the acceptance of this appraisal assignment, I have performed no previous services pertaining to the subject property.
CERTIFICATION OF VALUE

I, Vernon L. Nelson, do hereby certify that except as otherwise noted in this Summary Appraisal Report:

I have personally inspected the Subject Property of this report.

I have no present or contemplated future interest in the Real Estate that is the Subject Property of this Summary Appraisal report.

I have no personal interest or biased with respect to the Subject Property of this Summary Appraisal Report or the parties involved.

My compensation is not contingent upon the reporting of a predetermined value or direction of value that favors the Client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

To the best of my knowledge and belief, the statements of fact contained in this Summary Appraisal report, upon which the analysis, opinions and conclusions expressed herein, are true and correct.

This Summary Appraisal report sets forth all of the limiting conditions imposed by the terms of this assignment or by the undersigned affecting the analysis, opinions and conclusions in this Summary Appraisal report.

My analysis, opinions and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.

I certify, that to the best of my knowledge and belief, the reported analysis, opinions and conclusions of this report were developed and this report has been prepared in conformity with the requirements of the Code of Ethics and the Standards of the Professional Appraisal Practice of the Appraisal Institute.

No one other, than I, Vernon L. Nelson, the undersigned prepared the analysis, opinions and conclusions concerning the Subject Property which are set forth in this Summary Appraisal report.

The reported analysis, opinions and conclusions are limited by the reported assumptions, limiting conditions and are my personal, unbiased professional analysis, opinions and conclusions.

Prior to accepting this Appraisal assignment, I have performed no Appraisal Services or other Services involving the subject property, in any capacity, in the three year period previous to the date of value in the appraisal.
CERTIFICATION OF VALUE

Unless otherwise disclosed in this report, I have not been engaged to appraise the subject property for the purpose of market value by any party except (the client), (my employer), as identified in this report.

Effective July 1, 1991, the State of Idaho implemented a voluntary program of licensing and certification for Real Estate Appraisers. The program became mandatory July 1, 1992. I have met the qualifications to be a General Real Estate Appraiser and I am currently certified in the State of Idaho. I am licensed to appraiser all types of Real Estate. To date, I have completed the requirements under the continuing education program for Real Estate Appraiser's in the State of Idaho. My Certification fore a General Real Estate Appraiser is under Certification No. CGA-143, which expires 01/09/2015.

Based on the data, factors and assumptions contained in this report, it is my opinion that the Subject Property had the following estimated Market Value "As Is" of the Fee Simple Interest as of August 21, 2014:

SIX THOUSAND SIX HUNDRED DOLLARS

*** $6,600 ***

Vernon L. Nelson, Idaho
Farm and Land Services
Idaho CGA-143
Expires 01/09/2015

9/15/2014

Date
IDAHO STATE UNIVERSITY

SUBJECT
Approval of the Ground Lease between Idaho State University and the Idaho College of Osteopathic Medicine.

REFERENCE
April 2007 Idaho State Board of Education (Board) approved purchase of ISU-Meridian property and joint operations agreement with Joint SD #2 (Meridian)
February 25, 2016 Board authorized ISU to execute a Collaborative Affiliation Agreement

APPLICABLE STATUTES, RULE OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.I. 5.b.i.

BACKGROUND / DISCUSSION
On February 25, 2016, in a special meeting of the Board, Idaho State University (ISU) was authorized to execute the Collaborative Affiliation Agreement between ISU and the Idaho College of Osteopathic Medicine (ICOM) for the creation of a college of osteopathic medicine on the ISU-Meridian campus. The Collaborative Affiliation Agreement provides for the execution of a lease between the parties for an initial period of forty (40) years, with the opportunity to extend the lease for two (2) additional (10) year periods.

Under the terms of the proposed Ground Lease Agreement between ISU and Idaho College of Osteopathic Medicine, LLC, ISU would lease 2.8 acres to ICOM as the site for the construction of a building to house the proposed osteopathic school.

The Collaborative Affiliation Agreement also requires that the parties abide by the terms of the Master Declaration Agreement and Joint Operations and Maintenance Agreement that ISU entered into with the West Ada School District (School District) on December 4, 2007. ISU has notified the School District of its intent to lease, and has requested written consent for the Ground Lease. Both ISU and the School District will have the opportunity to review and approve the ICOM site development plan once it is available.

IMPACT
As detailed in Section 4 of the Ground Lease, ICOM will pay ISU $15,833.33 each month for the first year of rent, which is an annual amount of $190,000.00, computed at $0.79 per square feet. The rent amount is based upon an appraisal
performed by Valbridge Property Advisors on April 14, 2016. Each year the rent shall increase by two percent (2%) of the rent payable for the previous year.

ATTACHMENTS
Attachment 1 – Ground Lease Page 3
Exhibit A – ISU Meridian Description Page 34
Exhibit B – Collaborative Affiliation Agreement Page 35
  Exhibit A – Legal Description of Sch Dist Property Page 71
  Exhibit B – Legal Description of ISU Property Page 75
  Exhibit C – Parking Lot, Storage and Electrical Rooms Page 80
There is no Exhibit D
  Exhibit E – Jt. Op and Maintenance Agreement Page 84
Exhibit D – Leased Premises Page 118
Exhibit E – COM Accreditation Standards and Procedures Page 119
Exhibit F – Site Development Plans (to be attached) Page 208
Exhibit G – Memorandum of Ground Lease for Record Page 209
Attachment 2 – Letter from ISU to West Ada School District Page 210
Attachment 3 – Appraisal of Proposed Lease Property Page 213

STAFF COMMENTS AND RECOMMENDATIONS
Lease of the subject property (currently used as parking space) will enable ICOM to construct its medical school facility in close proximity to ISU’s Meridian facilities and will enable collaboration and mutual support between ISU-Meridian and ICOM operations, with no anticipated negative impact on West Ada School District operations. Staff recommends approval.

BOARD ACTION
I move to authorize Idaho State University to enter into a Ground Lease Agreement with the Idaho College of Osteopathic Medicine, LLC in substantial conformance to the draft lease agreement provided in Attachment 1, and in coordination with the West Ada School District and the Idaho Division of Public Works.

Moved by____________ Seconded by____________ Carried Yes____ No____
GROUND LEASE

This GROUND LEASE ("Ground Lease") is made as of the ____ day of ____________ 2016 ("Effective Date"), by and between Idaho State University ("ISU"), a state institution of higher education governed by the Idaho State Board of Education, and Idaho College of Osteopathic Medicine, LLC, an Idaho limited liability company ("LESSEE") (each a "Party" or together the "Parties"). The Parties specifically agree and acknowledge that the approval signature of the Leasing Manager, Division of Public Works, Department of Administration, is a required signature to the effectiveness of this Ground Lease.

WITNESSETH:

WHEREAS, ISU owns that certain real property located at the ISU-Meridian Health Science Center, 1311 E. Central Drive, Meridian, ID 83642, and is more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "ISU-Meridian");

WHEREAS, LESSEE is a private company created by its organizers for (i) the purpose of creating and operating a private accredited college of osteopathic medicine in the State of Idaho and/or (ii) other purposes as set forth in Section 5.a. of this Ground Lease;

WHEREAS, the Parties entered into a Collaborative Affiliation Agreement ("CAA") on February 26, 2016 and an executed copy of such agreement is attached hereto as Exhibit B and incorporated herein by reference;

WHEREAS, it is agreed that this Ground Lease is subject to all applicable provisions of the Master Declaration Agreement and the Joint Operations and Maintenance Agreement dated December 4, 2007 (the "Declaration"), by and between ISU and the Joint School District No. 2 (now known as West Ada School District) and an executed copy of such agreement is attached hereto as Exhibit C and incorporated herein by reference.

WHEREAS, LESSEE and ISU have determined that LESSEE shall locate its college of osteopathic medicine on a parcel of land located at ISU-Meridian;

NOW, THEREFORE, ISU and LESSEE do hereby agree as follows:

1. Definitions. The following terms, as used in this Ground Lease, shall have the meanings hereinafter set forth:
   a. "Common Area" shall have the meaning ascribed to such term in the Declaration.
   b. "Construction Documents" shall mean those certain contract documents, written plans, and specifications prepared by or on behalf of LESSEE and
reasonably approved for construction by applicable local governing jurisdictions, the State of Idaho, if applicable, and ISU.

c. **“Hazardous Substance”** shall mean any substance which is toxic, ignitable, reactive, radioactive, or corrosive and which is regulated by any local government, the State of Idaho, or the United States government. Hazardous Substance includes any and all materials or substances which are defined as hazardous waste, extremely hazardous waste, or a hazardous substance pursuant to state, federal, or local government law. Hazardous Substance includes, but is not restricted to asbestos, polychlorobiphenyls (PCBs), and petroleum.

d. **“Lessee Building”** shall mean that certain building and related alterations, additions, and improvements which are to be constructed on the Leased Premises pursuant to the Construction Documents.

e. **“Lease Year”** shall mean the twelve (12) month period beginning with the Lease Commencement Date (as defined in Section 4) and ending on the date that is twelve (12) months later, then each successive twelve (12) month period.

f. **“Effective Land Area”** shall mean an Effective Land Area calculation of 5.55 acres. This area is based on a proportional ratio of the assumed building size of the Lessee Building to the land area of the overall Parcel. This Effective Land Area calculation is larger than the actual Leased Premises to account for the proportional inclusion of Common Area non-exclusive ingress, egress and utility easements and Common Area non-exclusive easements for shared parking in accordance with all applicable provisions of the Declaration.

g. **“Leased Premises”** shall mean that certain 2.80 acre area, identified and described in Exhibit D attached hereto, as the designated area for location of the Lessee Building and related improvements. The construction of the Lessee Building and related improvements must be confined to the Leased Premises boundary, subject to designated building set-backs and the recorded easements and restrictions set forth in the Commitment (as defined in Section 8.b.) that apply to the Overall Parcel and Leased Premises. Any disturbance of site improvements existing outside of the Leased Premises that are deemed necessary for utility extensions or pavement match, must receive written approval of either or both ISU and the West Ada School District, as required under the Declaration, which approval shall not be unreasonably withheld, conditioned or delayed, as any such construction work may be required to occur within their respective separate property boundaries. ISU represents and warrants that ISU, through the State of Idaho, owns fee title to the Leased Premises.

h. **“Unavoidable Delay”** shall mean all failures or delays in a Party’s performance of its obligations hereunder, not within such Party’s reasonable control, including without limitation, the impossibility of such performance which shall result from
or be caused by any act of God; acts of the public enemy; wars; blockades; epidemics; earthquakes; storms; floods; explosions; strikes; labor disputes; riots; insurrections; breakage or accident to machines or lines or pipe or mains; act of any governmental agency or authority restricting or curtailing actions required under this Ground Lease or withholding or revoking necessary consents, approvals, permits, or licenses; equipment failures; inability to procure and obtain needed building materials so long as reasonable efforts are made to procure satisfactory substitute materials if practical; or delays of inclement weather; provided, that such Party shall pursue with reasonable diligence the avoidance or removal of such delay. The inability or refusal of a Party to settle any labor dispute shall not qualify or limit the effect of Unavoidable Delay. The inability of a Party to secure funds required to perform its obligations hereunder shall not constitute Unavoidable Delay.

2. **Term.** This Ground Lease shall commence on the Lease Commencement Date and shall remain in effect until the earlier of (i) the date that is forty (40) years after the Lease Commencement Date, (ii) the termination of this Ground Lease pursuant to Section 35; or (iii) the written agreement of the Parties (the “Expiration Date”), provided, however, that the Parties acknowledge and agree that LESSEE shall have the right to renew the term of this Ground Lease in accordance with the terms of Section 3 below. Notwithstanding the foregoing and subject to the terms and conditions of this Ground Lease, including, without limitation, Sections 8, 35, and 45 of this Ground Lease, in no event shall this Ground Lease be terminated without a party providing at least five (5) years advance written notice to the other party of such party’s election to terminate this Ground Lease.

3. **Option to Renew.** The parties understand and agree that this Ground Lease, if still in effect at the Expiration Date, may be renewed by LESSEE, provided LESSEE is not at that time in breach of the CAA or this Ground Lease, for two (2) additional ten (10) year terms. The right to renew this Ground Lease shall be exercised by written notice of extension by LESSEE to ISU, no later than sixty (60) days prior to the expiration of the then-existing term.

4. **Rent Payment.** In consideration of the benefit conferred upon LESSEE under this Ground Lease, and without notice or demand, offset or deduction, except as expressly provided for in this Ground Lease, LESSEE shall make payable to ISU-Meridian, on the first day of each month, beginning on the date excavation of the Lessee Building commences, but, subject to Unavoidable Delay, no later than the 1st day of March, 2017 (“Lease Commencement Date”), $15,833.33, which is computed at the rate of $0.79 per square foot multiplied by the Effective Land Area (“Base Land Payment”), which is a yearly amount of $190,000.00. Notwithstanding the foregoing, in the event that LESSEE, despite its diligent efforts, has failed to obtain accreditation from COCA or any other applicable licensing authority on or prior to the date that is ten (10) business days prior to the Lease Commencement Date, the Lease Commencement Date shall be extended to the date that
is ten (10) business days following the date that LESSEE obtains such accreditation. The Base Land Payment shall be adjusted at the beginning of each Lease Year by two percent (2%) of the Base Land Payment for the immediately preceding Lease Year. This Ground Lease shall be absolute net, and LESSEE shall pay or reimburse all operating expenses including property taxes, insurance, common maintenance/repairs/replacement, and management.

5. **Use.** The Parties intend for LESSEE to construct the Lessee Building on the Leased Premises for the purpose of constructing, operating and maintaining a college of osteopathic medicine (the “**Permitted Use**”). Except as set forth in this Ground Lease, no material changes, modifications, or alterations can be made to the use of the Lessee Building unless it is done in writing and signed by the proper authority of each Party. If LESSEE abandons the Lessee Building and ceases making the Base Land Payment and such failure continues for ninety (90) days after written notice from ISU to LESSEE, it shall be an event of default and shall be grounds for termination of this Ground Lease.

   a. At all times during the term of this Ground Lease, LESSEE shall continuously (except for temporary closures due to casualty, condemnation or remodeling) use the Lessee Building in order to provide services and amenities to its students, faculty, and staff. LESSEE may use the Lessee Building for other uses if such uses are approved by ISU, which approval shall not be unreasonably withheld or delayed and are not inconsistent with applicable Laws and zoning uses, as well as the terms of the Declaration and the teaching, research, service, or economic development mission of ISU.

   b. Subject to the rights and obligations of ISU hereunder, the operation of the Lessee Building, including allowing the use by others, will be the sole responsibility of LESSEE. The use and occupation of the Leased Premises and Lessee Building shall at all times during the term of this Ground Lease, be conducted in compliance with federal, state, and local laws, ordinances, and regulations (collectively, “**Laws**”). In the event that LESSEE receives written notice that LESSEE is not in compliance with any applicable Laws, LESSEE shall have thirty (30) days to cure such non-compliance, provided, however, if such non-compliance cannot reasonably be cured within such thirty (30) day period, LESSEE shall have the time necessary to reasonably cure the same) and if LESSEE fails to cure such non-compliance within such time frame, such non-compliance shall be deemed an event of default and shall be grounds for termination of this Ground Lease. Notwithstanding the foregoing, in no event shall LESSEE be responsible for any non-compliance with Laws arising out of the acts or omissions of ISU, its agent, employees, contractors and representatives.

   c. The CAA includes agreements and legal obligations that include the fiscal, fiduciary, and marketing relationship agreed upon by LESSEE and ISU; the rights retained by LESSEE; the rights retained by ISU; the branding issues; specification
of the services being provided by each entity to the other; specification that LESSEE is the final authority on the curriculum for LESSEE and the requirements for granting any degrees of students by LESSEE; the term of the CAA; a statement on how the CAA may be amended; a statement on how either party may withdraw from the CAA; and a statement of severability. In addition, LESSEE has the final authority on the selection of LESSEE students. LESSEE has the final authority on selection of faculty members. All agreements between ISU and LESSEE, including the CAA as well as this Ground Lease represent the legal relationship between ISU and LESSEE. Furthermore, LESSEE is solely responsible for meeting the American Osteopathic Association, Commission on Osteopathic College Accreditation (COCA) standards. ISU, if requested reasonably by COCA to provide documentation concerning ISU’s finances and accreditation status, will transmit such documentation to COCA. LESSEE will have the sole responsibility to verify that LESSEE students are aware of financial responsibility and student rights with regard to Title IV and will also be solely responsible to verify that LESSEE students are aware that financial aid is not processed through ISU and they are not eligible to participate in Title IV through ISU.

The term of this Ground Lease is over ten (10) years in length with at least five (5) years’ notice of termination required prior to a party having the right to terminate this Ground Lease, except in an event of LESSEE’s default and except for any express termination rights set forth in this Ground Lease. Notwithstanding the foregoing, LESSEE is required to give a minimum period of three (3) years for cancellation of any services affecting LESSEE students. Upon notice of termination of this Ground Lease, a teach-out plan must be submitted to the COCA by LESSEE or LESSEE must be able to immediately demonstrate a new location or lease to be approved by the COCA. Discontinuance of operations (except for any temporary closures due to casualty, condemnation or remodeling) and LESSEE’s failure to commence operations following sixty (60) days written notice from ISU shall be an event of default and shall be grounds for termination of this Ground Lease.

d. LESSEE shall not provide or offer, directly, or through third parties, any new facilities, programs, or services, including but not limited to anatomy and physiology laboratories, without prior written approval from ISU, that would duplicate, infringe, or compete with current or planned health science academic or health science research programs and/or impact ISU’s strategic planning for expansion of new, allied, or existing health science programs; provided, however, in no event shall this Section 5.d. limit or impact LESSEE’s right to operate for the Permitted Use. Upon mutual, written agreement by the parties, LESSEE will have access to ISU facilities and services, such as the anatomy and physiology laboratories, necessary for its medical education.

6. Accreditation and State Law Authorization. LESSEE understands and acknowledges that
accreditation by the COCA is critical to the viability of this Ground Lease.

a. No building materials can be delivered to the Leased Premises and no
construction or ground work can commence on the Leased Premises prior to a
grant of pre-accreditation by the COCA. During the time of operation of the
college of osteopathic medicine, LESSEE shall maintain its accreditation, as
required, as a college of osteopathic medicine by the COCA (or any successor
entity), and LESSEE shall comply with any applicable Laws for authorization to
operate a college of osteopathic medicine in the State of Idaho. LESSEE shall
notify ISU within thirty (30) days of receipt of any written notice or
communications that shall materially and adversely affect its accreditation or
reaccreditation or authorization to operate a college of osteopathic medicine.
Subject to LESSEE’s right to change its use in accordance with the terms of
Section 5.a. of this Ground Lease, LESSEE’s failure to maintain accreditation
and/or authorization to operate a college of osteopathic medicine following
any applicable notice and cure periods provided for under applicable Laws
and/or set forth in this Ground Lease shall be an event of default and shall be
grounds for termination of this Ground Lease.

7. Project Escrow. LESSEE must maintain escrow and operating reserves as required by
COCA and as more particularly set forth on Exhibit E attached hereto. The failure to
maintain such an escrow account following any applicable notice and cure periods
provided for under applicable Laws and/or set forth in this Ground Lease shall be an
event of default and shall be grounds for termination of this Ground Lease. LESSEE shall
provide proof of such escrow to ISU listing the institution holding said funds and the
amount of the escrow within thirty (30) days of creation of said escrow.

8. Due Diligence. LESSEE’s obligations under this Ground Lease are contingent upon LESSEE
either satisfying or waiving the conditions and contingencies hereinafter set forth
(collectively, “LESSEE’s Conditions”) within the respective periods specified below. LESSEE
shall diligently and in good faith pursue the satisfaction of LESSEE’s Conditions. LESSEE’s
Conditions are as follows:

a. Within sixty (60) days after the Effective Date (the “Inspection Period”),
LESSEE may, at LESSEE’s sole cost and expense, inspect the Leased Premises
and conduct any title examinations, investigations, engineering and
environmental tests of the Leased Premises, as LESSEE deems necessary or
advisable in connection with the leasing of the Leased Premises. LESSEE shall
have the right, upon prior written notice to ISU given prior to the expiration of
the Inspection Period, to either (a) terminate this Ground Lease, or (b) extend
the Inspection Period for up to one (1) consecutive period of thirty (30) days. If
LESSEE determines, in LESSEE’s sole discretion, that the Leased Premises is not
suitable for the purposes set forth in this Ground Lease, LESSEE shall have the right to terminate this Ground Lease by written notice to ISU given on or before the end of the Inspection Period, as the same may be extended, in which case this Lease shall be terminated and of no further force and effect and neither Party shall have any further rights, duties or obligations hereunder.

b. LESSEE shall have the right, during the Inspection Period, to obtain, at LESSEE’s sole cost and expense, a commitment for title insurance (“Commitment”) from a title company acceptable to LESSEE covering LESSEE’s leasehold estate in an amount to be determined by LESSEE. together with copies of all liens, encumbrances and other matters affecting ISU’s title to the Land (“Title Documents”). Further, LESSEE shall have the right during the Inspection Period to obtain at LESSEE’s sole cost and expense, a survey of the Leased Premises in a form acceptable to LESSEE. If LESSEE determines, in LESSEE’s sole discretion, following LESSEE’s review of the Survey and the Commitment, that the Leased Premises is not suitable for the purposes of this Ground Lease, LESSEE shall have the right to terminate this Ground Lease by written notice to ISU given on or before the end of the Inspection Period, as the same may be extended, in which case this Lease shall be terminated and of no further force and effect and neither party shall have any further rights, duties or obligations hereunder.

9. **Condition of Land and Easements.**
   a. ISU shall provide to LESSEE all reports, investigations, documents and data in ISU’s possession or control regarding the soil, subsoil or environmental condition on ISU-Meridian. Except as expressly set forth herein, ISU makes no covenants or warranties respecting the condition of the soil or subsoil, any environmental condition or presence of cultural resources, or any other condition of the Leased Premises. All such tests shall be at LESSEE’s expense. All costs necessary or required to make the Leased Premises suitable for development and any costs or expenses necessary to replace or repair any improvement due to the condition of the Leased Premises shall be at the sole cost of LESSEE. Notwithstanding anything to the contrary set forth in this Section 9, ISU represents and warrants to LESSEE, that as of the Effective Date, ISU has not received any written notice from a governmental agency of any uncured violations of any Laws (including environmental laws) affecting the ISU-Meridian and/or the Leased Premises, (ii) to ISU’s actual knowledge (as defined below), no Hazardous Substances are stored by ISU on, in or under the ISU-Meridian and/or the Leased Premises in quantities which violate environmental laws, (iii) to ISU’s actual knowledge, the ISU-Meridian and/or the Leased Premises is not used by ISU for the storage, treatment, generation
or manufacture of any Hazardous Substances in a manner which would constitute a violation of applicable environmental laws, and (iv) to ISU’s actual knowledge, the Premises do not contain Hazardous Substances which would constitute a violation of applicable environmental laws.

b. LESSEE may enter ISU-Meridian and the Leased Premises before the Lease Commencement Date to make soil and structural engineering tests which shall be at LESSEE’s sole expense.

c. ISU, to the extent permitted by applicable Laws as grantor and in compliance with the Declaration, hereby grants to LESSEE, its respective contractors, employees, agents, licensees, and invitees, and the contractors, employees, agents, licensees, and invitees of such LESSEEs, for the benefit of the real property leased by LESSEE, as grantee, a nonexclusive easement for ingress and egress by vehicular and pedestrian traffic and vehicular parking upon, over, and across portions of the Common Area located within the Effective Land Area in accordance with all applicable provisions of the Declaration and subject to the additional limitations as described in Section 9.d.

d. At no time during the design, construction or operations of the Lessee Building and related site improvements, nor subsequent to the completion of such construction shall the LESSEE’s operations cause any material restricted use or encumbered access to Common Areas within the Leased Premises nor within the Effective Land Area of the property owned by either ISU or the West Ada School District. Construction fencing, staging and construction operations must be confined to the area within the perimeter boundary of the Effective Land Area, as shown in Exhibit D or be conducted off the Effective Land Area.

e. ISU’s future design, construction or operations of planned expansion and related site improvements, shall not cause any restricted use or encumbered access to Common Areas within the LESSEE’s Leased Premises.

f. Subject to the restrictions and requirements affecting the Common Areas, at LESSEE’s request or as may be reasonably required, ISU shall grant to public entities or public service corporations, for the purpose of serving the Leased Premises, rights-of-way or easements on or over ISU-Meridian, the Leased Premises, and adjacent property owned by ISU for telephone, electricity, water, sanitary or storm sewers or both, and for other utilities and municipal or special district services. Grants made under the authority of this provision shall be consistent with existing and necessary services. ISU shall have the right to deny any requested easements that materially and adversely interfere with the development of other ISU property, provided, however, that ISU must provide alternative easement for the benefit of LESSEE.

10. Bonds. Before commencing the initial construction of the Lessee Building and before commencing any alteration, addition, or improvement where the estimated cost of such
alteration, addition or improvement shall be one hundred fifty thousand ($150,000) or more, defined as a “Material Alteration”, LESSEE shall require all contractors to provide eighty-five (85%) payment and performance bonds in accordance with Title 54, Chapter 19, Idaho Code. All surety company bonds shall guarantee the completion of the construction in accordance with Construction Documents approved by LESSEE and ISU, and guarantee the payment of the cost of such construction. The bond must be in a form reasonably acceptable to the ISU and issued by a surety licensed to conduct business in Idaho. If the State accepts a performance and/or payment bond that is obtained by a construction contractor or other entity different from the LESSEE, and that bond(s) does not name the State in a way to allow the State to demand surety performance under the bond(s), then LESSEE shall reasonably cooperate with the State to the fullest extent possible to obtain the complete protection for the project that the bond(s) is intended to provide.

11. Insurance During Initial Construction. Prior to the initial construction of the Lessee Building, and prior to any Material Alteration of the Lessee Building on the Leased Premises:
   a. LESSEE shall cause to be maintained with responsible insurers, at LESSEE’s expense, builder’s risk insurance (fire with extended coverage and vandalism endorsement) in an amount not less than one hundred percent (100%) of the anticipated value of the Lessee Building as completed;
   b. LESSEE or any contractor or contractors employed by LESSEE or any other person who will perform work on or install the equipment in the Lessee Building shall be fully covered by worker’s compensation insurance as required under the Idaho Worker’s Compensation Act, and all certificates of worker’s compensation insurance shall be furnished to LESSEE and ISU before commencement of any construction;
   c. LESSEE or any contractor or contractors employed by LESSEE or any other person who will perform work on or install the equipment in the Lessee Building shall be covered by liability coverage with minimum limits of one million dollars ($1,000,000) per occurrence, and two million dollars aggregate with an additional insured endorsement in favor of ISU and the State of Idaho.
   d. By requiring insurance herein, ISU does not represent that coverages and limits will necessarily be adequate to protect LESSEE or any contractor or contractors employed by LESSEE. Such coverage and limits shall not be deemed as a limitation on the LESSEE’S liabilities under any of the indemnities granted in the Ground Lease.

12. Construction and Completion of Work.
   a. Prior to ISU’s approval of the Plans, LESSEE shall, at no material cost or expense to LESSEE, reasonably include ISU in its design process, from preliminary concepts through the final design of the Plans.
b. LESSEE, coincidental with its submittal to Meridian City, shall submit to ISU for ISU’s approval, which approval shall not be unreasonably withheld, conditioned or delayed, all Construction Documents and a complete set of construction plans and specifications for the Lessee Building and all material improvements, including material supplements and changes thereto (collectively, the “Plans”) prepared by a licensed architect or engineer, which plans and specifications may include, copies of preliminary grading and drainage plans; soil test reports; descriptions of utilities, sewer and service connections; locations of ingress and egress to and from public thoroughfares; curbs; gutters; parkways, street lighting, designs and locations for outdoor signs; storage areas; building plans, elevations, and renderings; landscaping plans; parking stalls; and the architect’s estimate of the costs of construction, all reasonably sufficient to enable ISU to make an informed judgment about the nature, design, and quality of the proposed Lessee Building and improvements. ISU shall have a period of thirty (30) days after submission of the Plans, together with a written statement of LESSEE that it deems the same complete and requests approval thereof, to advise LESSEE in writing of its approval, disapproval, or request for supplementation, amendment, or clarification of said Plans. ISU shall have the right to disapprove the Plans. Further, in the event that LESSEE materially changes or supplements the Plans, LESSEE shall provide written notice of such material change to ISU and ISU shall have five (5) business days to advise LESSEE in writing of its approval or disapproval of said modification. Two (2) hard copies and two (2) electronic copies of the Plans shall be submitted to ISU within seven (7) months of execution of this Ground Lease. One copy shall be attached hereto as Exhibit F. Failure of ISU to respond to LESSEE regarding (i) the Plans within thirty (30) days shall be deemed ISU’s approval of the Plans and (ii) any material modification to the Plans within five (5) business days shall be deemed ISU’s approval of such modification.

c. Fire lane extensions for Fire Department access, ADA accessible parking stalls, drop off areas, and screened trash enclosures must be provided within the Effective Land Area to serve the Lessee Building and be in compliance with applicable Laws.

d. Accessible pedestrian connectivity between the Lessee Building and the ISU campus must be included in the building and site design. The accessible pedestrian walkway must locate within the existing landscape parkway along the southern boundary of the Leased Premises so that no part of the current Common Area ingress/egress or Common Area parking are used for the proposed accessible pedestrian route.

e. LESSEE shall provide ISU with written notification of its intention to commence development of the Lessee Building at least ten (10) business days
before commencement of any such work to the Leased Premises or delivery of any materials to the designated staging area.

f. LESSEE shall furnish ISU with a true copy of LESSEE’s executed contract with the general contractor, who is appropriately licensed in the State of Idaho with any confidential or proprietary information redacted. The construction contract shall give ISU the right, but not the obligation, to assume LESSEE’s obligations and rights under the contract if LESSEE should be in default past any applicable notice and cure periods therein, and such default is not waived by the contractor or otherwise cured within the applicable time frame set forth in such construction contract. The contract shall also require the general contractor to copy ISU upon any notification of LESSEE’s default past any applicable notice and cure periods.

g. LESSEE shall furnish ISU with a list of all major subcontractors who will be involved in the construction of the Lessee Building.

h. ISU hereby grants to LESSEE a right to enter upon ISU-Meridian and to construct, at its own cost and expense, the Lessee Building as described in the Construction Documents. In addition to constructing the Lessee Building, LESSEE shall, at its own cost and expense, ensure that all other improvements, including parking areas, common lighting, and landscaping built by or on behalf of LESSEE on the Leased Premises, are in accordance with applicable Laws affecting the Leased Premises.

i. LESSEE shall comply with, and shall cause its contractors and subcontractors to comply with, all applicable Laws, including, without limitation, those Laws pertaining to licensing and permitting, public works, building construction, building codes, employment, and conditions and hours of employment.

j. All construction shall comply with the Declaration regarding staging areas, construction parking, and plans to ensure the safety of all faculty, staff, and students of ISU and the school district. Construction shall not materially and adversely interfere with the on-going business of ISU and the school district.

k. All defects, deficiencies, errors, and omissions associated with the construction, reconstruction, or repair of the Lessee Building rests solely upon LESSEE to the extent the same are not caused by the acts or omissions of ISU, its employees, contractors, agents, representatives or invitees, and all costs to correct the same shall be paid by LESSEE.

l. Once the work has begun, LESSEE shall, with reasonable diligence, prosecute to completion all construction of the Lessee Building, subject to conditions of Unavoidable Delay.

m. LESSEE shall provide to ISU a schedule of all on-site testing and inspections, including independent testing firms and government agencies (e.g., soil compacting, concrete tests, etc.). LESSEE shall provide to ISU, within fifteen (15) business days of its receipt thereof, copies of the results of all said
testings and inspections. LESSSEE shall notify ISU of any significant deviations from the schedule. In the event of any finding by ISU that construction materials or workmanship are not in substantial accordance with the Plans, LESSSEE shall immediately cease such unauthorized work and repair or replace such items.

n. If LESSSEE shall not have completed the construction of the Lessee Building on the Leased Premises by the date that is thirty-six (36) months following the Effective Date (as the same may be extended by any Unavoidable Delay, the “Date of Completion”) in accordance with the Construction Documents, unless caused by Unavoidable Delay, ISU has the option to, at its sole discretion and as its sole and exclusive remedy, with ten (10) days written notice, terminate this Ground Lease.

o. If construction is not completed because of Unavoidable Delay or because LESSSEE has not obtained accreditation from COCA, the Parties shall work together to amend this Ground Lease, in writing, with a new Date of Completion.

p. During the term of this Ground Lease, LESSSEE may, but shall not be obligated to, construct additions or make alterations to the Leased Premises. Notice of any Material Alterations shall be provided to ISU at least ninety (90) days prior to any solicitation of bids for construction of the Material Alteration. All Material Alterations shall be made in accordance with the terms of this Ground Lease and the applicable provisions of the Declaration and all costs shall be paid by LESSSEE. No Material Alteration shall materially and adversely impair the ability of ISU to further develop ISU-Meridian. ISU may, at its reasonable discretion, disapprove any such Material Alteration. LESSSEE shall have the right to make Minor Alterations to the Leased Premises and the Lessee Building in accordance with the applicable provisions of the Declaration without the prior written consent of ISU. “Minor Alterations” means any alterations, improvements or additions constructed by or on behalf of LESSSEE that are not a Material Alteration.

q. During the term of this Ground Lease, LESSSEE shall maintain and keep current accurate “as-built” drawings, which may include hand-drawn modifications to existing drawings.

r. Fee title to the Lessee Building, together with all additions, alterations, and improvements thereto, constructed on the Leased Premises, even though a part of the realty, shall be and remain in LESSSEE name during the term of this Ground Lease.

s. LESSSEE shall not purchase any property surrounding ISU-Meridian that would limit the future growth of ISU-Meridian unless the Parties agree to such purchase in writing that is signed by the proper authority of each Party.

t. LESSSEE shall defend, indemnify, and hold ISU and the State of Idaho harmless
from any and all liability, claims, damages, expenses (including reasonable attorney’s fees and costs), liens, claims of lien, judgments, proceedings, and causes of action, arising out of or in any way connected with the construction of the Lessee Building, unless caused by the negligent or willful act or omission of ISU, its agents, contractors, or employees.

u. To the extent allowed by law, ISU shall defend, indemnify, and hold LESSEE harmless from any and all liability, claims, damages, expenses (including reasonable attorney’s fees and costs), liens, claims of lien, judgments, proceedings, and causes of action, arising out of or in any way connected with (i) ISU’s breach of its obligations under the Declaration and/or this Ground Lease and/or (ii) the acts and omissions of ISU, its agents, contractors or employees, unless caused by the negligent or willful act or omission of LESSEE, its agents, contractors, or employees.

13. LESSEE’s Insurance After Initial Construction. After the Lessee Building has been constructed and written notice of substantial completion is delivered to LESSEE and ISU, LESSEE shall, during the term of this Ground Lease and the subsequent renewal terms of this Ground Lease, if any, maintain through a responsible insurer(s) licensed to do business in Idaho, at LESSEE’s sole expense, the following insurance coverages:

a. Fire and extended coverage insurance in an amount equal to at least one hundred percent (100%) of the full replacement cost of the Lessee Building;

b. Worker’s compensation insurance for all employees and staff of LESSEE, insuring against claims under the Idaho Worker’s Compensation Act; and

c. Premises liability coverage in an amount of one million dollars ($1,000,000) per occurrence, two million aggregate with an additional insured endorsement in favor of ISU and the State of Idaho.

d. The insurance policies shall not be subject to cancellation except upon at least thirty (30) days’ prior written notice to ISU. If LESSEE fails to comply with any insurance requirements set forth in this Ground Lease, ISU may obtain insurance and keep it in effect, and upon demand, LESSEE shall pay ISU its actual, out of pocket cost of procuring such insurance.

e. By requiring insurance herein, ISU does not represent that coverages and limits will necessarily be adequate to protect LESSEE. Such coverage and limits shall not be deemed as a limitation on the LESSEE’S liabilities under any of the indemnities granted in the Ground Lease.

14. Repairs/Maintenance/Security. Except for any maintenance or repair obligations of ISU under the Declaration, LESSEE shall have sole responsibility to maintain or caused to be maintained the Lessee Building and all improvements within the Leased Premises in good and clean condition and repair, ordinary wear and tear excepted, said maintenance to include, without limitation, the following:
a. Maintaining all exterior site improvements, including fences and gates;
b. Maintaining, repairing, resurfacing, and restriping, when reasonably necessary, in accordance with the Declaration, all paved surfaces in a level, smooth, and evenly covered condition with the type of surfacing material originally installed or such substitute as shall in all material respects be equal or superior in quality, use, and durability;
c. Maintaining, repairing, and replacing general building structure and related equipment (interior and exterior), including tuck-pointing, painting and caulking as reasonably needed, as determined by LESSEE;
d. Removing substantially all snow, papers, debris, filth, and refuse, and reasonably sweeping the area to the extent reasonably necessary to keep the area in a clean and orderly condition;
e. Operating, maintaining, repairing, and replacing, when necessary, as reasonably determined by LESSEE, the heating, cooling, and air handling systems and related equipment, including filter replacement, routine service, and monitoring air quality and comfort standards;
f. Operating, maintaining, repairing, and replacing, when necessary, as reasonably determined by LESSEE, electrical systems and related equipment;
g. Sewer and plumbing systems and related equipment shall be maintained in a safe, sanitary, and functional condition. Stacks, vents, and lines shall be kept substantially free from obstructions, leaks, and defects. The water supply shall be maintained substantially free from contamination;
h. Operating, maintaining, repairing, and replacing, when necessary, as reasonably determined by LESSEE, the roof, flashing, gutters, and drains.
i. Operating, maintaining, repairing, and replacing, when necessary, such exterior lighting facilities as shall be reasonably required, as reasonably determined by LESSEE, plus seasonal adjustment of timers. Exterior lighting shall include landscaped areas, parking areas, building exterior lights, walkways, and delivery areas;
j. Maintaining, repairing, and replacing, when necessary, as reasonably determined by LESSEE, all directional signs, markers, and lines;
k. Operating, maintaining, repairing, and replacing, when necessary, as reasonably determined by LESSEE, fire sprinkler system, including fire extinguishers and smoke detectors;
l. Maintaining all landscaped areas, and maintaining, repairing, and replacing, when necessary, as reasonably determined by LESSEE, automatic sprinkler systems and water lines; and replacing shrubs and other landscaping as necessary, as reasonably determined by LESSEE;
m. All maintenance and service of equipment shall be performed by a licensed firm. LESSEE shall use commercially reasonable efforts to endeavor that all maintenance and service providers shall comply with OSHA requirements,
including wearing of protective clothing and following MSDS procedures.

n. The LESSEE shall provide re-certification of life safety equipment including, without limitation, the building fire detection and fire suppression systems in accordance with applicable Laws. Additionally the LESSEE shall have elevators inspected by a licensed provider as required by applicable Laws. If requested by ISU, copies of each re-certification shall be provided to the ISU within thirty (30) days of such applicable written request.

o. Maintaining, repairing, and replacing, when necessary, all storm drains, sewers, and other utility lines and facilities located on the Leased Premises and not dedicated to the public or conveyed to any public or private utility which are necessary for the operation of the Lessee Building;

p. Employing security personnel as deemed appropriate by LESSEE.

Notwithstanding the foregoing, ISU, at ISU’s sole cost and expense, covenants and agrees to perform its obligations under the Declaration. ISU hereby acknowledges and agrees that in no event shall LESSEE be responsible for any fees, charges, expenses, or assessments under the Declaration and that ISU shall pay for the same as required by the Declaration.

15. Maintenance Plan, Maintenance Records and Inspections. LESSEE acknowledges and agrees to prepare and implement, during the term of this Ground Lease and to the extent the same is required by applicable Laws, a preventative maintenance and service program for the interior and exterior of the Lessee Building (the “Maintenance Plan”), which Maintenance Plan shall be acceptable to LESSEE’s investors and lenders. The Parties agree to meet periodically, at a minimum, annually, to review this Ground Lease, and any property and maintenance issues. LESSEE shall deliver a copy of the Maintenance Plan to ISU at this meeting. The Maintenance Plan may cover, as required by applicable Laws, the inspection, service and repair of the Lessee Building, including, without limitation, the following:

a. The heating and cooling system, including safety devices, water treatment, lubrication, alignment, gaskets, calibration, filter replacement, cleaning, adjustments, coil cleaning, damper cleaning and adjustment, and pressure readings.

b. The plumbing systems, including water quality, running water, leaks, drains, cleanliness, and roof drains. Ground depressions over sewer lines shall be repaired immediately.

c. The electrical systems, including monthly amp draws or bi-annual infrared scanning of electrical system to detect any overload conditions and monthly exterior lighting inspection in the evenings. A schedule of timer adjustments shall be established to account for seasonal changes.

d. The roof, including monthly assessment of conditions, in addition to special
inspections after snow, hail, or heavy winds. Inspections to watch traffic patterns
of maintenance/service people on roof, to alleviate standing moisture, blisters,
debris on roof, leaks, loose flashings, gutters and downspouts and to check to
see if roof equipment is securely fastened and clean. Roof drains shall be cleaned
on a reasonable basis. Repairs shall be made in accordance with roof warranty
provisions.

e. The paved areas, to correct any ponding, sprinkler run-off, pothole issues. If
pavement issues are a concern in dumpster or delivery areas, concrete pads shall
be considered. Routine maintenance of asphalt such as crack filling, re-sealing,
and re-striping shall be completed as reasonably necessary, as determined by
LESSEE.

f. The fire safety system, to recharge all fire extinguishers, test fire alarms and pull
boxes as required by applicable Laws. A fire sprinkler firm must perform an
testing of the fire sprinklers system as required by applicable Laws.

g. All doors, including the adjustment of door closers.

h. Projection of timing of carpeting, flooring, and furniture, fixtures, and equipment
replacement, in addition to future capital improvement projects. Exterior
building joints, glazing and caulking windows, mildew, trip hazards, overhead
door adjustment, and lubrication.

i. The fencing and gates.

j. Performance of any touch-up painting, especially on bare wood and exposed
metals.

k. Recommendations to increase building efficiency by decreasing utility
consumption or by implementing additional energy management procedures.

l. An inspection shall also be made of all electric motors, transmission and drive
systems, laboratory equipment, and water consuming systems as required by
applicable Laws.

m. Maintenance of warranty records and established service schedules that
substantially comply with warranty and manufacturer’s guidelines. LESSEE shall
use commercially reasonable efforts to keep all instruction manuals for all
installed equipment, including maintenance guides and parts lists. LESSEE shall
maintain and keep current all plans and specifications.

n. LESSEE will schedule inspections of the Lessee Building during the term of the
Ground Lease as required by applicable Laws.

j. The building authority having jurisdiction and the Idaho State Fire Marshal shall
inspect the Lessee Building as required by applicable Laws. The LESSEE shall
provide copies of each inspection report to ISU within thirty (30) days of inspection
date. LESSEE shall comply promptly with any actions required by these entities.

16. Failure to Repair, Maintain or Service. In the event that the LESSEE shall fail or refuse to make
such repairs, perform such maintenance, provide such services, or to take any other action
required of the LESSEE under this Ground Lease, ISU shall give LESSEE reasonable notice and
time to cure and, failing such cure, ISU may, at its option, make such repairs, perform such
maintenance, provide such services, or take any such action, and recover such reasonable
sums expended directly from the LESSEE upon presentation of an invoice. ISU’s decision to
exercise this remedy shall not be deemed to limit its exercise of any other remedy available
under this Ground Lease, at law or in equity.

17. Utilities. LESSEE hereby covenants and agrees to pay all charges for heat, light, gas,
telephone, trash service, telecommunications services, water, and sewer, and for all
other public or private utilities which shall be used in or charged against the Lessee
Building during the term of this Ground Lease, including any hookup or installation
charges, whether or not the same constitute liens.

18. Destruction of Leased Premises or Lessee Building.
   a. In the event the Leased Premises or the Lessee Building shall be damaged or
      destroyed during the term of this Ground Lease by fire or any other casualty,
      LESSEE may, at LESSEE’s sole option, elect to continue this Ground Lease in
      effect and shall cause the damaged portion of the Leased Premises or Lessee
      Building to be repaired and restored to substantially the same condition which
      existed before any fire or other casualty. Should LESSEE exercise its option to
      continue this Ground Lease and to restore the Leased Premises or Lessee
      Building, LESSEE shall be entitled to apply all or any portion of insurance
      proceeds owed to it toward repair and restoration of the Leased Premises or
      the Lessee Building and shall proceed with due diligence to restore and
      reconstruct the Leased Premises and LESSEE Building.
   b. In the event LESSEE doesn’t exercise its option to continue this Ground Lease
      upon the occurrence of damage to or destruction of the Leased Premises or
      Lessee Building by fire or other casualty, then LESSEE may, at LESSEE’s sole
      option, declare this Ground Lease terminated. In such event, all obligations to
      perform the covenants of this Ground Lease shall terminate, and all insurance
      proceeds payable with respect to such loss shall be applied first to the cost, in
      an amount not to exceed $500,000, of demolition of the remaining
      improvements and restoration of the real property to substantially the same
      condition existing as of the commencement of this Ground Lease, with the
      balance of insurance proceeds, if any, to be paid to LESSEE and/or its lenders.

   a. If the entire Leased Premises or Lessee Building shall be taken by
      condemnation or right of eminent domain, or conveyed in lieu thereof, or, in
      the event such portion of the Leased Premises or such portion of the Lessee
      Building shall be so taken or conveyed that prohibits or substantially impairs
LESSEE’s use, LESSEE shall give notice to such effect, then, in either or such events, this Ground Lease shall be terminated as of the date possession of the property is taken by the condemning authority.

b. However, if a portion of the Leased Premises is taken by condemnation or right of eminent domain, or conveyed in lieu thereof, and this Ground Lease is not terminated by LESSEE as set forth in Section 19(a) above, this Ground Lease shall remain in effect. In the event a partial taking occurs and this Ground Lease is not terminated by LESSEE as set forth in Section 19(a) above, LESSEE shall make such alterations or repairs, at LESSEE’s own cost and expense or from any insurance proceeds, as applicable, as are necessary to make the Leased Premises or Lessee Building usable by LESSEE.

c. LESSEE shall be entitled to LESSEE’s part of any award and payment for the taking by condemnation or right of eminent domain or conveyance in lieu thereof of the Leased Premises or Lessee Building. ISU shall be entitled to ISU’s remainderman interest of any award and payment for the taking of the Leased Premises or Lessee Building by condemnation or right of eminent domain or conveyance in lieu thereof to the extent the same does not diminish LESSEE’s award. LESSEE shall be entitled to make a claim to the condemning authority for a separate award for damage to LESSEE’s Building and interest, including, without limitation, any relocation expense.

d. Nothing contained herein shall prevent ISU and LESSEE from prosecuting claims in any condemnation proceedings, or filing a collateral claim or action if such Party is not named as a Party in the proceeding, for the value of all of their respective interests, provided, however, in no event shall ISU’s claim reduce the proceeds or award due and owing LESSEE.

20. LESSEE’s Assignment or Transfer of Interest. LESSEE shall not assign or sublease its interest in this Ground Lease without the prior written approval of ISU, which consent and approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Lessee shall have the right, without ISU’s prior consent, (i) to assign the Lease to any Affiliate (as defined below) of LESSEE or (ii) to mortgage or collaterally assign its leasehold interest and its interest in the Lessee Building and other improvements constructed on the Leased Premises (each, a “Permitted Transfer”). For the purposes of this Section 20, an “Affiliate” shall be any entity that (a) is controlled by, controlling or under common control of LESSEE and (ii) has a reasonable amount of experience and knowledge in operating a business for the Permitted Use. Except for a Permitted Transfer, the factors to be considered by ISU in granting or withholding its consent and approval to the proposed assignment or sublease are limited to (i) the assignee’s or sublessee’s financial condition; and (ii) a determination of whether the assignee’s or sublessee’s proposed use is consistent with the restrictions of Section 5 of this Ground Lease. LESSEE shall bear the burden and expense of establishing that the...
proposed assignee or sublessee satisfies the foregoing criteria.

21. **Liens.** LESSEE shall not permit any mechanic’s, materialmen’s, or other lien, encumbrances, consensual liens, to attach to the Lessee Building, Leased Premises, or ISU-Meridian. In the event that any such mechanic’s, materialmen’s, or other liens are filed against the Leased Premises, the Lessee Building, or ISU-Meridian by reason of actions of LESSEE, LESSEE shall cause all such liens to be discharged by payment, bond, or otherwise within sixty (60) days after LESSEE has knowledge of or receives written notice of the filing of such liens or security interests. LESSEE shall defend, indemnify, and hold ISU and the State of Idaho harmless from any and all liability, claims, damages, expenses (including reasonable attorney’s fees and costs), liens, claims of lien, judgments, proceedings, and causes of action, arising out of or in any way connected with the construction of the Lessee Building, unless caused by the negligent or willful act or omission of ISU, its agents, contractors, or employees.

22. **Telephone.** LESSEE shall be responsible for the installation, alterations, repair, or maintenance of all telephone and telephone systems, and all other telecommunication systems, including wiring, to the Lessee Building.

23. **Exterior Signs.** LESSEE may install upon the exterior of the Lessee Building or the grounds surrounding the Lessee Building, such signs and displays as LESSEE shall deem advisable; provided, all such signs and displays shall be in compliance with all applicable laws, rules, covenants, and regulations and shall be subject to the prior written approval by ISU. Signage cannot unduly impact or diminish the image and/or visibility of the ISU-Meridian Health Center. LESSEE should provide all graphic presentations, shop drawings, and final signage design for ISU’s approval. The signs or displays shall be limited to designating the Lessee Building name and parking and traffic control signs.

24. **Taxes and Assessments.**
   a. LESSEE shall, if necessary and as required by applicable Laws, pay any personal property taxes which may be assessed, if any local taxing authority may assert such authority. It is the understanding of the Parties hereto that ad valorem real property taxes and other assessments levied and assessed against the Leased Premises or Lessee Building shall not be payable, due to the ownership interest of ISU in the Leased Premises. However, if for any reason any type of real estate taxes are levied against the Leased Premises or Lessee Building, LESSEE shall reimburse ISU the amount of any real estate taxes so levied and assessed. Any reimbursement due ISU hereunder shall be paid within thirty (30) days after delivery to LESSEE of copies of the tax bills evidencing the assessment of such taxes reimbursable under this Section 24. ISU agrees to pay, when due, before delinquency, directly to the tax collecting authority, all
taxes and assessments levied and assessed against the Leased Premises. In the event ISU fails to pay such taxes and assessments when due, LESSEE shall have the right, but not the obligation, to pay the same directly to the taxing authority.

b. In the event ad valorem real property taxes are levied and assessed against the Leased Premises or Lessee Building, LESSEE, at LESSEE’s expense, shall have the right to contest the amount or validity of all or any part of the ad valorem real property taxes and assessments required to be paid by ISU hereunder; provided, however, LESSEE shall indemnify ISU against any loss or liability by reason of such contest. Notwithstanding such a contest, all taxes otherwise due and payable to ISU by LESSEE shall be paid within thirty (30) days of written demand, but any refund thereof by the taxing authority shall be the property of LESSEE. ISU and LESSEE agree to assist each other as may be reasonably necessary in any contest of ad valorem real property taxes and assessments.

c. LESSEE shall be required to reimburse ISU within thirty (30) days of written demand for any and all taxes and other charges payable by ISU to any governmental entity (other than income, capital levy, estate, succession, inheritance or transfer taxes or similar tax of ISU) whether or not now customarily paid or within the contemplation of the Parties hereto, by reason of or measured by any and all taxes levied or assessed and which become payable during the term of this Ground Lease upon any of LESSEE’s property or LESSEE’s income derived from the Leased Premises. The Parties acknowledge and agree that ISU shall be responsible for any and all income, profits or revenue tax, assessment or charge imposed upon the rent or other benefit received by ISU under this Ground Lease.

25. Compliance With Laws and Regulations.

a. LESSEE shall, at its own cost and expense, promptly comply with, or cause to be complied with, all Laws, whether or not the same require structural repairs or alterations, which may be applicable to LESSEE, the Leased Premises or the Lessee Building or the use of or manner of use of the Leased Premises or the Lessee Building. This provision specifically includes LESSEE’s obligation to comply with all statutes, rules, and regulations regarding the handling, storage, and disposal of any hazards or regulated substance used by LESSEE on the Leased Premises. LESSEE shall also observe and comply with the requirements of all policies and arrangements of insurance that LESSEE is required to carry under this Ground Lease.

b. LESSEE shall defend, indemnify, and hold ISU and the State of Idaho harmless from any and all liability, claims, damages, expenses (including reasonable attorney’s fees and costs), judgments, proceedings, and causes of action,
arising out of or in any way connected with the failure to comply with applicable Laws, unless the same is caused by the negligence or willful acts or omissions of ISU, its employees, agents, contractors or representatives.

   a. LESSEE shall not accumulate, use, or store on the Leased Premises, Hazardous Substances or materials classified as hazardous, biomedical, or toxic waste, except in compliance with all applicable Laws. LESSEE shall comply with any lawful order by an entity reposed with authority to regulate the use, accumulation, storage, or disposal of a Hazardous Substance.
   b. LESSEE will comply with all reporting requirements and applicable Laws for Hazardous Substances. LESSEE will provide copies of applicable MSDS sheets to ISU and the Meridian Fire Department. LESSEE shall work with ISU, the Meridian Fire Department, and any other local emergency planners on appropriate response planning.
   c. LESSEE agrees to indemnify and hold harmless ISU and the State of Idaho, its agents, employees, contractors, experts, licensees, and affiliates from any and all environmental claims, damages, fines, judgments, penalties, costs, liabilities, or losses, including, without limitation, any and all sums paid for settlement of claims, court costs, attorney’s fees, consultant fees, and expert fees, arising during or after the term of this Ground Lease from or in connection with the presence or suspected presence of Hazardous Substances in or on the Leased Premises, unless the Hazardous Substances are present as a result of the negligence, willful misconduct, or other acts of ISU, its agents, employees, contractors, or invitees. Without limitation of the foregoing, this indemnification shall include any and all costs incurred due to any investigation of the site or any cleanup, removal, or restoration mandated by a federal, state, local agency, or political subdivision.
   d. To the extent allowed by law, ISU shall indemnify, protect, defend and hold LESSEE harmless from and against any and all orders, penalties, fines, administrative actions, or other proceedings (collectively, a “Compliance Obligation”) commenced by any governmental agency including, without limitation, the United States Environmental Protection Agency, as a result of the existence of any environmental condition in violation of an environmental law that (i) exists as of the Effective Date, on, under or at the Leased Premises or (ii) results from ISU or ISU’s agents, contractors or employees releasing, generating, or disposing of any Hazardous Substances in, on, or about the Leased Premises in violation of any environment laws, except to the extent that such environmental condition is caused or aggravated by the act or omission of LESSEE, its agents, contractors, servants, employees, customers or invitees.
27. **Zoning and Building Restrictions.** It is understood and agreed that this Ground Lease is subject to all applicable zoning ordinances and restrictions and all limitations of record and is subject to any and all easements for public utilities which are of record. If there are any such restrictions which make construction of the Lessee Building unfeasible in the opinion of the Parties, the Parties may mutually terminate this Ground Lease. All construction, parking, or signage shall conform to any applicable zoning or building regulations.

28. **Waste and Nuisance Prohibited.** LESSEE shall not commit or suffer to be committed any waste or any nuisance on the Leased Premises or on the remainder of ISU-Meridian.

29. **Waiver of ISU’s Lien.** ISU hereby waives any lien on LESSEE’s personal property, including, without limitation, any furniture, furnishings or equipment on the Leased Premises, whether granted by statute or otherwise.

30. **Mortgage Financing.**
   a. **Leasehold Mortgages and Encumbrances; Leased Fixtures.** LESSEE shall have the right, without the consent of ISU, to mortgage, collaterally assign or otherwise encumber any interest that LESSEE has in this Lease, the Building or any other improvements on the Leased Premises, including, without limitation, its leasehold interest or any part thereof, as collateral security for financing, provided that (i) LESSEE shall remain liable for performance of all of its obligations under this Ground Lease, and (ii) any financing obtained by LESSEE for the Lessee Building and/or any other improvements may not, without the written consent of ISU, which consent shall not be unreasonably withheld, conditioned or delayed, exceed the value of the Lessee Building and other improvements at the time such financing is obtained, or the term of this Ground Lease. Notwithstanding the foregoing, any Mortgage shall only be upon LESSEE’s leasehold estate hereunder and LESSEE’s interest in this Ground Lease, the Building and any improvements and shall not encumber ISU’s fee simple title to ISU-Meridian.

The term “mortgage”, when used in this Section, shall include, without limitation, leasehold mortgages and deeds of trust; the term “mortgagee” shall include, without limitation, a mortgagee under a mortgage or the trustee or beneficiary of a deed of trust, but only those whose names and addresses have been furnished in writing to ISU; and the term “foreclosure” shall include, without limitation, judicial or non-judicial foreclosure, sale upon default under nonjudicial powers of sale, and conveyances or assignments in lieu of foreclosure. Provided that ISU shall have been furnished with a true and correct copy of the mortgage (and any and
all amendments or modifications thereto) meeting the requirements of this Section 30(b), the name and address of the mortgagee, and the date of recording of the mortgage, until ISU receives notice that the mortgage has been satisfied or released, the following provisions shall apply.

(i) Upon and during the occurrence of any LESSEE default under any mortgage past the applicable notice and cure period, ISU may, in its sole discretion, within ninety (90) days of receipt of a notice of mortgage default from the mortgagee, take whatever action is necessary to cure the LESSEE’s default, or undertake, in good faith, to cure the default if the default is not of a nature as can be cured within ninety (90) days, with like effect as if LESSEE had cured or undertaken cure of the default. LESSEE shall indemnify ISU for all actual, out-of-pocket costs and expenses incurred in curing the default.

(ii) No Termination By Reason of Sale, Forclosure or Surrender. So long as the mortgagee pays all rent due and otherwise complies with LESSEE’s obligations under this Ground Lease in accordance with the terms and conditions to cure any default contained in this paragraph including payment of any rent due and owing by LESSEE, this Ground Lease shall not be subject to termination by ISU by reason of foreclosure or by resort to any remedy for default under or pursuant to a mortgage. No sale or transfer of the Leased Premises or ISU’s interest in this Ground Lease, or any portion thereof, to the LESSEE and no purchase or other acquisition of this Ground Lease, or any interest herein or in the Lessee Building and improvements, by ISU, shall terminate this Ground Lease by merger or otherwise and this Ground Lease shall continue in full force and effect notwithstanding any such transfers so long as any mortgage encumbers the LESSEE’s leasehold interest. Except with respect to provisions of this Ground Lease not material to the security of any mortgagee, this Ground Lease may not be amended or any provision of this Ground Lease waived by ISU or the LESSEE without the prior written consent of each mortgagee and any such amendment or waiver made without the prior written consent of each mortgagee may be declared void and of no force or effect by the mortgagee. Consent to amendment or waiver may only be withheld by such mortgagee if such amendment or waiver would impair its security interest.

(iii) No Voluntary Cancellation. So long as a mortgage is in effect, ISU shall not accept a surrender, cancellation or other voluntary termination of this Ground Lease by the LESSEE without the prior written consent of all mortgagees of record, unless upon such surrender or cancellation ISU expressly assumes the LESSEE’s obligations under such mortgages or, if such termination is on account of a default by the LESSEE of the Ground
Lease hereunder, and ISU has given each mortgagee of record the opportunity to exercise its rights as provided in this Section 30.

(iv) Right of Mortgagee on Default. No act or failure to act on the part of the LESSEE which would entitle ISU under the terms of this Ground Lease, or by law, to be relieved of ISU’s obligations hereunder or to terminate this Ground Lease, shall result in a release or termination of such obligations or a termination of this Ground Lease as to any mortgagee unless:

(A) Notice. ISU shall have first given written notice of the LESSEE’s act or failure to act to each such mortgagee, specifying the act or failure to act on the part of the LESSEE to the address of the mortgagee last supplied to ISU by such mortgagee; and

(B) No Cure. Such mortgagee, after receipt of such notice (i) has failed or refused to correct or cure the condition complained of within the time permitted the LESSEE hereunder, plus an additional thirty (30) days thereafter in the case of default consisting solely of a failure to pay a sum of money due from the LESSEE to ISU, or required to be paid by the LESSEE under this Ground Lease; (ii) in the case of any other default by the LESSEE hereunder, other than an Uncurable Default (as defined below) has failed or refused to correct or cure the condition complained of within the time permitted by the Ground Lease plus and additional thirty (30) days; or (iii) has failed, in the case of a default by LESSEE which by its nature cannot be cured or corrected by mortgagee (an “Uncurable Default”), including, without limitation, LESSEE’s bankruptcy or insolvency, to lawfully assume possession of the Leased Premises within a reasonable time (as defined below).

As used in subsection (B) above, “reasonable time” means and includes the time necessary, using reasonable diligence, to obtain possession of the leasehold interest, including, without limitation, possession of the Lessee Building, in the manner required by law under the mortgage, if the mortgagee, by written notice to ISU within thirty (30) days after receipt of ISU’s notice to mortgagee, elects to do so, but no more than sixty (60) days after such written notice to ISU unless the mortgagee may be prevented from foreclosing and/or obtaining possession as a result of bankruptcy proceedings or other proceedings initiated by the LESSEE or its creditors), and, as used in subsection (B) above, also means and includes such time as is necessary to correct or cure the condition using reasonable diligence.

(v) Mortgagee Succeeds to LESSEE’s Interest; Liability of Mortgagee Limited. Upon any lawful assumption of possession of the LESSEE’s leasehold interest or the acquisition of LESSEE’s interest in the Lessee Building, such
mortgagee shall have all of the rights of the LESSEE and the duty to perform all of the LESSEE’s obligations hereunder accruing thereafter, but only for so long as it holds such possession of the leasehold interest or LESSEE’s interest in the Building.

Provided, however, to the extent that a mortgagee elects to undertake any cure pursuant hereto, such mortgagee shall act with reasonable diligence in accordance with the terms and conditions herein specified. Any timely actions by a mortgagee to cure a default of the LESSEE shall be accepted by ISU as if performed by the LESSEE.

(vi) Assignment And Assumption After Foreclosure. Any purchaser at a foreclosure sale other than a mortgagee shall assume all of the obligations of the LESSEE hereunder and shall have no right in respect of the Lessee Building and the Leased Premises unless the purchaser so assumes and delivers within ten (10) days of the sale (or order approving the sale, in the event such order is required by law) an instrument of assumption in recordable form assuming all of the LESSEE’s obligations hereunder.

(vii) Enforcement Rights. Any mortgagee shall be entitled to enforce the provisions of this Section 30(a) in its own name as a third party beneficiary.

(viii) Notice by ISU. Any mortgagee shall be entitled to all of the rights and benefits of this Section including the right to receive any notices required to be given by ISU under this Section. ISU shall mail or deliver to such mortgagee a copy of any and all written notices which ISU may from time to time give to or serve upon the LESSEE under and pursuant to the terms and provisions of this Ground Lease pertaining to a default by the LESSEE hereunder. All notices and copies of notices required to be served pursuant to this Section shall be delivered to the address of the mortgagee last supplied to ISU by such mortgagee.

(ix) Legal Proceedings. ISU shall give each mortgagee prompt notice of any legal proceedings between ISU and LESSEE involving obligations under this Ground Lease. Each mortgagee shall have the right to intervene in any such proceedings and be made a party to such proceedings, and ISU and LESSEE shall consent to such intervention. If any mortgagee shall not elect to intervene or become a party to any such proceedings, ISU shall give the mortgagee notice of, and a copy of, any award or decision made in any such proceedings, which shall be binding on all mortgagees not intervening after receipt of notice of proceedings.

(b) Cooperation for Mortgagee Protection. ISU and LESSEE shall cooperate in including in this Ground Lease by suitable amendment from time to time any provision which may reasonably be requested by the proposed leasehold
mortgagee for the purpose of implementing the mortgagee protection provisions contained in this Ground Lease and allowing such mortgagee reasonable means to protect or preserve the lien of this leasehold mortgage on the occurrence of a default under the terms of this Ground Lease. ISU and LESSEE each agree to execute and deliver (and to acknowledge, if necessary, for recording purposes) any agreement necessary to effect any such amendment; provided, however, that any such amendment shall not in any way affect the term or rent under this Ground Lease, subordinate ISU’s fee interest to the ISU-Meridian to the mortgagee nor otherwise in any material respect adversely affect any rights of ISU under this Ground Lease.

31. Remedies and Forbearance/Waivers. No delay or omission on the part of ISU or LESSEE to exercise any right or power granted herein shall impair any such right or power nor shall be construed as a waiver thereof, and every such right or power may nevertheless be exercised.

This Ground Lease shall not be construed as obligating the State of Idaho to make future appropriations for the performance of any obligations under this Ground Lease. In the event that appropriated funds are not legally available and ISU no longer possesses the property at ISU-Meridian, then the new owner of the fee simple shall have all the rights of ISU under this Ground Lease as well as the duty to perform all of ISU’s obligations accruing thereafter.

32. Disposition of Lessee Building Upon Lease Termination. The Lessee Building and all alterations, improvements, changes, or additions made in or to such Leased Premises shall be the property of LESSEE subject to the terms of this Ground Lease. Upon termination or expiration of this Ground Lease, ISU shall have the option of requiring LESSEE, at LESSEE’s sole expense, to remove any or all of the Lessee Building and/or improvements to the Leased Premises or require that the Lessee Building and/or improvements shall remain in place. LESSEE shall have up to one hundred eighty (180) days after the expiration of this Ground Lease in which to remove improvements if requested by ISU in writing. After expiration of this Ground Lease, LESSEE shall have the right to occupy the Leased Premises for the sole purpose of removing the improvements and such occupancy shall not be considered holding over nor shall rent be due for such period of removal of improvements. In the event ISU elects to require Lessee’s Building and/or improvements to remain in place, the Lessee Building and any other structures, improvements, and installations, which have been placed upon the Leased Premises, shall be deemed to be a part of the Leased Premises, and a copy of all Construction Documents and instruments, including all “as-built” plans shall be delivered to ISU and title to the Lessee Building shall be vested with the State of Idaho.
33. **Termination and Removal of Property.** Upon termination of this Ground Lease, all trade fixtures, equipment, and personal property ("**LESSEE Property**") installed in or affixed to the Leased Premises may be removed by LESSEE. LESSEE shall be responsible for the reasonable repair of damage caused to the Leased Premises by removal of any such property. If LESSEE elects to remove such LESSEE Property, it must remove the LESSEE Property no later than ninety (90) days after termination of this Ground Lease. In the event LESSEE fails to remove the LESSEE Property within the allowed ninety (90) days, the LESSEE Property shall then belong to ISU. If ISU elects to have the Lessee Property removed, the costs of removal shall be borne by LESSEE.

34. **Disputes and Remedies.** ISU and LESSEE agree that all claims for default or breach of this Ground Lease or other dispute of the Parties hereto shall first be submitted to nonbinding mediation. The Parties agree that such mediation may be requested by either Party and shall be conducted by the American Arbitration Association in accordance with Commercial Arbitration Rules of the American Arbitration Association. This agreement to mediate shall be specifically enforceable by either Party under Idaho law. The Parties hereto shall share equally the costs for any mediation. Such mediation shall commence within fourteen (14) days of demand to the American Arbitration Association.

35. **Default.**
   a. **Default by LESSEE.** In the event of any breach of this Ground Lease by LESSEE, ISU shall have all rights and remedies provided by law or statute, subject to Section 35 herein. LESSEE shall not be deemed to be in default hereunder unless ISU shall first give to LESSEE thirty (30) days’ written notice of such default and LESSEE fails to cure such default within such thirty (30) day calendar day period, or if the default is of such a nature that it cannot be cured within thirty (30) days, LESSEE fails to commence to cure such default within such period of thirty (30) days or fails thereafter to proceed to the curing of such default with all possible diligence. In the event of a default or breach of this Ground Lease by ISU, LESSEE shall have all rights and remedies provided by law or statute, subject to Section 35 herein. No remedy herein conferred upon or reserved to ISU or LESSEE shall exclude any other remedy, but each shall be cumulative.
   b. **Default by ISU.** Failure of ISU to perform any of its obligations hereunder shall be a default by ISU thirty (30) days after written notice from LESSEE of such failure without cure by ISU. Nonappropriation of funds pursuant to Section 31.a. shall not be considered a default. Upon default, LESSEE shall have the right to enforce ISU’s obligations by specific performance or obtain injunctive relief related to the default.

36. **Warranty.** ISU warrants that it has the power and authority to enter into this Ground Lease.
Lease, subject to the existing laws and constitutional provisions of the State of Idaho, and that no consents not already obtained are required. LESSEE warrants it has the power and authority to enter into this Ground Lease, and further warrants that following the date that LESSEE obtains a construction loan to construct the LESSEE Building, it shall have the funds necessary to complete the construction of the Lessee Building in accordance with the terms of this Ground Lease.

37. **Quiet Enjoyment.** So long as LESSEE pays its rent when due under this Ground Lease and observes all other provisions of this Ground Lease, ISU shall not interfere with the peaceful and quiet enjoyment of the Leased Premises by LESSEE.

38. **Memorandum of Ground Lease.** This Ground Lease shall not be recorded; however, it is mutually agreed that the Parties, upon request by any one Party, will execute a written Memorandum of Ground Lease, a form of which is attached hereto as Exhibit G, acknowledging the tenancy hereby created, which shall be recorded in the official records of Ada County, Idaho.

39. **Attorney Fees and Costs.** In the event that either Party to this Ground Lease shall enforce any of the provisions hereof in any action at law or in equity, the prevailing Party in such litigation may be entitled to recover from the other Party all costs and expenses incurred therein, including reasonable attorney’s fees and all such fees and costs on appeal.

40. **Integration.** This Ground Lease embodies the entire agreement and understanding of the Parties relating to the subject matter herein and supersedes all prior understandings relating thereto. This Ground Lease shall not be modified except in writing signed by all Parties. In the event of any inconsistency among the terms and provisions of this Ground Lease to those of the CAA, the terms and provisions of this Ground Lease shall control.

41. **Rules of Construction.** In the event any conflict may be found to exist between this Ground Lease and any of the documents attached as exhibits hereto and incorporated herein by reference, including any written modifications to any of the documents that are signed by the Parties, then the provisions of this Ground Lease shall take precedence over the exhibits which shall at all times be subservient to this Ground Lease. This Ground Lease and all exhibits and any modifications have been negotiated by ISU and LESSEE, and as such, any ambiguity should be construed as if each Party was the drafter.

42. **Execution of Documents.** The Parties agree that they shall sign or cause to be signed, all documents necessary to the effectuation of this Ground Lease or any of the provisions herein as may be required from time to time.

43. **Notices.** Any notice under this Ground Lease shall be in writing and be delivered in person.
or by public or private courier service, including U.S. Postal Service Express Mail, by registered or certified mail, or by facsimile. Any notice given by registered or certified mail shall be sent with return receipt requested. All notices shall be addressed to the Parties at the following addresses or at such other addresses as the Parties may from time to time direct in writing.

ISU: President Arthur C. Vailas
Idaho State University
921 So. 8th Ave, Stop 8310
Pocatello, ID 83209

LESSEE: Daniel C. Burrell, Manager
Idaho College of Medicine
401 Paseo de Peralta
Santa Fe, NM 87501

Any notice shall be deemed to have been given on (i) actual delivery or refusal; (ii) the day of mailing, if delivery is by regular, registered, or certified mail; or (iii) the day facsimile delivery is verified. A copy of any notice shall also be sent to the Department of Administration, Division of Public Works, Attn: Statewide Leasing Manager, Post Office Box 83720, Boise, ID 83720-0072. In the event of a change of address by either ISU or LESSEE, the Parties agree to notify each other in writing within ten (10) days of the date of any such change.

44. Waiver of Subrogation. ISU and LESSEE each hereby release each other from any and all liability to the other or to anyone claiming by, through, or under them by way of subrogation or otherwise for any loss or damage to property or person caused by (i) any existing or future condition, defect, or matter in or about the Leased Premises, (ii) fire or any other casualty even if such fire or other casualty shall have been caused by the willful or negligent act or omission of the other Party or anyone for whom such Party may be responsible, or (iii) any act or neglect of the applicable Party.

45. Effectiveness Condition.

a. Effectiveness Condition. Notwithstanding anything in this Ground Lease to the contrary, the effectiveness of this Ground Lease is expressly conditioned on the satisfaction of the following condition (the “Effectiveness Condition”):

i. The School District (as defined in the Declaration) providing its written approval to the terms and conditions of this Ground Lease in accordance with the terms of the Declaration, including without limitation, approval of the construction of the Lessee Building and other improvements on the Leased Premises.

b. Failure of Effectiveness Condition. If the Effectiveness Condition set forth in this Section 45 has not been satisfied on or before the date that is ninety (90) days
following the Effective Date, then this Ground Lease shall terminate and be of no further force or effect.

c. Satisfaction of Effectiveness Condition. Once the Effectiveness Condition set forth in this Section 45 has been satisfied, then ISU shall notify LESSEE that such Effectiveness Condition has been satisfied and this Section 45 shall be null and void and of no further force or effect.

46. **Binding Effect, Heirs, and Successors.** This Ground Lease shall be binding upon and shall inure to the benefit of the heirs, personal representatives, successors, and assigns of the Parties, subject to the provisions herein relating to assignments.

47. **Severability.** In the event any provision of this Ground Lease shall be held invalid or unenforceable according to the law, the validity, legality, or enforceability of the remaining provisions and the application thereof shall not in any way be affected or impaired.

48. **Headings.** Section headings contained herein are for convenience and reference and are not intended to define or limit the scope of any provision of this Ground Lease.

49. **Counterparts.** This Ground Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

50. **Time of the Essence.** Time is of the essence of this Ground Lease and of each and every covenant, term, condition, and provision hereof.

51. **Use of Names and Relationship.** Nothing contained herein shall give LESSEE the right to the use of the name of ISU or make any statement which could be construed as an affiliation therewith, unless specifically prescribed in other agreements between the Parties. The relationship created by this Ground Lease is one of lessor and lessee.

52. **Negation of Partnership.** ISU shall not become or be deemed a partner or a joint venture with LESSEE by reason of any of the provisions of this Ground Lease, and the Parties expressly negate any such intention.

53. **Governing Law.** This Ground Lease and any amendments thereto shall be governed by the laws of the State of Idaho.

(signature page follows on next page)
IN WITNESS WHEREOF, ISU and LESSEE hereto have executed this Ground Lease as of the Effective Date.

IDAHO STATE UNIVERSITY

BY: _____________________________
    Arthur C. Vailas, President

DATE: ____________________________

IDAHO COLLEGE OF OSTEOPATHIC MEDICINE

BY: _____________________________
    Daniel C. Burrell, Manager

DATE: ____________________________

DIVISION OF PUBLIC WORKS, DEPARTMENT OF ADMINISTRATION

BY: _____________________________
    Linda Miller, Leasing Manager

DATE: ____________________________
EXHIBIT A

ISU-Meridian Legal Description

Lot 2 in Block 1 of Joint No. 2 Subdivision Phase 1, according to the official plat thereof, filed in Book 99 of Plats at Page(s) 12628, through 12630, records of Ada County, Idaho.
EXHIBIT B

Collaborative Affiliation Agreement

(attached)
Collaborative Affiliation Agreement
between
Idaho College of Osteopathic Medicine, LLC
and
Idaho State University

THIS COLLABORATIVE AFFILIATION AGREEMENT ("Agreement") is made and entered into by and between the Idaho College of Osteopathic Medicine, LLC hereinafter referred to as “ICOM”, and Idaho State University ("University”), a state institution of higher education governed by the Idaho State Board of Education ("Board").

REPRESENTATIONS

1. University was established in Idaho Code, Title 33, Chapter 30.

2. ICOM is an Idaho limited liability company in good standing, created by its organizers for the purpose of creating and operating a private accredited college of osteopathic medicine ("COM"). Note: The incorporation will be completed immediately if the decision is made to place a new medical school in Idaho. Also, the official public DBA name has yet to be selected. It will not be The Burrell College of Osteopathic Medicine at Idaho State University; rather a name will be selected, with local stakeholder input, that complements the local culture and geography and with “at Idaho State University” as the ending part of the name.

3. ICOM is presently in the process of seeking pre-accreditation status, then provisional accreditation, from the Commission on Osteopathic College Accreditation (COCA) of the American Osteopathic Association (AOA) which the U.S. Department of Education recognizes as the accrediting body for osteopathic medical colleges, with the intention of obtaining full accreditation status as expeditiously as the rules of COCA permit.

4. ICOM intends to locate the COM on a parcel of land located within the University’s Meridian Campus, which is the University’s Health Sciences Campus (“Meridian Campus”), in accordance with the Master Declaration Agreement and Joint Operations and Maintenance Agreement between the University and Joint School District No. 2, Ada and Canyon Counties, Idaho (now known as West Ada School District), and for this purpose has or will enter into an agreement ("Lease") to lease/sublease a parcel of land on the Meridian Campus and/or space within an existing building or multiple buildings. The effectiveness of this Agreement and the Lease are each contingent upon execution of the other.

5. This Agreement is entered into for the purpose of defining and establishing the relationship between the parties, and to provide for the purchase and sale of University services to ICOM.
6. The parties understand and agree that pursuit and achievement of the aforementioned accreditation of the COM is of material importance and that University would be unwilling to enter this Agreement without assurance from ICOM that the accreditation process is underway, and once full accreditation is received, that the COCA accreditation (or some equivalent national accreditation, should COCA cease to exist or be replaced with a similar accrediting body), will be maintained for the duration of this Agreement. ICOM commits to using diligent good faith efforts toward that end.

7. The parties understand and agree that the purpose of this Agreement is to establish a public/private collaboration which is intended to both facilitate and enhance University's ability to accomplish its health science mission, core themes and strategic plan, and to assist ICOM in accomplishing its mission to establish a private College of Osteopathic Medicine on the University’s Meridian Campus.

8. The parties stipulate that ICOM and University are independent legal entities whose legal relationship is defined exclusively by this Agreement and the Lease. Neither party has the authority to represent or hold itself out as being part of the other, nor to assume or create any obligation expressed or implied on behalf of the other party. ICOM agrees to place appropriate disclaimers on all printed and digital materials and websites. An example of an approved COCA disclaimer is as follows: “The (To be Named) College of Osteopathic Medicine at Idaho State University is a free-standing, privately funded, separately licensed and accredited and independently operated entity and is not part of Idaho State University.” The final disclaimer is subject to mutual approval by both COCA and the University’s accrediting body, as well as by the University and ICOM.

9. The individual signing this agreement on behalf of ICOM personally represents that he or she has appropriate legal authority to act on behalf of ICOM to enter into this Agreement, and will provide to University documentary evidence of that authority prior to or at the time of signing.

10. The parties acknowledge that the Meridian Campus was selected for the COM, in part, because of its designation as a Health Science Campus and its proximity to major medical centers, and the opportunity to enhance the educational experience of ICOM’s students by purchasing services for those students and access to University’s facilities for those students from the University.

11. The parties acknowledge that the proximity of the COM on the Meridian Campus is expected to create opportunities for University faculty and students to collaborate with ICOM faculty and students with respect to possible joint degree programs and joint research initiatives and that these educational opportunities are a valuable incentive for the establishment of this Agreement and for allowing ICOM to lease/sublease a location for the COM within the University’s Meridian Campus.
12. ICOM acknowledges that Idaho law prohibits University from using public funds to support a private college, and that this Agreement shall be interpreted in such a manner as to ensure that ICOM and its faculty, employees and students shall at all times be required to pay the full cost of any service or benefit received under this Agreement.

NOW, THEREFORE, in consideration of the mutual conditions and covenants contained herein, University and ICOM agree as follows:

A. Term of the Agreement:
This Agreement shall become effective upon the latter date of either the execution of this Agreement or the execution of the Lease, and shall remain in effect until the earlier of: (i) expiration forty years after the effective date of this agreement; (ii) termination of the Lease between University and ICOM; (iii) the cessation of operation of a College of Osteopathic Medicine on the premises leased/subleased to ICOM; (iv) the denial, withdrawal, loss or suspension of the COM’s COCA accreditation and exhaustion of the appeals processes provided by COCA standards; or (v) written agreement of the parties hereto, and subject to the renewal rights set forth in the next paragraph.

The parties understand and agree that this Agreement, if still in effect at its expiration date and so long as a COM is operated on the premises at the Meridian Campus, may be renewed by either party, provided the party seeking to renew is not at that time in breach of the Agreement, for two (2) additional ten (10) year terms. The right to renew the Agreement shall be exercised by written notice of extension to the other party, no later than sixty (60) days prior to the expiration of the then-existing term.

B. Student Services and Facility Usage:
University agrees to provide those individuals enrolled and physically located at the Meridian Campus as regular full time active students at the COM (“ICOM Students”) with the specific services and use of facilities which are listed in Schedule A to this Agreement (“Student Services”), subject to the terms, restrictions and conditions of this Agreement. Schedule A is appended hereto and incorporated by reference herein. The parties understand that the services listed in Schedule A will be subject to periodic review and modification by University, but will at all times include a substantial portion of those services that are provided to University’s students from University’s student fee assessment. It is understood that these services and fees do not pertain to students who reside full-time outside of Ada and Canyon counties, Idaho during their third and fourth clinical training years. ICOM agrees to pay University for the Student Services in accordance with the terms set forth below.

1. ICOM agrees, on an annual basis, to select from among the listed services in Schedule A, to compensate University with an annual lump sum payment to University for the Student Services, to be remitted in advance of services being rendered, as provided herein below.
The Annual Services Payment ("ASP") amount shall be calculated by the following formula:

\[(\text{ICOM Headcount} \times \text{University Graduate Student Fee} \times \text{Number of University Semesters in Academic Year} \times \text{Administrative Cost Factor})\]

Where:

i. "ICOM Headcount" equals the number of duly enrolled full-time students attending COM as determined on the 7th day after the start of its academic calendar year;

ii. "University Student Fee" equals the per semester full-time student fee amount, as established annually by the Board for University’s students (based on the fees charged to University’s graduate students taking 9 or more graduate credits);

iii. "University Semesters in Academic Year" is equal to the number of academic semesters which occur in an academic year in which University’s enrolled students are required to pay the University student fee (currently there are 2 University Semesters in the Academic Year plus a summer session; additional student fees are assessed during the summer session); and

iv. "Administrative Cost Factor" is a multiplier determined by University to account for indirect costs of administering Student Services which are not included in University’s process of establishing its University Student Fees (the University’s best estimate at this time is a factor of 15%, however, University may adjust this number periodically to provide recovery of all actual indirect costs). Should the Administrative Cost Factor increase to a rate that is not satisfactory to ICOM then the parties shall discuss in good faith, and if no agreement is reached, ICOM may choose to discontinue the use of certain services listed in Schedule A.

b. Under no circumstances shall the compensation paid for Student Services be less than University’s actual costs, both direct and indirect, in making the support services available to ICOM Students. No public funding can or will be utilized in providing the Student Services. In the event that it is determined by an audit of University by a public official or a certified public accountant that public funds have been used for the benefit or support of ICOM, without payment of full and fair consideration, in addition to the compensation set out above, ICOM will reimburse University for such use of public funds within thirty (30) days after notification to ICOM of the circumstances and the amount due if the total amount to be refunded is $50,000 or less and ninety (90) days after notification to ICOM of the circumstances and the amount due if the total amount to be refunded is greater than $50,000.
c. University student fee amount is subject to annual review and adjustment by the Board in accordance with Idaho state law and Board Governing Policies and Procedures. In the event that during the academic year, the Board approves a student fee increase for University’s students, then within 30 days of notification, ICOM will remit an additional fee assessment in an amount to be determined in accordance with the formula set out above.

d. ICOM will provide University with an estimated headcount at least 45 days before the first day of ICOM’s academic calendar year in the fall of each year. University will calculate an estimated ASP based on the estimated headcount and selected services for full-time first and second year students and will submit an invoice for that amount to ICOM at least 30 days prior to the start of ICOM’s academic year. ICOM will remit payment of 85% of the estimated ASP amount to University no later than 15 days prior to the start of ICOM’s academic calendar year.

e. ICOM shall report its actual enrollment headcount to University no later than 10 days after the start of ICOM’s academic calendar year, and within 15 days of receipt of the headcount number, University will submit an adjusted invoice for the actual ASP amount, showing a credit for the amount previously paid. ICOM shall, within 45 days after the start of classes under ICOM’s academic calendar, remit the balance due, if any, for the annual compensation payment amount.

f. The ASP provided herein is intended as compensation for the Student Services to be provided by University. ICOM and University understand and agree that University may provide additional services to University’s students which are not included in Schedule A and will not be provided to ICOM students, and that there will be no adjustment in the ASP for those omitted services; provided that, the student services made available to ICOM students will always include a substantial portion of those services offered to University’s students and paid for by student fees. The selected services by ICOM may be vary from year to year.

2. University’s obligation to provide ICOM students with the Student Services specifically listed in Schedule A is subject to the terms, restrictions and conditions set forth in this Agreement.

a. The Student Services will be provided to ICOM students only during such times, and on such terms, as such benefits are provided to University’s students. University is under no obligation to provide Student Services at any time in which such services are not available to University’s students. Any services discontinued, restricted or altered for University students will also be discontinued, restricted or altered for ICOM students without reduction in or rebate of the compensation paid under this Agreement.

b. When the Student Services listed in Schedule A are subject to capacity limitations, University reserves the right to give priority to University students in the distribution of Student Services. University will undertake good faith
efforts to provide adequate capacity for both University and ICOM students.

c. University agrees to issue an identification card, similar in form and function to those issued by University to its own students, to the duly enrolled full-time active ICOM students. This identification card will be used by University to identify eligible ICOM students and by ICOM students to access the Student Services provided under this Agreement. Only students presenting the ICOM student identification card will be provided Student Services under this Agreement. ICOM shall be responsible for providing University with a list of the duly enrolled ICOM students who are to be provided with identification cards. ICOM students will be charged the same rate for new or replacement identification cards as University students (currently $15).

d. All duly enrolled full-time active ICOM students are eligible to receive Student Services as provided in this Agreement, except as otherwise stated herein. Notwithstanding the foregoing statement, while physically present on the Meridian Campus, ICOM students are subject to all University policies, rules and regulations regarding visitors to the Meridian Campus. University reserves the right to prohibit ICOM students from access to the Meridian Campus consistent with applicable University policy. University will, as soon as practicable, provide ICOM with notification of any such action taken by University with respect to any ICOM student. In such an event, ICOM shall not be entitled to refund or rebate of any portion of the ASP.

3. No Individual Rights: ICOM students are not third-party beneficiaries under this Agreement and have no individual rights hereunder. The services and license to access facilities on the Meridian Campus as provided for herein do not indicate or signify enrollment, academic standing, nor employment with University.

4. In addition to the Student Services provided through this Agreement and listed in Schedule A, and subject to approval by ICOM, ICOM students shall be eligible to purchase or receive the Optional Services described in Schedule B if the University has the capacity to provide the Optional Services after first serving its University students.

C. Accreditation

1. At all times after securing accredited status as an Osteopathic Medical College through COCA, ICOM shall maintain that accreditation, or some equivalent national accreditation (should COCA cease to exist or be replaced with a similar accrediting body), as well as ensure compliance with applicable state statutes and regulations governing private postsecondary educational institutions in Idaho. The denial or termination of provisional accreditation, or the denial of or termination of accreditation, or the withdrawal from accreditation, after the exhaustion of or expiration of all opportunities for reconsideration or appeal under COCA standards or rules, is a breach of this Agreement.

2. ICOM shall provide the provost of University with a copy of all accreditation results and
reports including AOA approvals at the time of each evaluation. ICOM shall immediately notify the provost of University in writing at any such time that ICOM receives notice of accreditation with warning, probationary accreditation status, pending loss or loss of accreditation from AOA.

D. Maintaining Separate Legal Identities

1. When entering into legal documents of any type, ICOM shall not hold itself out as being controlled by, being part of, or acting on behalf of University. ICOM shall not use University’s taxpayer identification number or University's tax-exempt status or represent itself as part of the University in connection with purchases or sales by ICOM, gifts to ICOM, interest or other income of ICOM, or any other activity of ICOM.

2. University and ICOM agree to take reasonable measures to ensure that third parties understand that ICOM is not part of University. However, ICOM and University may inform third parties of the existence of the Public/Private collaboration created by this Agreement.

3. The parties understand that particular care must be taken during any gift solicitation or development or fundraising efforts to ensure that donors and potential donors are not mislead or confused regarding the relationship and association of the parties. Accordingly, each party agrees to explicitly inform any donors or potential donors of their independent status in the event of any inquiry or if there is ever any indication of confusion on the part of such third party.

4. Any research grant proposals prepared as a result of collaboration between the parties and submitted to external third parties shall explicitly identify the parties as independent legal entities.

E. Conduct of Faculty, Staff and Students

1. Regardless of the affiliation of any faculty, staff, students or visitors who may be involved, any criminal misconduct or violation of state or federal statute or law shall be reported by either party having knowledge of such misconduct or violation. Subject to Section I.3., certain reports may be made to the appropriate law enforcement agency, which in the case of any property owned by University, shall be the University Public Safety Department and if applicable, to the appropriate University and/or ICOM department (i.e., Title IX Coordinator, Student Affairs). (Note: Once a specific location is officially determined, we’ll include a clause identifying whether the property is owned by the campus or a third party and subject to city PD jurisdiction.) Any other governmental agency found or believed to have jurisdiction may be notified as well.

2. ICOM has primary jurisdiction with respect to conduct issues that arise with ICOM students, faculty, or staff. ICOM will adopt appropriate policies to address such situations and ICOM administrators to take the lead in investigating resolving such issues in accord with that policy. ICOM administrators will inform and coordinate with appropriate University parties in the event the conduct involves University students, faculty or staff or otherwise has consequences that affect University.
3. Notwithstanding the foregoing, ICOM and University agree that University maintains the right to bar specific ICOM students, faculty, or staff from the University’s campus, excepting lands leased to ICOM, in accordance with University policy, or as provided in Paragraph B.2.d. above, and to report any illegal or dangerous activity to any appropriate law enforcement agency or fire and emergency services offices.

F. University Engagement with ICOM Governance

For the purpose of ensuring ongoing collaboration between the parties and to facilitate efforts of the parties to realize the potential benefits for each that this collaboration affords, ICOM agrees that two positions on the ICOM Board of Trustees will be designated for individuals who are employees or otherwise affiliated with the University (“University Affiliated ICOM Board Member”). Prior to the time of the ICOM Board of Trustee’s initial formation, and thereafter at least 30 days before the selection of replacement University Affiliated ICOM Board Members, ICOM will solicit nominations from the President of University for individuals to serve in the University Affiliated Board Member positions. At least 10 days prior to the selection date, the University President shall forward recommendations of interested, qualified individuals for these University Affiliated ICOM Board Member positions to the ICOM President, for consideration for appointment. Final decisions regarding which of the individuals so recommended are to be appointed to the ICOM's Board of Trustees rest solely with ICOM. If the University President’s nominees are not appointed, the ICOM President will request additional nominees from the University President, until acceptable nominees are submitted.

In addition to participation on ICOM’s Board of Trustees, the ICOM President shall ask University President for recommendations of interested, qualified individuals to serve on ICOM Advisory Boards that may be developed in the future.

G. Academic Collaborations

The parties have entered into the Lease and this Agreement with the expectation that this relationship will be more than an economic arrangement. Both parties are seeking to maximize the benefits that may flow from the collaborations made possible by the geographic proximity of their respective academic enterprises. The following terms are intended to establish the framework for such collaborations with the understanding and expectation that the nature, duration and commitments arising from academic collaborations will evolve over time and will be subject to separate and additional documentation as deemed necessary or desirable by the parties.

1. Curriculum: Each party will develop and maintain its own curriculum and student policies and procedures independent of the other. Neither party will have authority or exercise control over the other with respect to curriculum, degree requirements or the award of degrees. ICOM will develop its clinical and hospital contracts for the benefit of its students without any commitment of or obligation on the part of University. However, University and ICOM will be allowed to collaborate and enter into clinical and
hospital affiliation agreements that are mutually beneficial. Such agreements are subject to mutual written approval of both ICOM and University.

2. Faculty Collaboration: The parties shall use good faith efforts to collaborate regarding faculty teaching and research expertise. Faculty employed by one party may seek non-tenure track appointments with the other party for the purpose of teaching or research. When faculty from University provide teaching or research services to ICOM, ICOM shall reimburse University, or the faculty providing those services, consistent with the rate and other terms and conditions mutually agreed upon in writing by the parties, and predicated upon compliance with applicable Board Governing Policies and Procedures, and Idaho state law. Each party agrees to notify and seek the consent of the immediate supervisor and academic Dean of any faculty employed by the other party to whom they wish to offer a joint appointment. Faculty teaching in these joint appointments shall be granted a title appropriate to their status and may be listed in course catalogs and for purposes of accreditation as teaching faculty.

3. Joint Degree Program Development: University and ICOM agree to use good faith efforts to collaborate in pursuit of development of joint degrees. Both parties agree to seek and pursue opportunities that are mutually beneficial to both parties, and to avoid, to the extent practicable, competition between the parties concerning the establishment of the same or similar/duplicative academic programs.

4. Joint Research Initiatives: The shared goal of both parties to this Agreement is to collaborate to obtain an increase research funding and other grants available to healthcare related disciplines. ICOM and University agree to use good faith efforts to collaborate on research projects that will be mutually identified and which the parties agree will be mutually beneficial. Any specifically agreed upon research project shall be the subject of a separate research memorandum that will detail the scope of work, benefits to University and ICOM, ownership and publication rights with respect to any intellectual property arising from or generated by the research, budgets and funding mechanisms for each project. Any such research memorandum shall incorporate by reference and be subject to the terms and conditions of this Agreement. It is agreed by the parties that no public funding appropriated or granted for the exclusive use by University will be used to support any portion of a research project conducted by ICOM.

H. Liability Insurance and Defense

1. ICOM understands and agrees that University will not be liable for any of ICOM's contracts, torts, or other acts or omissions, or for those by ICOM's directors, officers, members, managers, employees or students. ICOM understands and agrees that neither it, nor its directors, officers, members, managers, employees, staff or students will be protected by University's or the State of Idaho's insurance policies or self-insurance plans in connection with ICOM's activities, and University and the State of Idaho will not provide any legal defense for ICOM.

2. ICOM shall indemnify and hold harmless University, its trustees, officers, employees or
any other agents from any and all claims, damages, losses, liability, costs and expenses including attorney fees, arising out of or in connection with any activity conducted by ICOM, including but not limited to contracts, torts, and other acts or omissions by ICOM, its directors, members, managers, officers, employees and students.

3. University understands and agrees that ICOM will not be liable for any of University’s contracts, torts or other acts or omissions, or for those by University’s directors, officers, employees, or other agents. University shall hold harmless ICOM, its directors, members, managers, officers, employees, and students only from claims, damages, losses, liability, cost and expenses consistent with University’s immunity as a public institution under Idaho law, and subject to the limitations on liability and damages provided by the Idaho Tort Claims Act; this indemnity is only to the extent that is allowed by law.

I. Legal Compliance

1. The parties agree and understand that although they are separate and distinct legal entities, and although every effort will be made to ensure that no confusion exists on the part of third parties or the public regarding the nature of their relationship, as a public entity, University is expected to maintain high standards and to serve the public interest, and its reputation and standing in the community could be adversely affected by any illegal conduct by ICOM. Accordingly, as part of this agreement, ICOM is obligated to fully comply with all laws and regulations applicable to its operation of the COM and its use of the leased/subleased premises.

2. During the term of this Agreement, ICOM shall comply with all current and future state and federal statutes, rules and regulations pertaining to its operation of the COM. ICOM shall prepare and timely file all tax returns and reports including information returns required to be filed by it under federal, state and local laws. Further, ICOM shall notify University within ten (10) days from receipt of any report of noncompliance with any state of federal statute, rule or regulation. Any failure to comply with applicable laws and regulations is a breach of this agreement.

3. ICOM agrees to meet the requirements of Title IX, Education Amendment of 1972, VAWA and SAVE Acts, the Clery Act and all other applicable laws. The parties agree to work collaboratively and to coordinate action as may be necessary for compliance with Title IX, Education Amendment of 1972, as amended, and the Clery Act.

J. Termination of Agreement and Remedies Upon Default

1. In the event ICOM breaches any provision of this Agreement or the Lease, and remains in default after notice and an opportunity to cure said breach, University may elect to terminate this Agreement and pursue any remedies at law or equity available to it for breach of contract. For any breach involving non-payment of amounts due under this Agreement, the opportunity to cure the breach shall be a period of ten (10) days after notice of breach. For all other types of breach, the opportunity to cure the breach shall be a period of sixty (60) days after notice of breach.
2. In the event of the termination of this Agreement due to termination of the Lease, the closure of the COM, the failure to obtain accreditation, loss of accreditation of ICOM, or the dissolution or final liquidation of ICOM, University shall be entitled to recover from ICOM the value of any unpaid fees due hereunder and any remedies at law or equity available to it for breach of contract.

3. In the event University breaches any provision of this Agreement or the Lease, and remains in default after notice and a sixty (60) day opportunity to cure said breach, ICOM may elect to terminate this Agreement; however, in such event, the sole remedy available to ICOM for any claimed breach of this Agreement shall be any remedies at law or equity available to it for breach of contract or specific performance.

K. General Contract Terms

1. Waiver: Failure of either party to enforce any of the provisions of the Agreement shall not be construed as a waiver of that, or any other, provision or any later breach thereof.

2. Notices: Any notice under this Agreement shall be deemed given when delivered in person or received in the mail, postage prepaid, and addressed as follows:

   If to ICOM:
   Daniel C. Burrell, Manager
   401 Paseo de Peralta
   Santa Fe, NM 87501
   Note: A new Idaho Address will be established.

   If to Idaho State University:
   President Arthur C. Vailas
   Idaho State University
   921 So. 8th Ave, Stop 8310
   Pocatello, ID 83209

3. Amendments: This Agreement embodies the entire agreement of the parties with regard to the subject matter hereof. No other agreements, oral or written, shall vary the terms of this agreement, and this Agreement may not be amended except by written document executed by both parties.

4. Severability; Reformation: Each paragraph and provision of this Agreement is severable from the entire Agreement; and if any provision is declared invalid, the remaining provisions shall nevertheless remain in effect and shall be reformed so as to allow, to the maximum extent allowed by law, for the parties’ intent in the original drafting.

5. Governing Law: The terms of this Agreement shall be governed by and construed in accordance with the laws of the State of Idaho, without reference to its conflicts of law principles.
IN WITNESS WHEREOF, the parties have executed this Agreement below:

Idaho College of Osteopathic Medicine, LLC, by:

[Signature]
Daniel C. Burrell
Title: Manager
Date:

Idaho State University, by:

[Signature]
Arthur C. Vailas, Ph.D.
Title: President
Date: February 26, 2016
SCHEDULE A to Collaborative Affiliation Agreement

ICOM Affiliated Student Services

Effective February 17, 2016

(Subject to periodic review and adjustment as provided in the Collaborative Affiliation Agreement)

(Services listed in this agreement are subject to availability assuming University students have first priority if capacity is limited)

1. **Fitness Center**
   ICOM Students shall be provided the ability to access and utilize the Fitness Center.

2. **Student Health Center**
   ICOM Students shall be provided access to Student Health Services at Unity Health and at the various ISU Clinics.

3. **Intercollegiate Athletics**
   ICOM Students shall be provided the ability to access University Intercollegiate Athletic Events, subject to ticket availability.

4. **University Information Technology**
   a. ICOM Students shall be provided the ability to access and utilize University wireless information technology systems and specified printing capabilities while on University’s Meridian campus.
   b. ICOM Students shall be provided the ability to access and utilize University’s Meridian computer labs.

5. **Emergency Notifications** ([http://www.idaho.edu/ISUalert/](http://www.idaho.edu/ISUalert/))
   ICOM faculty, staff and students, may elect to be entered into University's Emergency Notification System (ISU Alert) database in order to receive emergency notifications disseminated by University’s Meridian Campus.

6. **University Library Services**
   ICOM Students and University Students shall be provided the ability to access, utilize and check out materials from each party’s library as is mutually beneficial. (ICOM shall be responsible for providing its own internal library and collections as required to meet ICOM’s instructional and accreditation requirements. University
bears no responsibility to alter its collections to address needs of ICOM Students, faculty or staff.

- If ICOM wants to discuss options where the University provides/subcontracts library resources specific to the needs of ICOM students, University's Library Dean, needs to be involved with those discussions.

7. **Student ID Card**

ICOM students will receive a student identification card allowing them to utilize many of the services outlined in this agreement. University reserves the right to create a unique ID card for ICOM students, so they are distinct from University students.

   a. Student ID cards have no initial cost.
   b. Replacement ID cards (for any reason) are $15.
SCHEDULE B to Collaborative Affiliation Agreement

ICOM Affiliated Optional Student Services

Effective February 17, 2016

(subject to periodic review and adjustment as provided in the Collaborative Affiliation Agreement)

1. On-Campus Parking

   a. ICOM Students shall be eligible to purchase University Parking Permits on the same basis and subject to the same rules and restrictions as University's students.
   b. ISU Parking Permits are not required for parking that is accomplished within the premises defined under the ICOM Sublease.
   c. ICOM Students will have the same options afforded University students regarding types of parking permits made available.
   d. ICOM Students shall be charged at the established Parking Permit rates as adopted by University for University students.
   e. University reserves the right to give parking permit priority to University students.
EXHIBIT C

Master Declaration Agreement and Joint Operations and Maintenance Agreement

(attached)
After recording, return to:

Recording Requested By and
When Recorded Return to:
Paula Landholm Kluksdal
HAWLEY TROXELL ENNIS & HAWLEY LLP
P.O. Box 1617
Boise, Idaho 83701
restrictions and easements, all and each of which are for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property and for the protection of the Property. All and each of these covenants, conditions, restrictions and easements are hereby imposed as equitable servitudes upon the Property. The covenants, conditions, restrictions, reservations, easements and equitable servitudes set forth herein shall run with the Property, and every portion thereof, shall be binding on all parties having or acquiring any right, title or interest in the Property or in any part thereof, and their successors and assigns, shall inure to the benefit of every portion of the Property and any interest therein, shall inure to the benefit of each Owner, and his successors and assigns, and may be enforced by any Owner.

ARTICLE 1
DEFINITIONS

The following words, when used in this Agreement and in any amendment to this Agreement, unless otherwise provided, shall have the following meanings:

Section 1.1. “Agreement” shall mean this Master Declaration Agreement, as it may be amended from time to time as provided herein.

Section 1.2. “Building” shall mean the building located on the Property known as the District Services Center.

Section 1.3. “Common Areas” shall mean any portion of the Property, including the Improvements thereon, which are used in common by the Owners or maintained in common by the Owners, including, but not limited to (a) all roadways within the Property, (b) any landscaping located within the Property, (c) all parking areas within the Property as depicted on Exhibit “C” attached hereto, (d) outside and parking lot lighting and signage within the Property, (e) sidewalks within the Property, (f) the roof, and (g) any Improvements which are restricted to a use or uses beneficial to the Owners in common by reason of requirements imposed upon the Property by governmental entities, including but not limited to the electrical room and the storage room, as depicted on Exhibit “C” attached hereto, regardless of whether such Improvements are in the Building.

Section 1.4. “Improvement” shall mean all structures, systems and appurtenances thereto of every kind, whether above or below the land surface, including, but not limited to, the Building, utility systems, drainage systems, walkways, driveways, parking areas, landscaping items, fences, landscaping vegetation, wetland improvements and improvements to wetland buffer areas, irrigation systems, signs, exterior fixtures and any structure of any kind.

Section 1.5. “Joint Operations and Maintenance Agreement” shall mean the document executed contemporaneously herewith governing the common maintenance of
Section 1.6. "Mortgage" - "Mortgagor" shall mean any mortgage, deed of trust or other conveyance of a Parcel to secure the performance of an obligation that will be void and reconveyed upon completion of such performance. Reference in this Agreement to a Mortgagee shall be deemed to include the mortgagee of a mortgage, a beneficiary of a deed of trust or the secured party of any other conveyance for security purposes; reference to a Mortgagor shall be deemed to include the mortgagor of a mortgage, trustor or grantor of a deed of trust, or the debtor of any other conveyance for security purposes.

Section 1.7. "Notice of Interest" shall mean written notice from an Owner to another Owner of such Owner's intent to purchase the other Owner's Parcel pursuant to the terms and conditions of the right of first refusal set forth herein in Article 6.

Section 1.8. "Occupant" shall mean a lessee or licensee of an Owner, or any other Person other than an Owner in lawful possession of a Parcel, or a portion of a Parcel, with the permission of the Owner.

Section 1.9. "Owner" shall mean the Person, including ISU and the School District, holding fee simple title of record to a Parcel, including purchasers under executory contracts of sale. "Owners" shall mean all of the owners of Parcels within the Property.

Section 1.10. "Parcel" shall mean each of the ISU Property and the School District Property or any portion therein.

Section 1.11. "Person" shall mean a natural individual, corporation or any other entity with the legal right to hold title to real property.

Section 1.12. "Property" shall mean all of the Parcels.

Section 1.13. "Reconstruction Assessment" shall mean a charge against each Owner and its Parcel, representing a portion of the cost for repair or replacement of any portion of damaged or lost Improvements in the Common Areas, as provided for in this Agreement.

Section 1.14. "Service Facilities" shall mean loading docks, trash enclosures and compactors, exterior coolers, electrical and refrigeration facilities and other similar service facilities.

Section 1.15. "Transfer Notice" shall mean written notice from an Owner to another Owner of such Owner's intent to sell its Parcel pursuant to the terms and conditions of the right of first refusal set forth herein in Article 6.
Section 1.16. "Street" shall mean any street, drive, way, lane, place or other thoroughfare either within or adjacent to the Property or as so used as a part of the Common Areas, whether private or public.

ARTICLE 2
COMMON AREA, EASEMENTS AND RIGHT'S OF ENTRY

Section 2.1. Easements.

(a) Access and Parking. The School District hereby grants and conveys to ISU a perpetual non-exclusive easement to use all Streets located upon the School District Property for ingress, egress and access between ISU and East Central Drive. ISU hereby grants and conveys to the School District a perpetual non-exclusive easement to use all Streets located upon the ISU Property for ingress, egress and access between the ISU Property and East Central Drive. In addition, the School District and ISU each hereby grant and convey to the other perpetual, non-exclusive easements to use all parking areas presently existing or which may exist in the future on the Property.

(b) Maintenance and Repair. Each Owner grants to the other Owner perpetual nonexclusive easements over the Common Areas and the Parcels as necessary to maintain and repair the Common Areas and to perform all tasks in accordance with the provisions of this Agreement and the Joint Operations and Maintenance Agreement.

(c) Utility Easements. Each Owner grants to the other Owner perpetual easements over the Parcels and the Common Areas for utility services and laterals, and repairs, replacement and maintenance of the same, over all of the Common Areas serving the individual Parcels as necessary in accordance with the locations of the utilities as initially installed or in accordance with alterations of the Building. Such easements shall not be used in a manner that would unreasonably interfere with the use and enjoyment by the Owners of their Parcels and the Common Areas. Any damage to another Owner's Property due to any repairs, replacement and maintenance shall be the responsibility of the Owner making such repairs, replacement and maintenance. All such easements shall be appurtenant to and shall pass with the title to each Parcel when conveyed. The utilities to the Building shall be separately metered to each Parcel.

(d) Encroachment. ISU and the School District each grant to the other perpetual easements appurtenant to each of the Parcels over the other Parcel and the Common Areas for the purposes of (1) maintaining the Common Areas and accommodating authorized construction, reconstruction, repair, shifting, movement or natural settling of the Improvements, or any portion thereof, and (2) maintaining drainage in accordance with the drainage pattern existing at the time of the recording of this Agreement or in accordance with such drainage pattern as altered with the prior consent of the Owners.
(e) Easements for City and County Use  In addition to the foregoing easements over the Common Areas, there shall be, and the Owners hereby reserve and covenant for themselves and all future Owners within the Property, easements for public services and utilities, including, without limitation, the right of the city, county, or other recognized governmental entity to install, maintain and repair public sanitary sewer and public water systems and the right of the police to enter upon any part of the Common Areas for the purpose of enforcing the law. Such representation and covenant shall not constitute any dedication to the public except to the extent such easements are depicted and set forth on record any plat for the Property.

Section 2.2. Rights of Entry. Each Owner shall have a limited right of entry in and upon the exterior of all Improvements located on any Parcel for the purpose of inspecting the same and taking whatever corrective action may be deemed necessary or proper, as may be authorized by the provisions of this Agreement. However, nothing herein shall be construed to impose any obligation upon an Owner to maintain or repair any portion of a Parcel or any Improvement thereon which is to be maintained or repaired by the other Owner. Nothing in this Article shall in any manner limit the right of any Owner to the exclusive occupancy and control over the interior of the portion of the Building located upon its Parcel. However, each Owner shall permit access to such Owner’s Parcel or Improvements thereon by the other Owner as reasonably necessary, such as in case of any emergency originating on or threatening such Parcel or Improvements, whether or not such Owner is present.

Section 2.3. Leasing of Property. Every lease or other agreement for the hire or occupation (“lease”) of any portion of the Property which is executed after the recording of this Agreement shall be subject to the provisions of this Agreement, and every Occupant of a Parcel or a portion thereof shall in all applicable respects comply with the provisions of this Agreement. Every Owner shall:

(a) Include in any agreement for the lease of all or any portion of its Parcel a specific provision that said lease is subject to this Agreement and the Joint Operations and Maintenance Agreement, that the Occupant of the Parcel will comply with the provisions of this Agreement, and that such provisions are an integral part of the lease; and

(b) Not execute a lease to any portion of the Property without complying with the provisions of Section 2.3(a) above; provided, however, that an Owner’s failure to do so shall not diminish the effect of this Agreement with respect to any such lease. The lease shall not become effective until an Occupant has executed a lease containing the provision required in Section 2.3(a) above.

Section 2.4. Common Area.

(a) The Common Area is hereby reserved for the sole and exclusive use of
all Owners of the Property, their tenants, contractors, employees, agents, customers, licensees and invitees and the subtenants, contractors, employees, agents, customers, licensees and invitees of such tenants. The Common Area may be used for vehicular driving, parking (except that there shall be no multi-level parking), pedestrian traffic, directional signs, sidewalks, walkways, landscaping, perimeter walls and fences, parking lot lighting, utility lines and Service Facilities and for no other purpose unless otherwise specifically provided in this Agreement or Section 1.3 hereof. No buildings or structures not approved in writing by the Owners shall be placed or constructed in the Common Area designated for vehicular traffic or parking except directional signs, paving bumper guards or curbs, landscape planters, lighting standards, perimeter walls and fences, utility pads and equipment, sidewalks and, to the extent that they are located, and do not impede access, to the rear or sides of the Building.

(b) The Common Area shall be maintained pursuant to the Joint Operations and Maintenance Agreement subject to the specific maintenance duties and obligations set forth herein. Expenses incurred for such maintenance shall be assessed pursuant to the Joint Operations and Maintenance Agreement, shall run with the land and shall be a continuing lien against the Property. The expenses incurred shall be allocated proportionately by dividing the amount of the square footage of the Building owned by such Owner by the total square footage of the Building unless otherwise agreed to in the Joint Operations and Maintenance Agreement. The parties hereto expressly vest in the other Owner the right and power to bring all actions at law or to foreclose on an Owner’s lien against such Owner and such Owner’s Parcel for the collection of delinquent assessments, pursuant to the terms and conditions as set forth in the Joint Operations and Maintenance Agreement. Each Owner gives the other Owner the right, pursuant to the terms of the Joint Operations and Maintenance Agreement, to record a notice of claim of lien against an Owner and said Owner’s Parcel for any delinquent assessments in the Office of the Real Property Records, Ada County, Idaho, and a copy thereof is deposited in the United States mails, certified or registered, postage prepaid, to the Owner of said Parcel at said Owner’s last known address. Said notice of claim of lien must contain a sufficient legal description of said Parcel, the record owner or reputed owner thereof and the amount claimed, including the cost of preparing and recording the notice of claim of lien, late charges and interest on said unpaid assessments and costs of collections, including reasonable attorneys fees.

Section 2.5. Building Improvements.

(a) Any alterations to the Building must be of Type I, II, III or IV as defined in the 2003 International Building Code Section 602. All modifications and plans to improve the Building comply with the 2003 International Building Code and have been approved by the Division of Building Safety. All modifications to the Building must comply with all applicable governmental rules, laws, regulations and ordinances.
(b) The Building shall not be modified in such a manner as to adversely affect the structural integrity of the Building.

(c) All Service Facilities shall be attractively screened from view from the parking areas.

(d) An open yard of at least sixty (60) feet shall be maintained around the perimeter of the Building at all times; provided, however, the Building may be expanded as long as a sixty (60) foot open yard is maintained around the perimeter. Such open yard shall not limit the ability of an Owner to place landscaping parking areas, sidewalks, roadways, lighting and signage in such open yard.

ARTICLE 3
REGULATION OF OPERATIONS AND USES

Section 3.1. Prohibited Uses The following operations and uses shall not be permitted on any portion of the Property subject to this Agreement:

(a) Trailer courts or recreation vehicle campgrounds;

(b) Junk yards or recycling facilities;

(c) Drilling for and removing oil, gas or other hydrocarbon substances;

(d) Refining of petroleum or of its products;

(e) Commercial petroleum storage yards;

(f) Commercial excavation of building or construction materials provided that this prohibition shall not be construed to prohibit any excavation necessary in the course of construction of new Improvements on a Parcel or the Common Areas;

(g) A theater, bowling alley, skating rink, gym, health spa or studio, dance hall, billiard or pool hall, massage parlor, game parlor or video arcade; provided, however, a workout or recreational area for use by the employees and/or students of the Owners is not prohibited hereby;

(h) A bar;

(i) Distillation of bones;

(j) Dumping, disposal, incineration or reduction of garbage, sewage, offal, dead animals or other refuse;
(k) Fat rendering;
(l) Stockyard or slaughter of animals;
(m) Smelting of iron, tin, zinc or any other ore or ores;
(n) Cemeteries;
(o) Jail or honor farms; or
(p) Any use that is not appropriate for a first class property and any use which is in violation of this Agreement, or any statute, law, ordinance, regulation or ruling of any public authority having jurisdiction or could produce adverse effects upon the Property in terms of health, safety or welfare of persons.

Section 3.2. Permitted Uses. Any use or business permitted by the City of Meridian and permitted by current ordinances of the City of Meridian and by the 2003 International Building Code Section 402.2 that is not specifically prohibited in Section 5.1 above and that would not adversely affect the Property or adversely affect any uses to which either of the Parcels is then being put will be permitted. Such uses shall be performed or carried out entirely within the Building such that the enclosed operations and uses do not cause or produce a nuisance to other Parcel, such as, but not limited to, vibration, sound, electro-mechanical disturbances, radiation, air or water pollution, dust or the emission of odorous toxic or nontoxic matter including steam. Certain activities which cannot be carried on within a building may be permitted, provided the other Owner specifically consents to such activity in writing, and further provided such activity is screened so as not to be Visible from the Street. The Owners hereby agree that the intended uses of ISU and the School District comply with the 2003 International Building Code Section 402.2.

Section 3.3. Intentionally Omitted.

Section 3.4. Nuisances. No nuisance shall be permitted to exist or operate upon any Parcel so as to be offensive or detrimental to any other Parcel or to its Occupants or the Owner thereof. A “nuisance” shall include, but not be limited to, any of the following conditions:

(a) Any use, including reasonable construction activity, of the Parcel which emits dust, sweepings, dirt or cinders into the atmosphere, or discharges liquid, solid wastes or other matter into any stream, river or other waterway which may adversely affect the health, safety, comfort of, or intended use of their property by persons within the area. No waste nor any substance or materials of any kind shall be discharged into any public sewer serving the Property or any part thereof in violation of any regulation of any public
body having jurisdiction over such public sewer.

(b) The escape or discharge of any fumes, odors, gases, vapors, steam, acids or other substance into the atmosphere which discharge may be detrimental to the health, safety or welfare of any Person or may interfere with the comfort of persons within the area or which may be harmful to property or vegetation.

(c) The radiation or discharge of intense glare or heat, or atomic, electromagnetic, microwave, ultrasonic, laser or other radiation. Any operation producing intense glare or heat or such other radiation shall be performed only within an enclosed or screened area and then only in such manner that the glare, heat or radiation emitted will not be noticeable from the street or other Parcels.

(d) Any use which creates a sound pressure level in violation of any regulation of any public body having jurisdiction or which creates a ground vibration that is perceptible, without instruments, at any point along any of the property lines of a Parcel.

(e) Visible emissions of smoke or steam will not be permitted outside the Building that exceed Ringlemann No. 1 on the Ringlemann Chart of the United States Bureau of Mines. This requirement shall also be applied to the disposal of trash and waste materials. Windborne dust, sprays and mists originating in plants are not permitted.

Section 3.5. Condition of Property. No Owner shall allow the portion of the Building located on its Parcel or any other structure upon its Parcel to fall into disrepair, and such portion of the Building and other structures shall at all times be kept in good condition and repair. The Owner or Occupant of any Parcel shall at all times keep its portion of the Building and appurtenances in a safe, clean and wholesome condition and comply, at its own expense, in all respects with applicable governmental, health, fire and safety ordinances, regulations, requirements and directives, and the Owner or Occupant shall at regular and frequent intervals remove at its own expense any rubbish of any character whatsoever that may accumulate within such portion the Building to a trash collection facility or facilities.

Section 3.6. Remedies for Failure to Maintain and Repair

(a) Remedies. If any Owner shall fail to perform the maintenance and repair required by Section 3.5, then the other Owner, after fifteen (15) days prior written notice to such delinquent Owner, shall have the right, but not the obligation, to perform such maintenance and repair and to charge the delinquent Owner and its Parcel with the cost of such work, together with interest thereon at the rate of fifteen percent (15%) per annum from the date of the advancement of funds for such work to the date of reimbursement by such Owner. If the delinquent Owner shall fail to reimburse the other Owner for such cost within ten (10) days after demand therefor, the non-delinquent Owner
may, at any time within six (6) months after such advance, record a claim of lien signed by an authorized agent of the non-delinquent Owner for the amount of such charge, together with interest thereon and enforce the lien in accordance with the provisions of this Agreement.

(b) Nonexclusive Remedy. The foregoing lien and the rights to foreclose thereunder shall be in addition to, and not in substitution for, all other rights and remedies which the non-delinquent Owner may have hereunder and by law, including any suit for specific performance or to recover a money judgment for unpaid assessments.

Section 3.7. Utility Lines and Antennas. No sewer, drainage or utility lines or wires or other devices for the communication or transmission of electric current, power or signals, including telephone, television, microwave or radio signals, shall be constructed, placed or maintained anywhere in or upon any portion of a Parcel, other than within buildings or structures, unless the same shall be contained in conduits or cables constructed, placed or maintained underground or concealed in or under the Building or other structures. Antenna or satellite dishes for the transmission or reception of telephone, television, microwave or radio signals may be placed on any Parcel, but only on the roof of the Building and appropriately screened so as to have minimal visual impact on surrounding streets, public spaces and the Common Areas. The final location and configuration of such antenna or dish must be approved in writing by the other Owner. Nothing contained herein shall be deemed to forbid the erection or use of temporary power or telephone facilities by an Owner incidental to the construction or repair of the portion of the Building located on such Owner’s Parcel.

Section 3.8. Fire and Safety Systems. All fire alarms, automatic sprinkler systems, smoke control systems, standby power and emergency voice/alarm communication systems required by the building officials for the operation and treatment of the Building (collectively the “Fire and Safety Systems”) shall be maintained as if the Building was owned by one Owner. The School District Property Owner shall be responsible for the control and maintenance of the Fire and Safety Systems for the entire Building pursuant to the Joint Operations and Maintenance Agreement. The ISU Property Owner shall be responsible to reimburse the School District Property Owner for such maintenance and control pursuant to the Joint Operations and Maintenance Agreement. Both Owners shall insure that the fire department has proper access to the equipment required by the fire department to be maintained on the Property.

Section 3.9. Mechanical Equipment. All mechanical equipment, utility meters, storage tanks, air conditioning equipment and similar items shall be screened with landscaping or attractive architectural features integrated into the structure itself.

Section 3.10. Mineral Exploration. No portion of the Property shall be used in any manner to explore for or to remove any steam, heat, oil or other hydrocarbons, gravel,
earth, or any earth substances or other minerals of any kind; provided, however, that this shall not prevent the excavation of earth in connection with the grading or construction of Improvements within a Parcel. Water may be extracted to the extent permitted by the appropriate governmental agency.

**ARTICLE 4**

**DAMAGE OR LOSS TO IMPROVEMENTS**

Section 4.1. Restoration of Common Areas. Except as otherwise provided in this Agreement, in the event of any destruction of any portion of the Common Areas other than any portion of the Building, it shall be the duty of the School District Property Owner to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance shall be used for such purpose. The Common Areas and all other Improvements located within the Common Areas shall be reconstructed or rebuilt substantially in accordance with the original construction plans if they are available, with such changes as are approved by the Owners. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than the estimated cost of restoration and repair, a Reconstruction Assessment shall be levied by the School District Property Owner upon the Owners and their Parcels in order to provide the necessary funds for such reconstruction over and above the amount of any insurance proceeds available for such purpose. Reconstruction Assessments shall be borne by the Owners in the same proportions as Common Assessments as set forth in the Joint Operations and Maintenance Agreement.

Section 4.2. Restoration Obligations of Owners. In the event of the damage or destruction of any portion of a Parcel or the portion of the Building thereon, then it shall be the duty of the Owner of such Parcel, as soon as may be practical, to repair and replace the damage or destruction, or such portion thereof as will render such damage or destruction indiscernible from the exterior of the Parcel.

Section 4.3. Condemnation. In the event the whole, or any part, of the Common Areas shall be taken or condemned by any authority exercising the power of eminent domain, the Owners shall appear and defend such proceedings; provided, that if a Parcel is encumbered by a Mortgage or Mortgages which has or have a provision relating to condemnation, then in lieu of distributing the award to the Owner of said Parcel, that Owner’s portion of the award shall be paid to the Mortgagee of the Mortgage with the highest priority and seniority for distribution and payment in accordance with the terms and conditions of said Mortgagee’s Mortgage.
ARTICLE 5  
DURATION AND AMENDMENT

Section 5.1. Duration. This Agreement shall be recorded against the Parcels, shall run with the Parcels and shall be perpetual.

Section 5.2. Amendment. This Agreement may not be amended without written consent of all Owners. Notwithstanding the foregoing, any of the following amendments, to be effective, must be approved in writing by the record holders of one hundred percent (100%) of the aggregate value of Mortgages encumbering the Property at the time of such amendment and all necessary building officials.

Section 5.3. Governmental Regulation. All valid governmental enactments, ordinances and regulations are deemed to be part of this Agreement and to the extent that they conflict with any provision, covenant, condition or restriction hereof, said conflicting governmental enactment, ordinance and regulation shall control and the provision, covenant, condition or restriction hereof in conflict therewith shall be deemed (i) amended to the extent necessary to bring it into conformity with said enactment, ordinance and regulation while still preserving the intent and spirit of the provision, covenant, condition or restriction or (ii) stricken herefrom should no amendment conforming to the governmental enactment, ordinance or restriction be capable of preserving the intent and spirit of said provision, covenant, condition or restriction.

ARTICLE 6  
RIGHT OF FIRST REFUSAL

Section 6.1. Right of First Refusal Granted. ISU hereby grants to the School District and the School District hereby grants to ISU the right of first refusal to purchase such Owner's Parcel, upon the terms and conditions hereinafter set forth.

Section 6.2. Notice of Interest to Purchase. In the event an Owner determines that it is going to sell, convey or otherwise transfer its Parcel to a third party pursuant to an offer or bid, said Owner shall provide the other Owner a Transfer Notice which Transfer Notice must set forth the terms and conditions of the third party offer or bid, with a copy of such third party offer or bid attached to the Transfer Notice. Upon receipt of the Transfer Notice, the Owner receiving the Transfer Notice shall have thirty (30) days in which to provide the Owner delivering the Transfer Notice a Notice of Interest, subject to such Owner completing its due diligence and being satisfied, in its discretion, as set forth below. If an Owner fails to timely deliver a Notice of Interest, or if an Owner notifies the other Owner in writing that it declines to purchase the Parcel, the Owner selling the Parcel may proceed with its sale or transfer 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 third party offer or bid attached to the Transfer Notice. In the event the sale or transfer
attached to the Transfer Notice, the right of first refusal set forth herein shall remain in effect.

Section 6.3. Due Diligence Period. If an Owner wishes to purchase the Parcel and sends the Notice of Interest to the other Owner, then the purchasing Owner shall have thirty (30) days in which to perform its due diligence following the selling Owner's receipt of the Notice of Interest. Upon delivery of the Notice of Interest, such Owner shall proceed to conduct any surveys, soil tests, engineering studies, title reviews, and environmental tests and audits which such Owner deems necessary for such Owner to determine the suitability of the Parcel, in such Owner's sole and absolute discretion. If such Owner is satisfied with the results of the due diligence and elects to purchase the Parcel, such Owner shall notify the other Owner in writing, and the parties shall then use their good faith diligent efforts to close on the purchase of the Parcel, but in any event within three (3) months of completion of the due diligence period or otherwise agreed to in writing by the parties, unless such Owner needs to conduct a bond election to generate the funds for the purchase price and then within nine (9) months of completion of the due diligence period or otherwise agreed to in writing by the Owners. At the closing for the Parcel, the Owner selling the Parcel shall convey fee simple title to the Parcel to the Owner purchasing the Parcel, subject only to the following matters: (i) real property taxes, if any, not then delinquent; (ii) all easements, restrictions and covenants of record and/or shown on the final plat or contained in the Joint Operations and Maintenance Agreement entered into between the Owners; and (iii) zoning ordinances, easements and rights of way of record or visible upon the Parcel.

Section 6.4. Purchase Price. The purchase price for purchase of the Parcel shall be the lesser of the appraised value of the Parcel, as appraised by an appraiser selected by the Owner selling the Parcel and certified in the State of Idaho and agreed to by the parties, or the amount to be paid by the third party as set forth in the Transfer Notice.

Section 6.5. Closing Costs, Payment of Purchase Price. The Owner purchasing the Parcel shall pay the cost of recording the deed conveying the Parcel. Any escrow fees, and all fees charged by the closing agent, shall be paid equally by ISU and the School District. Taxes, if any, rentals, if any, and utilities shall be prorated as of the time of closing. The Owner selling the Parcel shall pay the premium which would be charged for a standard Owner's policy of title insurance in the amount of the purchase price. The Owner purchasing the Parcel shall pay the amount of any additional premium charged for extended coverage required or desired by the Owner purchasing the Parcel. The Owner selling the Parcel shall pay all other costs including, without limitation, all other recording fees, state documentary stamps, transfer taxes, excise taxes, and assessments for improvements completed prior to the date hereof, whether levied or not. At closing, the Owner purchasing the Parcel shall pay the purchase price, and other amounts owed hereunder, in immediately available funds to an escrow agent established among the parties, and shall instruct such escrow agent to release the same when the deed conveying
the Parcel is recorded in compliance herewith.

ARTICLE 7
GENERAL PROVISIONS

Section 7.1. Legal Proceedings. Failure to comply with any of the terms of this Agreement by an Owner or Occupant, his guests, employees, invitees or tenants, shall be grounds for relief which may include, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought by an aggrieved Owner. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision, or any other provision hereof. Any Owner (not at the time in default hereunder) shall be entitled to bring an action for damages against any defaulting Owner and, in addition, may enjoin any violation of this Agreement. Any judgment rendered in any action or proceeding pursuant thereto shall include a sum for attorneys’ fees, including appeals, in such amount as the Court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, together with interest, costs of collection and court costs. Each remedy provided for in this Agreement shall be cumulative and not exclusive or exhaustive.

Section 7.2. Severability. The provisions hereof shall be deemed independent and severable, and a determination of invalidity or partial invalidity or enforceability of any one provision or portion hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provisions hereof.

Section 7.3. Interpretation. The provisions of this Agreement shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the Property and for the maintenance of the Common Areas, and any violation of this Agreement shall be deemed to be a nuisance. The article and section headings, titles and captions have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context otherwise requires, as used herein the singular and the plural shall each include the other and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

Section 7.4. Hold Harmless and Indemnification; Insurance. To the extent permitted by the Idaho Tort Claims Act, Idaho Code § 6-901 et seq., each Owner shall indemnify, defend, protect and hold each other harmless from and against any and all claims of liability for any injury or damage to any person or property arising from School District’s or School District’s agents and representatives or ISU’s or ISU’s agents and representatives, use of the Building, Common Area and Property, or from any activity, work or thing done, permitted or suffered by, in or about the Property and Building. The School District and ISU shall further indemnify, defend, protect and hold each other harmless from and against any and all claims arising from any negligent or intentional act or omission by each’s respective agents, contractors or employees, and from and against all
costs, attorney's fees, expenses and liabilities incurred in the defense of any such action or proceeding brought thereon. In the event any action or proceeding is brought against the School District or ISU, by reason of any such claim, the entity from whose conduct the claim arose shall, upon notice from the School District or ISU, defend it or them at that entity's expense by counsel satisfactory to the entity to whom indemnification is owed.

**Section 7.5. Limitation on Liability and Remedies.** The School District and ISU, as a material part of the consideration to each other and in recognition of the cooperative relationship of the parties and their desire to provide for continued public use and enjoyment of the Property, do hereby agree to the following limitations on each other's liability arising from and as well as the use of the Building and the Property. To the fullest extent permitted by law, both the School District and ISU, on each other's behalf and on behalf of all persons or entities claiming by and through either, agree to limit the liability of the School District and ISU for any claims, losses, costs, damages of any nature whatsoever or claims or expenses from any cause or causes, so that the total aggregate liability of a claim against either the School District or ISU shall not exceed the amount of collectible liability insurance that the School District and ISU are separately required to maintain hereunder be liable to the other Owner for any injury to any person or damage to the Common Areas or any equipment thereon which may be sustained by reason of the negligence of said Owner or of his guests, employees, invitees or tenants, to the extent that any such damage shall not be covered by insurance. The costs incurred by the other Owner as a result of such damage shall be deemed a Special Assessment of such Owner and its Parcel, and shall be subject to levy, enforcement and collection by the other Owner in accordance with the assessment lien procedure provided in this Agreement.

**Section 7.6. No Public Right or Dedication.** Nothing contained in this Agreement shall be deemed to be a gift or dedication of all or any part of the Property to the public, or for any public use.

**Section 7.7. Nonliability.** No Person shall be liable to any party for injuries or damage resulting from such Person's acts or omissions within what such Person reasonably believed to be the scope of his duties under this Agreement ("Official Acts"), except to the extent that such injuries or damages result from such Person's malicious or criminal misconduct.

**Section 7.8. Notices.** Except as otherwise provided in this Agreement, in each instance in which notice is to be given to an Owner, the same shall be in writing and may be delivered personally to the Owner, in which case personal delivery of such notice to one or more co-owners of a Parcel or to any general partner of a partnership owning a Parcel shall be deemed delivery to all co-owners or to the partnership, as the case may be. Personal delivery of such notice to any officer or agent for the service of process on a corporation or limited liability company shall be deemed delivery to the corporation or limited liability company, as the case may be. In lieu of the foregoing, such notice may be
delivered by certified or registered United States mail, postage prepaid, return receipt required, addressed to the Owner at the most recent address furnished by such Owner to the other Owner or, if no such address shall have been furnished, to the street address of such Parcel. Such notice shall be deemed delivered forty-eight (48) hours after the time of such mailing.

THIS Agreement has been executed on the date first written above and may be executed in any number of original counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature and notary acknowledgement pages of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereof provided such signature and notary pages are attached to any other counterpart identical thereto except having additional signature and notary pages executed by other parties to this Agreement attached thereto.

BOARD OF TRUSTEES AND STATE BOARD OF EDUCATION OF IDAHO STATE UNIVERSITY

By: 

Name: Kenneth R. Prolo
Title: Vice President for Financial Services Idaho State University

JOINT SCHOOL DISTRICT NO. 2, ADA AND CANYON COUNTIES, IDAHO

By: 

Name: Linda Clark
Title: Superintendent
STATE OF IDAHO  

COUNTY OF BANNOCK  

On this 5th day of June, 2007, before me, Rita Magee, a Notary Public in and for said State, personally appeared Kenneth R. Prolo, known or identified to me to be the Vice President for FINANCIAL SERVICES IDAHO STATE UNIVERSITY, the entity that executed the within instrument or the person who executed the instrument on behalf of said entity, and acknowledged to me that such entity 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.

Rita Magee  
Notary Public for Idaho  
Residing at Boise, ID  
My commission expires 6/3/10
delivered by certified or registered United States mail, postage prepaid, return receipt required, addressed to the Owner at the most recent address furnished by such Owner to the other Owner or, if no such address shall have been furnished, to the street address of such Parcel. Such notice shall be deemed delivered forty-eight (48) hours after the time of such mailing.

THIS Agreement has been executed on the date first written above and may be executed in any number of original counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature and notary acknowledgement pages of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature and notary pages are attached to any other counterpart identical thereto except having additional signature and notary pages executed by other parties to this Agreement attached thereto.

BOARD OF TRUSTEES AND STATE BOARD OF EDUCATION OF IDAHO STATE UNIVERSITY

By: ______________________________________

Name: Kenneth R. Prolo
Title: Vice President for Financial Services Idaho State University

JOINT SCHOOL DISTRICT NO. 2, ADA AND CANYON COUNTIES, IDAHO

By: __________________________

Name: Linda Clark
Title: Superintendent

16
STATE OF IDAHO )
County of Ada ) ss

On this 29th day of November, 2007, before me, Patricia A. Duncan, a Notary Public in and for said State, personally appeared Linda Clark, known or identified to me to be the Superintendent of JOINT SCHOOL DISTRICT NO. 2, ADA AND CANYON COUNTIES, IDAHO, the entity that executed the within instrument or the person who executed the instrument on behalf of said entity, and acknowledged to me that such entity 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 Seal]

Patricia A. Duncan
Notary Public for Idaho
Residing at Meridian, Idaho
My commission expires 3-27-09

04836 0064 915404 6
EXHIBIT "A"
LEGAL DESCRIPTION OF SCHOOL DISTRICT PROPERTY
PARCEL DESCRIPTION

April 12, 2007

Project: Jabil Property -- Hummel Architects

Parcel Type: Remainder - A Portion of Parcel "A" of Record of Survey No. 6631 and that portion of Locust Grove Rd. R/W West of the Section line.

A parcel of land being a portion of Parcel "A" of Record of Survey No. 6631, situated in the SE 1/4 of Section 18, Township 3 North, Range 1 East, Boise Meridian, City of Meridian, Ada County, Idaho, more particularly described as follows:

COMMENCING at a found 3" brass cap, Corner Record Instrument No. 103176248, marking the Southeast corner of said Section 18;

Thence North 00°30'34" East, coincident with the east line of said Section 18, also being the centerline of Locust Grove Rd., a distance of 1281.66 feet to the intersection of said east line (centerline of Locust Grove Rd.) and the northerly right-of-way of Interstate Highway 84 and the POINT OF BEGINNING;

Thence North 89°33'08" West, coincident with said northerly right-of-way line, a distance of 330.29 feet;

Thence North 00°00'00" East, a distance of 442.71 feet;

Thence North 90°00’00" West, a distance of 354.53 feet;

Thence South 00°00'00" East, a distance of 10.00 feet;

Thence North 90°00’00" West, coincident with the centerline of an existing wall within the Jabil Circuit building extended, a distance of 105.95 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 00°00’00" East, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 70.23 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 90°00’00" West, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 401.42 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence South 00°00’00" East, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 203.23 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 90°00’00" West, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 10.00 feet to the centerline intersection of an existing wall within the Jabil Circuit building;
Thence North 00°00'00" East, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 14.26 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 90°00'00" West, coincident with the centerline of an existing wall within the Jabil Circuit building extended, a distance of 161.99 feet;

Thence South 00°00'32" West, a distance of 326.77 feet to the northerly right-of-line of Interstate Highway 84;

Thence North 89°33'30" West, coincident with said northerly right-of-way line, a distance of 401.46

Thence North 28°26'58" West, a distance of 49.59 feet;

Thence South 89°37'32" West, along the northerly line of the SE 1/4 SW 1/4 of Section 18, a distance of 64.81 feet to the southwest corner of said Parcel "A" of said Record of Survey No. 6631;

Thence leaving said right-of-way and along the westerly line of said Parcel "A" the following four courses:

Thence North 00°00'40" West, a distance of 128.95 feet;

Thence North 89°58'05" East, a distance of 94.70 feet;

Thence North 56°08'43" East, a distance of 40.08 feet;

Thence North 00°00'39" West, a distance of 764.91 feet to a point on the southerly right-of-way of East Central Drive;

Thence along said southerly right-of-way the following five courses:

Thence North 89°38'50" East, a distance of 860.51 feet to a point of curvature;

Thence 37.04 feet along a tangent curve the right, having a radius of 148.00 feet, a central angle of 14°20'17", and subtended by a chord bearing South 83°11'01" East a distance of 36.94 feet to a point of tangency;

Thence South 76°00'53" East, a distance of 355.52 feet to a point of curvature;

Thence 14.87 feet along a tangent curve the left, having a radius of 212.00 feet, a central angle of 04°01'09", and subtended by a chord bearing South 78°01'27" East a distance of 14.87 feet to a point of non-tangent compound curvature;
Thence 69.25 feet along a curve the left, having a radius of 332.00 feet, a central angle of 11°57'05", and subtended by a chord bearing South 84°01'48" East a distance of 69.13 feet to a point at the centerline of the Hunter Lateral;

Thence, coincident with the centerline of the Hunter Lateral the following four courses:

Thence South 23°43'57" East, a distance of 100.52 feet;

Thence South 32°25'35" East, a distance of 227.53 feet;

Thence South 35°12'46" East, a distance of 277.92 feet;

Thence South 41°34'55" East, a distance of 121.13 feet to a point on said east line of Section 18 and the centerline of said Locust Grove Rd.;

Thence, South 00°30'34" West, coincident with said east line of said Section 18, also being the centerline of Locust Grove Rd., a distance of 255.28 feet to the POINT OF BEGINNING.

The parcel above described contains 23.300 acres, more or less.

Together with and subject to covenants, easements, and restrictions of record.

End of Description
EXHIBIT "B"

LEGAL DESCRIPTION OF THE ISU PROPERTY
Lot 2 in Block 1 of Joint No. 2 Subdivision Phase 1, according to the official plat thereof, filed in Book 99 of Plats at Page(s) 12828, through 12830, records of Ada County, Idaho.
PARCEL DESCRIPTION April 12, 2007

Project: Jabil Property – Hummel Architects

Parcel Type: Remainder - A Portion of Parcel “A” of ROS No. 6631 and that portion of Locust Grove Rd. R/W West of the Section line.

A parcel of land being a portion of Parcel “A” of Record of Survey No. 6631, situated in the SE 1/4 of Section 18, Township 3 North, Range 1 East, Boise Meridian, City of Meridian, Ada County, Idaho, more particularly described as follows:

COMMENCING at a found 3” brass cap, Corner Record Instrument No. 103176248, marking the Southeast corner of said Section 18;

Thence North 00°30'34" East, coincident with the east line of said Section 18, also being the centerline of Locust Grove Rd., a distance of 1281.66 feet to the intersection of said east line (centerline of Locust Grove Rd.) and the northerly right-of-way of Interstate Highway 84 and the POINT OF BEGINNING;

Thence North 89°33'08" West, coincident with said northerly right-of-way line, a distance of 330.29 feet;

Thence North 00°00’00” East, a distance of 442.71 feet;

Thence North 90°00’00” West, a distance of 354.53 feet;

Thence South 00°00’00” East, a distance of 10.00 feet;

Thence North 90°00’00” West, coincident with the centerline of an existing wall within the Jabil Circuit building extended, a distance of 105.95 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

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Thence North 90°00’00” West, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 10.00 feet to the centerline intersection of an existing wall within the Jabil Circuit building;
Thence North 00°00'00" East, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 14.26 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 90°00'00" West, coincident with the centerline of an existing wall within the Jabil Circuit building extended, a distance of 161.99 feet;

Thence South 00°00'32" West, a distance of 326.77 feet to the northerly right-of-line of Interstate Highway 84;

Thence North 89°33'30" West, coincident with said northerly right-of-way line, a distance of 401.46 feet;

Thence North 28°26'58" West, a distance of 49.59 feet;

Thence South 89°37'32" West, along the northerly line of the SE 1/4 SW 1/4 of Section 18, a distance of 64.81 feet to the southwest corner of said Parcel "A" of said Record of Survey No. 6631;

Thence leaving said right-of-way and along the westerly line of said Parcel "A" the following four courses:

Thence North 00°00'40" West, a distance of 128.95 feet;

Thence North 89°58'05" East, a distance of 94.70 feet;

Thence North 56°08'43" East, a distance of 40.08 feet;

Thence North 00°00'39" West, a distance of 764.91 feet to a point on the southerly right-of-way of East Central Drive;

Thence along said southerly right-of-way the following five courses:

Thence North 89°38'50" East, a distance of 860.51 feet to a point of curvature;

Thence 37.04 feet along a tangent curve the right, having a radius of 148.00 feet, a central angle of 14°20'17", and subtended by a chord bearing South 83°11'01" East a distance of 36.94 feet to a point of tangency;

Thence South 76°00'53" East, a distance of 355.52 feet to a point of curvature;

Thence 14.87 feet along a tangent curve the left, having a radius of 212.00 feet, a central angle of 04°01'09", and subtended by a chord bearing South 78°01'27" East a distance of 14.87 feet to a point of non-tangent compound curvature;
Thence 69.25 feet along a curve the left, having a radius of 332.00 feet, a central angle of 11°57'05", and subtended by a chord bearing South 84°01'48" East a distance of 69.13 feet to a point at the centerline of the Hunter Lateral;

Thence, coincident with the centerline of the Hunter Lateral the following four courses:

Thence South 23°43'57" East, a distance of 100.52 feet;

Thence South 32°25'35" East, a distance of 227.53 feet;

Thence South 35°12'46" East, a distance of 277.92 feet;

Thence South 41°34'55" East, a distance of 121.13 feet to a point on said east line of Section 18 and the centerline of said Locust Grove Rd.;

Thence, South 00°30'34" West, coincident with said east line of said Section 18, also being the centerline of Locust Grove Rd., a distance of 255.28 feet to the POINT OF BEGINNING.

The parcel above described contains 23.300 acres, more or less.

Together with and subject to covenants, easements, and restrictions of record.

End of Description
EXHIBIT “C”

PARKING LOT,
STORAGE ROOM AND
ELECTRICAL ROOM
EXHIBIT "E"

JOINT OPERATIONS AND MAINTENANCE AGREEMENT
JOINT OPERATIONS AND MAINTENANCE AGREEMENT

THIS JOINT OPERATIONS AND MAINTENANCE AGREEMENT is made on
December 4, 2007, by the BOARD OF TRUSTEES AND STATE BOARD OF
EDUCATION OF IDAHO STATE UNIVERSITY ("ISU") and JOINT SCHOOL
DISTRICT NO. 2, Ada and Canyon Counties, Idaho, an Idaho school district ("School
District").

PREAMBLE:

A. The School District is the owner of certain real property located in the City of
Meridian, County of Ada, State of Idaho, described in Exhibit “A” attached hereto and by
this reference incorporated herein (the “School District Property”). ISU is the owner of
certain real property located in the City of Meridian, County of Ada, State of Idaho,
described in Exhibit “B” attached hereto and by this reference incorporated herein (the “ISU
Property”; the ISU Property and the School District Property are herein collectively called
the “Property”).

B. Concurrently with the recording of this Agreement, School District has
conveyed the ISU Property to ISU. The parties have determined that it is desirable and
necessary, for the efficient preservation of the values of the Property and for the maintenance
and preservation of the Building (as defined below) and the Common Areas (as defined
below) to enter into this Agreement for the purpose of maintaining and administering the
Common Areas and enforcing the covenants, conditions and restrictions herein contained,
and collecting and disbursing the assessments and charges hereinafter created.

C. ISU and the School District have entered into that certain “Master
Declaration Agreement” which encumbers the Property and is recorded concurrently
herewith ("Declaration"). Pursuant to the Declaration the Owners have imposed certain
restrictions on their Parcels and have executed reciprocal easements each in favor of the
other covering the Common Area (defined below).

D. ISU and the School District hereby declare that they desire to enter into an
agreement which governs the joint use and maintenance of the Property and provides for the
common operation, cleaning, maintenance, repair, replacement and insurance of the
Common Area. The rights, duties and obligations set forth herein shall inure to the benefit of
each Owner, and shall be binding on any Owners successors and assigns, and may be
enforced by any Owner.
ARTICLE 1
DEFINITIONS

The following words, when used in this Agreement and in any amendment to this Agreement, unless otherwise provided, shall have the following meanings:

Section 1.1. "Agreement" shall mean this Joint Operations and Maintenance Agreement, as it may be amended from time to time as provided herein.

Section 1.2. "Building" means the building located on the Property known as the District Services Center.

Section 1.3. "Capital Improvement Assessment" shall mean a charge against each Owner and its Parcel, representing a portion of the cost to the Owners for installation or construction of any capital improvements on any of the Common Areas, including landscaping, which the Owners may from time to time authorize in accordance with Section 2.6 this Agreement.

Section 1.4. "Common Areas" shall mean any portion of the Property, including the Improvements thereon, which are used in common by the Owners or maintained in common by the Owners, including, but not limited to (a) all roadways within the Property, (b) any landscaping located within the Property, (c) all parking areas within the Property, (d) outside and parking lot lighting and signage within the Property, (e) sidewalks within the Property, (f) the exterior of the Building and the roof, and (g) any Improvements which are restricted to a use or uses beneficial to the Owners in common by reason of requirements imposed upon the Property by governmental entities, including but not limited to the electrical room and the storage room, as depicted on Exhibit "C" attached hereto, regardless of whether such Improvement are located within the Building.

Section 1.5. "Common Assessments" shall mean the annual charge against each Owner and its Parcel, representing a portion of the total ordinary costs of maintaining, operating, improving, repairing, replacing and managing the Common Areas, and reasonable reserves therefor, which charge shall be paid by each Owner to satisfy Common Expenses as further provided herein.

Section 1.6. "Common Expenses" shall mean the actual and estimated costs of maintenance, management, operation, repair and replacement of the Common Areas (including unpaid Special Assessments and Capital Improvement Assessments) including, but not limited to, reasonable compensation paid by the School District to building supervisors, managers, accountants, attorneys and employees engaged in maintaining, managing, operating, repairing and replacing the Common Areas; the costs of all commonly metered charges for the Property, including but not limited to the costs associated with the lighting in the parking lot; the costs of maintaining, repairing and
replacing the Fire Safety Systems (as defined below); the costs of all services benefiting the Common Areas; taxes and assessments, if any, for any of the Common Areas which is not taxed directly to an Owner; and the costs of any other item or items for the benefit of all of the Owners.

Section 1.7. "Fire Safety Systems" shall mean all fire alarm systems, smoke control systems, standby power systems, emergency voice/alarm communication systems, and sprinkler systems, and any other system or device connected to the fire alarm system for the in Building.

Section 1.8. "Improvement" shall mean the exterior of all structures and appurtenances thereto of every kind, whether above or below the land surface, including, but not limited to, the exterior of the Building, utility systems, drainage systems, walkways, driveways, parking areas, standby power systems, fire alarm and control systems, emergency voice and alarm communication systems, smoke control systems, landscaping items, fences, landscaping vegetation, wetland improvements and improvements to wetland buffer areas, irrigation systems, signs, exterior fixtures and any structure of any kind.

Section 1.9. "Occupant" shall mean a lessee or licensee of an Owner, or any other Person other than an Owner in lawful possession of a Parcel, or a portion of a Parcel, with the permission of the Owner.

Section 1.10. "Owner" shall mean the Person, including ISU and the School District, holding fee simple title of record to a Parcel, including purchasers under executory contracts of sale. "Owners" shall mean all of the owners of Parcels within the Property.

Section 1.11. "Owners Committee" shall mean a committee composed of representatives of the Owners who shall meet and decide certain matters related to the Common Areas set forth in these Articles. The Owners Committee will be comprised of two representatives designated by each Owner, for a total of four (4) members. Matters requiring Owners Committee approval will be decided by consensus or unanimous vote. If the event there is not a consensus or unanimous vote, the Owners Committee will be deemed to have rejected or denied the request or proposal.

Section 1.12. "Parcel" shall mean each of the ISU Property and the School District Property or any portion therein.

Section 1.13. "Person" shall mean a natural individual, corporation or any other entity with the legal right to hold title to real property.

Section 1.14. "Property" shall mean all of the Parcels.
Section 1.15. “Reconstruction Assessment” shall mean a charge against each Owner and its Parcel, representing a portion of the cost for repair or replacement of any portion of damaged or lost Improvements in the Common Areas, as provided for in this Agreement.

Section 1.16. “Service Facilities” shall mean loading docks, trash enclosures and compactors, exterior coolers, electrical and refrigeration facilities and other similar service facilities.

Section 1.17. “Signs” shall mean any structure, device or contrivance, electric or non-electric, upon or within which any poster, bill, bulletin, printing, lettering, painting, device or other advertising of any kind whatsoever is used, placed, posted, tacked, nailed, pasted or otherwise fastened or affixed

Section 1.18. “Special Assessment” shall mean a charge against a particular Owner and its Parcel, directly attributable to, or reimbursable by, said Owner, equal to the cost incurred by the other Owner for corrective action performed pursuant to the provisions of this Agreement, plus interest and other charges thereon, as provided for in this Agreement.

Section 1.19. “Street” shall mean any street, driveway, lane, place or other thoroughfare either within or adjacent to the Property or as so used as a part of the Common Areas.

Section 1.20. “Visible from the Street” shall mean, with respect to any given object on a Parcel, that such object is or would be visible to a person six (6) feet tall, standing at ground level on a Street.

ARTICLE 2
REPAIR AND MAINTENANCE DUTIES;
COVENANTS FOR MAINTENANCE ASSESSMENTS AND ENFORCEMENT THEREOF

Section 2.1. Repair and Maintenance Duties of the School District Subject to its receipt of ISU’s share of Capital Improvement Assessments, Common Assessments, Reconstruction Assessments and Special Assessments, the School District shall maintain, repair, replace, resurface and make necessary improvements to the Common Areas and perform all items of common or shared maintenance required under the Declaration, to assure the maintenance of the Common Areas and perform all items of common or shared maintenance required under the Declaration, including, without limitation, all Improvements thereon, in a first class, sanitary and attractive condition. The School district shall have the right to perform such duties through the use of its own employees or shall contract for such maintenance, repair and improvements. Such maintenance, repairs
and improvements shall include, without limitation (a) maintenance and replacement of shrubs, trees, vegetation, irrigation systems and other landscaping improvements located on the Common Areas, mechanical and electrical equipment in the Common Areas; (b) repair and maintenance of all recreational areas, walks and other means of ingress and egress within the Common Areas; (c) maintenance of a central trash collection facility or facilities; (d) mechanical and electrical equipment; (e) repaving, resurfacing and re-stripping of the parking lot; and (f) maintenance, repair and improvement of all Fire Safety Systems for the Building together with any other mechanical or other system providing common service or required to be maintained in common.

Section 2.2. Payment for Common Maintenance. All such maintenance, repairs and improvements to the Common Areas shall be paid for as Common Expenses. Subject to applicable bidding laws, and with the advice and input of the Owners Committee, the School District may enter into a management service contract to perform said services, but not for a term in excess of one (1) year; provided, however, before entering into such a management service contract the School District shall first offer to ISU the right to perform said services; provided, further, however, that ISU must have the same or better experience as a management service provider and must be able to perform said services at a price which is competitive with a management service provider. In the event the School District, or its successors and assigns, should desire to not perform the foregoing obligations and ISU, or its successors and assigns is willing to perform said obligations, the parties shall execute and record an amendment to this Agreement which shall provide for ISU or its successor and assigns to perform said obligations.

Section 2.3. Fire Equipment. The School District shall be responsible for insuring that the necessary equipment is accessible for the Meridian Fire Department for the entire Building. ISU shall reimburse the School District, as part of the Common Assessment, for any and all costs associated therewith, including but not limited to any costs incurred as a result of the School District’s inability to properly access the Building in order to maintain the necessary fire equipment. ISU hereby agrees to insure that the fire equipment is in no way obstructed or that the School District’s ability to maintain the fire equipment for the Meridian Fire Department.

Section 2.4. Creation of the Lien and Personal Obligations of Assessments. ISU and the School District hereby covenant and agree to pay, and each successor Owner, by acceptance of a deed to a Parcel, whether or not it shall be so expressed in any such deed, is deemed to covenant and agree to pay, to the School District all Common Assessments for Common Expenses and all applicable Special Assessments, Reconstruction Assessments and Capital Improvement Assessments. All such assessments, together with interest, costs and reasonable attorneys fees, shall be a charge and a continuing lien against the Parcel against which each such assessment is made and shall also be a separate, distinct and personal obligation of the Owner at the time the assessments fall due, and shall bind
his heirs, successors in interest, devisees, personal representatives and assigns. This personal obligation cannot be avoided by abandonment of the Parcel or Improvements thereon or by an offer to waive use of the Common Areas.

Section 2.5. Purpose of Assessments. The assessments levied pursuant to this Agreement shall be used to promote the health, safety, welfare and general benefit of the Owners and their employees and for the operation, replacement, improvement and maintenance of the Common Areas. All assessments must be used solely for the common benefit of the Owners for purposes authorized by this Agreement, as it may be amended from time to time. Disbursements by the School District Property Owner shall be made for such purposes as may be necessary for the discharge of its responsibilities herein for the common benefit of the Owners.

Section 2.6. Determination of Common Assessments. No later than October 1 of each calendar year, the School District shall prepare and provide to ISU an estimate of the Common Assessments for the following calendar year, broken down by Parcel, including a reasonable provision for contingencies and reserves for infrequently recurring expenditures. Without first receiving the approval of ISU, the School District may increase the annual Common Assessment against each Owner and the interest of such Owner in its Parcel in any calendar year by an amount not in excess of twenty percent (20%) of the annual Common Assessment levied in the preceding calendar year. Any increase in excess of twenty percent (20%) shall require the prior approval of both Owners. Not later than ninety (90) days after the end of each calendar year, the School District shall prepare and distribute to ISU an annual report, including a balance sheet and an income statement reflecting the total income and Common Expenses during such calendar year in performing its functions under this Agreement. Common Assessments relating to Common Expenses shall be borne by the Owners and their Parcels proportionately by dividing the amount of the square footage of the Building owned by such Owner by the total square footage of the Building. Such proportionate share shall be reallocated monthly based upon any improvements or additions made to the Building. ISU shall pay to the School District its annual Common Assessment in installments at monthly intervals, or at such frequency and in such amounts as may hereafter be agreed upon by the Owners. In the event that the School District shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it shall immediately determine the approximate amount of such inadequacy and inform ISU. The School District shall have the authority to levy at any time a supplemental Common Assessment reflecting a revision of the total charges to be assessed against each Owner and the interest of such Owner in its Parcel, which supplemental Common Assessment shall not exceed: (1) twenty percent (20%) of the then current Common Assessment, if the current Common Assessment has been previously approved by the Owners, or (2) if the current Common Assessment has not been so approved, twenty percent (20%) of the previous year's Common Assessment. To the extent that any supplemental Common Assessment
Assessment or the aggregate of any supplemental Common Assessments in any calendar year exceeds the foregoing, such excess shall require the prior approval of the Owners. Written notice of any change in the amount of Common Assessments shall be given to ISU not less than thirty (30) days prior to the effective date of such change.

Section 2.7. Collection of Common Assessments. Within thirty (30) days of execution of this Agreement, the School District shall fix and collect from each Owner its pro-rata share of the Common Assessments. Each Owner shall make payment of its pro-rata share of the Common Assessments on the first day of the month thereafter. Common Assessments for fractions of any period involved shall be prorated. At the end of any calendar year, the Owners may determine that all excess assessment funds be returned to the Owners proportionately or be retained by the School District and used to reduce the following year’s Common Assessments. In any voluntary or involuntary conveyance of a Parcel, the new Owner (“Purchaser”) shall be jointly and severally liable with the previous Owner (“Seller”) for all unpaid installments of assessments levied by the School District against the Seller for its share of the Common Expenses up to the date of Close of Escrow of the conveyance, without prejudice to the right of the Purchaser to collect from the Seller therefor. However, any such Purchaser shall be entitled to a statement from the School District setting forth the amount of the unpaid assessments against the Seller due the School District as of the date the School District receives the request by such Purchaser, provided, however, that the Purchaser shall be personally liable for any and all installments of assessments and other charges becoming due after the Close of Escrow for the conveyance.

Section 2.8. Capital Improvement Assessments. Should the Owners determine the need for a capital improvement or replacement expenditure, the cost of which is in excess of Fifty Thousand and No/100 Dollars ($50,000 00), or which will materially affect, reduce or impede the use of the Common Area, then approval by both Owners shall be required to approve and render effective a Capital Improvement Assessment to cover the cost of such expenditure. Such Capital Improvement Assessment shall be prorated based on the same proportionate share as the Common Area Assessment.

ARTICLE 3
NONPAYMENT OF ASSESSMENTS

Section 3.1. Delinquency. Any installment of an assessment provided for in this Agreement shall become delinquent if not paid on the due date. With respect to each installment of an assessment not paid within ten (10) days after its due date, the non-delinquent Owner may, at its election, require the delinquent Owner to pay a “late charge” in a sum equal to six percent (6%) of such delinquent installment, together with interest on such delinquent sums at a rate equal to fifteen percent (15%) per annum, calculated from the date of delinquency to and including the date full payment is received by the non-delinquent Owner. If any installment of an assessment is not paid within thirty (30) days.
after its due date, the non-delinquent Owner may mail a notice to the delinquent Owner. The notice shall specify: (1) the fact that the installment is delinquent; (2) the action required to cure the default; (3) a date not less than three (3) days from the date the notice is mailed to the delinquent Owner by which date such default must be cured; and (4) that failure to cure the default on or before the date specified in the notice may result in acceleration of the balance of the installments of the assessments for the then current fiscal year and sale of the Owner's interest in its Parcel. The notice shall further inform the delinquent Owner of its right, if any, to cure after acceleration. If the delinquent installments of the assessments and any charges thereon are not paid in full on or before the date specified in the notice, the non-delinquent Owner, at its option, may declare all of the unpaid balance of the assessments for the then current fiscal year attributable to the delinquent Owner and its Parcel or interest therein to be immediately due and payable without further demand and may enforce the collection of the assessments and all charges thereon in any manner authorized by law or by this Agreement.

Section 3.2. Lien and Notice of Lien. Each Owner vests in the other Owner the right and power to bring all actions at law or to foreclose the non-delinquent Owner's lien provided for in Section 3.1 above against an Owner and such Owner's Parcel for the collection of delinquent assessments. No action shall be brought to foreclose said delinquent assessment lien or to proceed under the power of sale herein provided sooner than thirty (30) days after the date a notice of claim of lien is recorded by the non-delinquent Owner in the Office of the Real Property Records, Ada County, Idaho, and a copy thereof is deposited in the United States mails, certified or registered, postage prepaid, to the Owner of said Parcel at said Owner's last known address. Said notice of claim of lien must contain a sufficient legal description of said Parcel, the record owner or reputed owner thereof and the amount claimed, including the cost of preparing and recording the notice of claim of lien, late charges and interest on said unpaid assessments and costs of collections, including reasonable attorneys fee.

Section 3.3. Foreclosure and Sale. Any such foreclosure and sale provided for above shall be conducted in accordance with the laws of the State of Idaho applicable to the exercise of powers of foreclosure and sale of mortgages. The non-delinquent Owner, through its duly authorized agents, shall have the power to bid on the Parcel at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

Section 3.4. Curing the Default. Upon the timely curing of any default for which a notice of claim of lien was recorded by the non-delinquent Owner, the non-delinquent Owner shall record an appropriate release of such notice, upon payment by the defaulting Owner of all fees to cover the cost of preparing and recording such release, together with the payment of such other costs, interest and fees as shall have been incurred by the non-delinquent Owner by reason of such default. Any purchaser or encumbrancer who has acted in good faith and extended value may rely upon such release as conclusive evidence of the full satisfaction of the sums stated in the notice of claim of lien.
Section 3.5. **Cumulative Remedies.** The assessment lien and right of foreclosure and sale thereunder shall be in addition to, and not in substitution for, all other rights and remedies which the non-delinquent Owner may have thereunder and by law, including a suit to recover a money judgment for unpaid assessments, but any institution of a suit to recover a money judgment shall not constitute an affirmation of the adequacy of money damages.

Section 3.6. **Subordination of Assessment Liens.** All sums assessed in accordance with the provisions of this Agreement shall constitute a lien on the respective Parcel prior and superior to all other liens, except (1) all taxes, bonds, assessments and other levies or liens which, by law, would be superior thereto, and (2) the lien or charge of any Mortgage of Record made in good faith and for value and recorded prior to the date on which the notice of claim of lien is recorded. Upon the foreclosure of, or the acceptance of a deed in lieu of foreclosure of, a Mortgage described above, the foreclosure-purchaser or deed-in-lieu-grantee shall take title free of the lien for unpaid assessments for all said charges that have accrued up to the time of the foreclosure or deed given in lieu of foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the foreclosure or deed-in-lieu-of-foreclosure.

**ARTICLE 4**

**EASEMENT FOR MAINTENANCE, ACCESS, PARKING, UTILITIES, AND CIRCULATION**

Section 4.1. Easements for Maintenance, Access and Parking.

(a) **Easement for Bus Circulation.** ISU hereby agrees to maintain the Common Area on the ISU Property so as not to interfere or obstruct the circulation and flow of the School District’s buses and busing route and use of the Common Area by the School District’s buses.

(b) **Easement for Signage.** The School District hereby grants and conveys to ISU a perpetual non-exclusive easement for the right to construct Signs, which are approved in writing by the School District, at the locations as approved in writing by the School District.

(c) **Easement for Maintenance and Repair.** Each Owner grants to the other Owner perpetual nonexclusive easements over the Common Areas and the Parcels as necessary to maintain and repair the Common Areas and to perform all tasks in accordance with the provisions of this Agreement.

(d) **Easement for Parking.** ISU and the School District hereby grant and convey to the other a perpetual, non-exclusive easement to use all parking areas presently existing or which may exist in the future on the Property. No Owner may reduce the
number of parking stalls on its Parcel if such reduction would impair or affect the use of the other Parcel. Any parking immediately adjacent to an Owner's primary entrance into the Building on that Owner's Parcel shall be primarily for the use of that Owner. The Owners Committee will review parking needs of the Owners, and will agree upon parking rules, as necessary, including but not limited to, reserved and/or priority parking for the respective Owners during specified hours and use of the parking lot during special events.

(e) Walkways and Driveways. There shall be no obstruction of any streets, entranceways, walkways or driveways located within the Property which would interfere with the free circulation of foot, bicycle, automobile or truck traffic, except such obstruction as may be reasonably required in connection with repairs of such streets, walkways or driveways. Free use of the entranceways, walkways and driveways and free circulation of foot, bicycle and vehicular traffic are essential elements of the Property.

Section 4.2. Utilities and HVAC System. Except for the cost associated with maintaining the lighting in the parking lot, all utilities must be separately metered to each Parcel. Each Parcel shall own, maintain and repair its own HVAC units and systems.

Section 4.3. Rights of Entry. Each Owner shall have a limited right of entry in and upon the exterior of all Improvements located on any Parcel for the purpose of inspecting the same and taking whatever corrective action may be deemed necessary or proper, as may be authorized by the provisions of this Agreement. However, nothing herein shall be construed to impose any obligation upon an Owner to maintain or repair any portion of a Parcel or any Improvement thereon which is to be maintained or repaired by the other Owner. Nothing in this Article shall in any manner limit the right of any Owner to the occupancy and control over the interior of the portion of the Building located upon its Parcel. However, each Owner shall permit access to such Owner's Parcel or Improvements thereon by the other Owner as reasonably necessary, such as in case of any emergency originating on or threatening such Parcel or Improvements, whether or not such Owner is present.

Section 4.4. Parking Lot Lighting. The Owner of the School District Property shall maintain the lighting in the parking lot. Such lighting shall remain on during the hours that the Owner of the School District Property deems necessary. The cost of the maintaining, repairing and replacing the parking lot lighting shall be a Common Area Expense and shall be a Common Expense.

Section 4.5. Individual Maintenance Obligations. Each Owner is responsible for all Service Facilities on its Parcel and shall insure that all outdoor refuse collection areas shall be visually screened so as not to be visible from the Street and no refuse collection area shall be permitted between a street and the front of each Owner's portion of the Building.
Section 4.6. Security. Each Owner shall be responsible to provide any, if at all, security for its Parcel. Providing security shall not be the responsibility of the Owner of the School District Property and shall not be a Common Expense.

ARTICLE 5
SHARED USE OF THE FACILITIES

The parties hereby agree that the Owners have an interest in sharing the use of the Building. Except as specifically set forth herein or in the Master Declaration Agreement recorded against the Property, an Owner shall be allowed to use the other Owner’s portion of the Building by obtaining written approval of the other Owner as to the dates and times of the use and the type of use. The Owner using the other Owner’s portion of the Building shall pay to such other Owner the amounts as agreed to in writing by the Owners.

ARTICLE 6
INSURANCE, DAMAGE OR LOSS TO THE PROPERTY AND CONDEMNATION

Section 6.1. Insurance. The School District shall be responsible for maintaining the necessary commercial general liability and casualty insurance for the Property. The limits of liability of all such insurance shall be a combined single limit (covering personal injury, bodily injury and property damage) of $1,000,000 per occurrence. The School District shall provide ISU with a certificate evidencing such insurance. ISU shall reimburse the School District for its pro-rata share of the premium and deductibles related to the insurance, within fifteen (15) days of the School District providing a receipt for such insurance to ISU. Such pro-rata share shall be based on the same proportionate share as the Common Area Assessment. In the event the premium for such insurance is increased due to a claim(s) against an Owner, such Owner shall be solely responsible for the increase in the premium due to the claim(s). Each Owner shall be responsible for maintaining any and all insurance for its personal property.

Section 6.2. Restoration of Common Areas. Except as otherwise provided in this Agreement, in the event of any destruction of any portion of the Common Areas other than any portion of the Building, it shall be the duty of the School District Property Owner to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance shall be used for such purpose. The Common Areas and all other Improvements located within the Common Areas shall be reconstructed or rebuilt substantially in accordance with the original construction plans if they are available, with such changes as are approved by the Owners. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than the estimated cost of restoration and repair, a Reconstruction Assessment shall be levied by the School District Property Owner upon the Owners and their Parcels in order to provide the
necessary funds for such reconstruction over and above the amount of any insurance proceeds available for such purpose. Reconstruction Assessments shall be borne by the Owners in the same proportions as Common Assessments.

Section 6.3. Restoration Obligations of Owners. In the event of the damage or destruction of any portion of a Parcel or the portion of the Building thereon, then it shall be the duty of the Owner of such Parcel, as soon as may be practical, to repair and replace the damage or destruction, or such portion thereof as will render such damage or destruction indiscernible from the exterior of the Parcel.

Section 6.4. Condemnation. In the event the whole, or any part, of the Common Areas shall be taken or condemned by any authority exercising the power of eminent domain, the Owners shall appear and defend such proceedings; provided, that if a Parcel is encumbered by a Mortgage or Mortgages which has or have a provision relating to condemnation, then in lieu of distributing the award to the Owner of said Parcel, that Owner’s portion of the award shall be paid to the Mortgagee of the Mortgage with the highest priority and seniority for distribution and payment in accordance with the terms and conditions of said Mortgagee’s Mortgage.

ARTICLE 7
FUTURE IMPROVEMENTS

Section 7.1. Future Additions to the Building. In the Event an Owner desires to increase the square footage of the Building owned by it, it must provide written notice to the other Owner of such addition thirty (30) days prior to the commencement of such construction. In the event such additions are likely to materially affect, reduce, or impede the use of the Common Areas, the Owner proposing to construct the additional square footage will first obtain the review and approval of the Owners Committee, and such approval will not be unreasonably withheld. All construction must be completed as quickly as possible and must comply with all applicable local, state and federal regulations, rules and ordinances and laws, including but not limited to parking requirements. All staging must be on the Owner’s own Parcel and must not inhibit access to the Property and must not unreasonably interfere with the other Owner’s use of the Common Area. Any improvements or remodeling to the Building which requires additions, changes or improvements to the Common Area of the Fire Safety System shall be the sole responsibility and cost of the Owner making such additions or improvements. Any and all remodeling, additions or changes made to the Building by an Owner shall comply with all applicable laws, rules and regulations.

Section 7.2. Building Improvements.
(a)  The Building may not be changed in any way (including, without limitation, signs and color) without first providing prior written notice to the Owners as to the exterior elevations (including, without limitation, signs and color) of modification. All modifications to the Building must comply with all applicable rules, laws, regulations and ordinances.

Section 7.3. Construction Requirements.

(a)  All work performed in the construction, maintenance, repair, replacement, alteration or expansion of the Building or Common Area improvements located on the Property shall be effected as expeditiously as possible and in such a manner as not to unreasonably interfere, obstruct or delay (i) access to or from the Building, or any part thereof, to or from any public right-of-way, (ii) vehicular parking in that portion of the improved Common Area located in from of the Building, or (iii) the busing route or delivery of receiving of merchandise by any business on the Property including, without limitation, access to Building. All staging for the construction, maintenance, repair, replacement, alteration or expansion of the Building or Common Area improvements located on the Property including, without limitation, the location of any temporary buildings or construction sheds, the storage of building materials, and the parking of construction vehicles and equipment shall be limited to that portion of the Property approved in writing by the Owners. Unless otherwise specifically stated herein, the person contracting for the performance of such work ("Contracting Party") shall, at its sole cost and expense, promptly repair and restore or cause to be promptly repaired and restored to its prior condition all buildings, improvements, signs, utility lines and Common Area damaged or destroyed in the performance of such work. Any improvements or remodeling to the Building which requires additions, changes or improvements to the Common Area of the Fire Safety System shall be the sole responsibility and cost of the Owner making such additions or improvements.

(b)  The Contracting Party shall not permit any liens to stand against any Parcel for any work done or materials furnished in connection with the performance of the work described in subparagraph (a) above; provided, however, that the Contracting Party shall, within thirty (30) days after receipt of written notice from the Owner or Occupant of any Parcel encumbered by any such lien or claim of lien, cause any such outstanding lien or claim of lien to be released of record or transferred to bond in accordance with applicable law, failing which the Owner or Occupant of said Parcel shall have the right, at the Contracting Party's expense, to transfer said lien to bond.

(c)  The parties acknowledge and agree that incidental encroachments upon the Common Area may occur as a result of the use of ladders, scaffolds and similar facilities in connection with the construction, maintenance, repair, replacement, alteration or expansion of the Building, improvements and Common Area located on the Property, all of which are permitted hereunder so long as all activities requiring the use of such facilities
are expeditiously pursued to completion and are performed in such a manner as to minimize any interference with the use of the improved Common Area or with the normal operation of any Business in the Building.

ARTICLE 8
DURATION AND AMENDMENT

Section 8.1. Duration. This Agreement shall continue in full force until December 31, 2057, and thereafter in ten (10) year intervals unless a Termination of Joint Operations and Maintenance is recorded meeting the requirements of an amendment to this Agreement as set forth in Section 8.2. Notwithstanding any termination of this Agreement, in no event shall the easements granted in Section 4 be terminated, but shall remain in full force and effect.

Section 8.2. Amendment. Notice of the subject matter of a proposed amendment to this Agreement in reasonably detailed form shall be included in the notice of any meeting of the Owners at which a proposed amendment is to be considered. The amendment shall be adopted by the vote, in person or by proxy, or written consent of all Owners.

Section 8.3. Governmental Regulation. All valid governmental enactments, ordinances and regulations are deemed to be part of this Agreement and to the extent that they conflict with any provision, covenant, condition or restriction hereof, said conflicting governmental enactment, ordinance and regulation shall control and the provision, covenant, condition or restriction hereof in conflict therewith shall be deemed (i) amended to the extent necessary to bring it into conformity with said enactment, ordinance and regulation while still preserving the intent and spirit of the provision, covenant, condition or restriction or (ii) stricken herefrom should no amendment conforming to the governmental enactment, ordinance or restriction be capable of preserving the intent and spirit of said provision, covenant, condition or restriction.

ARTICLE 9
GENERAL PROVISIONS

Section 9.1. Waiver of Use. No Owner may exempt himself from personal liability for assessments duly levied under this Agreement, nor release its Parcel from the liens and charges hereof, by waiver of the use and enjoyment of the Common Areas or by abandonment of its Parcel.

Section 9.2. Leasing of Property. Every lease or other agreement for the hire or occupation ("lease") of any portion of the Property which is executed after the recording of this Agreement shall be subject to the provisions of this Agreement, and every Occupant of a Parcel or a portion thereof shall in all applicable respects comply with the provisions of
this Agreement. Every Owner shall:

(a) Include in any agreement for the lease of all or any portion of its Parcel a specific provision that said lease is subject to this Agreement, that the Occupant of the Parcel will comply with the provisions of this Agreement, and that such provisions are an integral part of the lease; and

Not execute a lease to any portion of the Property without complying with the provisions of Section 9.2(a) above; provided, however, that an Owner’s failure to do so shall not diminish the effect of this Agreement with respect to any such lease. The lease shall not become effective until an Occupant has executed a lease containing the provision required in Section 9.2(a) above.

Section 9.3. Legal Proceedings. Failure to comply with any of the terms of this Agreement by an Owner or Occupant, his guests, employees, invitees or tenants, shall be grounds for relief which may include, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought by an aggrieved Owner. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision, or any other provision hereof. Any Owner (not at the time in default hereunder) shall be entitled to bring an action for damages against any defaulting Owner and, in addition, may enjoin any violation of this Agreement. Any judgment rendered in any action or proceeding pursuant thereto shall include a sum for attorneys’ fees, including appeals, in such amount as the Court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, together with interest, costs of collection and court costs. Each remedy provided for in this Agreement shall be cumulative and not exclusive or exhaustive.

Section 9.4. Severability. The provisions hereof shall be deemed independent and severable, and a determination of invalidity or partial invalidity or enforceability of any one provision or portion hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provisions hereof.

Section 9.5. Interpretation. The provisions of this Agreement shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the Property and for the maintenance of the Common Areas, and any violation of this Agreement shall be deemed to be a nuisance. The article and section headings, titles and captions have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context otherwise requires, as used herein the singular and the plural shall each include the other and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

Section 9.6. Hold Harmless and Indemnification; Insurance. To the extent permitted by the Idaho Tort Claims Act, Idaho Code § 6-901 et seq., each Owner shall
indemnify, defend, protect and hold each other harmless from and against any and all claims of liability for any injury or damage to any person or property arising from School District’s or School District’s agents and representatives or ISU’s or ISU’s agents and representatives use of the Building and Property, or from any activity, work or thing done, permitted or suffered by, in or about the Property and Building. The School District and ISU shall further indemnify, defend, protect and hold each other harmless from and against any and all claims arising from any negligent or intentional act or omission by each’s respective agents, contractors or employees, and from and against all costs, attorney’s fees, expenses and liabilities incurred in the defense of any such action or proceeding brought thereon. In the event any action or proceeding is brought against the School District or ISU, by reason of any such claim, the entity from whose conduct the claim arose shall, upon notice from the School District or ISU, defend it or them at that entity’s expense by counsel satisfactory to the entity to whom indemnification is owed.

Section 9.7. Limitation on Liability and Remedies. The School District and ISU, as a material part of the consideration to each other and in recognition of the cooperative relationship of the parties and their desire to provide for continued public use and enjoyment of the Property, do hereby agree to the following limitations on each other’s liability arising from and as well as the use of the Building and the Property. To the fullest extent permitted by law, both the School District and ISU, on each other’s behalf and on behalf of all persons or entities claiming by and through either, agree to limit the liability of the School District and ISU for any claims, losses, costs, damages of any nature whatsoever or claims or expenses from any cause or causes, so that the total aggregate liability of a claim against either the School District or ISU shall not exceed the amount of collectible liability insurance that the School District and ISU are separately required to maintain hereunder be liable to the other Owner for any injury to any person or damage to the Common Areas or any equipment thereon which may be sustained by reason of the negligence of said Owner or of his guests, employees, invitees or tenants, to the extent that any such damage shall not be covered by insurance. The costs incurred by the other Owner as a result of such damage shall be deemed a Special Assessment of such Owner and its Parcel, and shall be subject to levy, enforcement and collection by the other Owner in accordance with the assessment lien procedure provided in this Agreement.

Section 9.8. No Public Right or Dedication. Nothing contained in this Agreement shall be deemed to be a gift or dedication of all or any part of the Property to the public, or for any public use.

Section 9.9. Nonliability. No Person shall be liable to any party for injuries or damage resulting from such Person’s acts or omissions within what such Person reasonably believed to be the scope of his duties under this Agreement ("Official Acts"), except to the extent that such injuries or damages result from such Person’s malicious or criminal misconduct.
Section 9.10 Notices. Except as otherwise provided in this Agreement, in each instance in which notice is to be given to an Owner, the same shall be in writing and may be delivered personally to the Owner, in which case personal delivery of such notice to one or more co-owners of a Parcel or to any general partner of a partnership owning a Parcel shall be deemed delivery to all co-owners or to the partnership, as the case may be. Personal delivery of such notice to any officer or agent for the service of process on a corporation or limited liability company shall be deemed delivery to the corporation or limited liability company, as the case may be. In lieu of the foregoing, such notice may be delivered by certified or registered United States mail, postage prepaid, return receipt required, addressed to the Owner at the most recent address furnished by such Owner to the other Owner or, if no such address shall have been furnished, to the street address of such Parcel. Such notice shall be deemed delivered forty-eight (48) hours after the time of such mailing.

THIS Agreement has been executed on the date first written above and may be executed in any number of original counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature and notary acknowledgement pages of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature and notary pages are attached to any other counterpart identical thereto except having additional signature and notary pages executed by other parties to this Agreement attached thereto.

By: ____________________________

Name: James A. Fletcher

Title: Vice President for Finance & Administration

Financial Services Idaho State University
STATE OF IDAHO
County of Bannock

On this 29th day of November, 2007, before me, Dorothy Ruth, a Notary Public in and for said State, personally appeared James A. Hatcher, known or identified to me to be the Vice President for FINANCIAL SERVICES IDAHO STATE UNIVERSITY, the entity that executed the within instrument or the person who executed the instrument on behalf of such entity and on behalf of the BOARD OF TRUSTEES AND STATE BOARD OF EDUCATION OF IDAHO STATE UNIVERSITY, and acknowledged to me that such entity 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.

DOROTHY RUTH
Notary Public for Idaho
Residing at Pocatello, Idaho
My commission expires 11/06/2008
COUNTERPART SIGNATURE PAGE TO
JOINT OPERATIONS AND MAINTENANCE AGREEMENT

JOINT SCHOOL DISTRICT NO. 2, ADA
AND CANYON COUNTIES, IDAHO

By: [Signature]

Name: Linda Clark

Title: Superintendent

STATE OF IDAHO )
) ss
County of Ada )

On this 29th day of November, 2007, before me, Patricia A. Duncan, a Notary Public in and for said State, personally appeared Linda Clark, known or identified to me to be the Superintendent of JOINT SCHOOL DISTRICT NO. 2, ADA AND CANYON COUNTIES, IDAHO, the entity that executed the within instrument or the person who executed the instrument on behalf of said entity, and acknowledged to me that such entity 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

Patricia A. Duncan
Notary Public for Idaho
Residing at Meridian, Idaho
My commission expires 3-27-09

18
EXHIBIT "A"

LEGAL DESCRIPTION OF SCHOOL DISTRICT PROPERTY
PARCEL DESCRIPTION

April 12, 2007

Project: Jabil Property - Hummel Architects

Parcel Type: Remainder - A Portion of Parcel "A" of ROS No. 6631 and that portion of Locust Grove Rd. RW West of the Section line.

A parcel of land being a portion of Parcel "A" of Record of Survey No. 6631, situated in the SE 1/4 of Section 18, Township 3 North, Range 1 East, Boise Meridian, City of Meridian, Ada County, Idaho, more particularly described as follows:

COMMENCING at a found 3" brass cap, Corner Record Instrument No. 103176248, marking the Southeast corner of said Section 18;

Thence North 00°30'34" East, coincident with the east line of said Section 18, also being the centerline of Locust Grove Rd., a distance of 1281.66 feet to the intersection of said east line (centerline of Locust Grove Rd.) and the northerly right-of-way of Interstate Highway 84 and the POINT OF BEGINNING;

Thence North 89°33'08" West, coincident with said northerly right-of-way line, a distance of 330.29 feet;

Thence North 00°00'00" East, a distance of 442.71 feet;

Thence North 90°00'00" West, a distance of 354.53 feet;

Thence South 00°00'00" East, a distance of 10.00 feet;

Thence North 90°00'00" West, coincident with the centerline of an existing wall within the Jabil Circuit building extended, a distance of 105.95 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 00°00'00" East, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 70.23 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 90°00'00" West, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 401.42 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence South 00°00'00" East, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 203.23 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 90°00'00" West, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 10.00 feet to the centerline intersection of an existing wall within the Jabil Circuit building;
Thence North 00°00'00" East, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 14.26 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 90°00'00" West, coincident with the centerline of an existing wall within the Jabil Circuit building extended, a distance of 161.99 feet;

Thence South 00°00'32" West, a distance of 326.77 feet to the northerly right-of-line of Interstate Highway 84;

Thence North 89°33'30" West, coincident with said northerly right-of-way line, a distance of 401.46 feet;

Thence North 28°26'58" West, a distance of 4959 feet;

Thence South 89°37'32" West, along the northerly line of the SE 1/4 SW 1/4 of Section 18, a distance of 64.81 feet to the southwest corner of said Parcel "A" of said Record of Survey No. 6631;

Thence leaving said right-of-way and along the westerly line of said Parcel "A" the following four courses:

Thence North 00°00'40" West, a distance of 128.95 feet;

Thence North 89°58'05" East, a distance of 94.70 feet;

Thence North 56°08'43" East, a distance of 40.08 feet;

Thence North 00°00'39" West, a distance of 764.91 feet to a point on the southerly right-of-way of East Central Drive;

Thence along said southerly right-of-way the following five courses:

Thence North 89°38'50" East, a distance of 860.51 feet to a point of curvature;

Thence 37.04 feet along a tangent curve the right, having a radius of 148.00 feet, a central angle of 14°20'17", and subtended by a chord bearing South 83°11'01" East a distance of 36.94 feet to a point of tangency;

Thence South 76°00'53" East, a distance of 355.52 feet to a point of curvature;

Thence 14.87 feet along a tangent curve the left, having a radius of 212.00 feet, a central angle of 04°01'09", and subtended by a chord bearing South 78°01'27" East a distance of 14.87 feet to a point of non-tangent compound curvature;
Thence 69.25 feet along a curve the left, having a radius of 332.00 feet, a central angle of 11°57'05", and subtended by a chord bearing South 84°01'48" East a distance of 69.13 feet to a point at the centerline of the Hunter Lateral;

Thence, coincident with the centerline of the Hunter Lateral the following four courses:

Thence South 23°43'57" East, a distance of 100.52 feet;

Thence South 32°25'35" East, a distance of 227.53 feet;

Thence South 35°12'46" East, a distance of 277.92 feet;

Thence South 41°34'55" East, a distance of 121.13 feet to a point on said east line of Section 18 and the centerline of said Locust Grove Rd.;

Thence, South 00°30'34" West, coincident with said east line of said Section 18, also being the centerline of Locust Grove Rd., a distance of 255.28 feet to the POINT OF BEGINNING.

The parcel above described contains 23.300 acres, more or less.

Together with and subject to covenants, easements, and restrictions of record.

Travis P. Foster, P.L.S.  
License No. 10729
End of Description
EXHIBIT "B"

LEGAL DESCRIPTION OF THE ISU PROPERTY
Lot 2 in Block 1 of Joint No. 2 Subdivision Phase 1, according to the official plat thereof, filed in Book 99 of Plats at Page(s) 12628, through 12630, records of Ada County, Idaho.
PARCEL DESCRIPTION

Project: Jabil Property – Hummel Architects

Parcel Type: Remainder - A Portion of Parcel “A” of ROS No. 6631 and that portion of Locust Grove Rd. R/W West of the Section line.

A parcel of land being a portion of Parcel “A” of Record of Survey No. 6631, situated in the SE 1/4 of Section 18, Township 3 North, Range 1 East, Boise Meridian, City of Meridian, Ada County, Idaho, more particularly described as follows:

COMMENCING at a found 3" brass cap, Corner Record Instrument No. 103176248, marking the Southeast corner of said Section 18;

Thence North 00°30'34" East, coincident with the east line of said Section 18, also being the centerline of Locust Grove Rd., a distance of 1281.66 feet to the intersection of said east line (centerline of Locust Grove Rd.) and the northerly right-of-way of Interstate Highway 84 and the POINT OF BEGINNING;

Thence North 89°33'08" West, coincident with said northerly right-of-way line, a distance of 330.29 feet;

Thence North 00°00'00" East, a distance of 442.71 feet;

Thence North 90°00'00" West, a distance of 354.53 feet;

Thence South 00°00'00" East, a distance of 10.00 feet;

Thence North 90°00'00" West, coincident with the centerline of an existing wall within the Jabil Circuit building extended, a distance of 105.95 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 00°00'00" East, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 70.23 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 00°00'00" West, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 401.42 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence South 00°00'00" East, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 203.23 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 90°00'00" West, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 10.00 feet to the centerline intersection of an existing wall within the Jabil Circuit building;
Thence North 00°00'00" East, coincident with the centerline of an existing wall within the Jabil Circuit building, a distance of 14.26 feet to the centerline intersection of an existing wall within the Jabil Circuit building;

Thence North 90°00'00" West, coincident with the centerline of an existing wall within the Jabil Circuit building extended, a distance of 161.99 feet;

Thence South 00°00'32" West, a distance of 326.77 feet to the northerly right-of-line of Interstate Highway 84;

Thence North 89°33'30" West, coincident with said northerly right-of-way line, a distance of 401.46;

Thence North 28°26'58" West, a distance of 49.59 feet;

Thence South 89°37'32" West, along the northerly line of the SE 1/4 SW 1/4 of Section 18, a distance of 64.81 feet to the southwest corner of said Parcel "A" of said Record of Survey No. 6631;

Thence leaving said right-of-way and along the westerly line of said Parcel "A" the following four courses:

Thence North 00°00'40" West, a distance of 128.95 feet;

Thence North 89°58'05" East, a distance of 94.70 feet;

Thence North 56°08'43" East, a distance of 40.08 feet;

Thence North 00°00'39" West, a distance of 764.91 feet to a point on the southerly right-of-way of East Central Drive;

Thence along said southerly right-of-way the following five courses:

Thence North 89°38'50" East, a distance of 860.51 feet to a point of curvature;

Thence 37.04 feet along a tangent curve the right, having a radius of 148.00 feet, a central angle of 14°20'17", and subtended by a chord bearing South 83°11'01" East a distance of 36.94 feet to a point of tangency;

Thence South 76°00'53" East, a distance of 355.52 feet to a point of curvature;

Thence 14.87 feet along a tangent curve the left, having a radius of 212.00 feet, a central angle of 04°01'09", and subtended by a chord bearing South 78°01'27" East a distance of 14.87 feet to a point of non-tangent compound curvature;
Thence 69.25 feet along a curve the left, having a radius of 332.00 feet, a central angle of 11°57'05"", and subtended by a chord bearing South 84°01'48" East a distance of 69.13 feet to a point at the centerline of the Hunter Lateral;

Thence, coincident with the centerline of the Hunter Lateral the following four courses:

Thence South 23°43'57" East, a distance of 100.52 feet;

Thence South 32°25'35" East, a distance of 227.53 feet;

Thence South 35°12'46" East, a distance of 277.92 feet;

Thence South 41°34'55" East, a distance of 121.13 feet to a point on said east line of Section 18 and the centerline of said Locust Grove Rd.;

Thence, South 00°30'34" West, coincident with said east line of said Section 18, also being the centerline of Locust Grove Rd., a distance of 255.28 feet to the POINT OF BEGINNING.

The parcel above described contains 23.300 acres, more or less.

Together with and subject to covenants, easements, and restrictions of record.

End of Description

[Stamp with signature and license number]
EXHIBIT "C"

ELECTRICAL AND STORAGE ROOMS
EXHIBIT D

Leased Premises
EXHIBIT E

COMA Accreditation Standards and Procedures

(attached)
COMMISSION ON
OSTEOPATHIC COLLEGE
ACCREDITATION

ACCREDITATION OF COLLEGES OF
OSTEOPATHIC MEDICINE:
COM Accreditation Standards and Procedures

(Effective: July 1, 2016)

AMERICAN OSTEOPATHIC ASSOCIATION
142 E. Ontario Street • Chicago, IL  60611-2864 • 800-621-1773 • 312/202-8000 • Fax 312/202-8209
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NEW AND REVISED STANDARDS AND PROCEDURES

Words that appear in blue throughout the Standards are defined in the Glossary. The changes made in the Standards are highlighted in yellow throughout. Previous standards are renumbered accordingly to accommodate the addition of the new standards.

At the April 16 – 17, 2016 meeting of the COCA, the Standards Review Committee presented changes to the Accreditation of Colleges of Osteopathic Medicine: COM Accreditation Standards and Procedures in the following Domains which were approved and become effective on July 1, 2016:

- Standard One: Mission, Goals, and Objectives
- Standard Two: Governance, Administration, and Finance
- Standard Three: Facilities, Equipment, and Resources
- Standard Four: Faculty
- Standard Five: Students
- Standard Six: Curriculum
- Standard Eight: GME Outcomes
- Chapter II: Applicant and Accreditation Procedures
- Chapter III: The Self Study Process
- Chapter VI: USDE Requirements
ACCREDITATION OF COLLEGES OF OSTEOPATHIC MEDICINE:  
COM ACCREDITATION STANDARDS AND PROCEDURES

INTRODUCTION TO COM ACCREDITATION AND THE COMMISSION ON 
OSTEOPATHIC COLLEGE ACCREDITATION

Role of Accreditation

The American Osteopathic Association Commission on Osteopathic College Accreditation (COCA) is the only accrediting agency for predoctoral osteopathic medical education, and is recognized by the United States Department of Education (USDE).

Accreditation action taken by the COCA means a college or school of osteopathic medicine (COM) has appropriately identified its mission, has secured the resources necessary to accomplish that mission, shows evidence of accomplishing its mission, and demonstrates that it may be expected to continue to accomplish its mission in the future. Accreditation of a COM means that the COM incorporates the science of medicine, the principles and practices of osteopathic manipulative medicine, the art of caring and the power of touch within a curriculum that recognizes the interrelationship of structure and function for diagnostic and therapeutic purposes; recognizes the importance of addressing the body as a whole in disease and health; and recognizes the importance of homeostasis and self-regulation in the maintenance of health.

Accreditation signifies that a COM has met or exceeded the AOA standards for educational quality with respect to mission, goals, and objectives; governance, administration, and finance; facilities, equipment, and resources; faculty; student services; preclinical and clinical education; research and scholarly activity; and graduate medical education.

The process of accreditation is a cooperative activity calling for continuing self-assessment on the part of each COM, periodic peer evaluation through on-site visits and other reviews directed by the COCA.

A Brief History of AOA College Accreditation Activities

The history of the accreditation of colleges of osteopathic medicine shows that from the very start in the late nineteenth century the osteopathic profession has been interested and active in assisting colleges in the attainment and maintenance of high educational standards.

The American School of Osteopathy was established by Dr. Andrew Taylor Still, a registered physician and surgeon in the State of Missouri, in Kirksville, Missouri. The college's corporate charter (May 11, 1892) granted the right to confer the Doctor of Medicine (M.D.) degree. However, the governing body of the school chose to award the Doctor of Osteopathy (D.O.) degree.

A number of osteopathic colleges had been established by 1898. However, there was a lack of uniformity in the admission and graduation requirements of the various colleges. In these early years, osteopathic educators and leaders recognized the fact that the attainment and maintenance of high educational standards was essential. The American School of Osteopathy issued an invitation to all osteopathic colleges to attend a meeting in Kirksville, Missouri, June 28, 1898, to form an association of osteopathic colleges.
In 1897, the first Constitution of the American Association for the Advancement of Osteopathy (forerunner of the American Osteopathic Association) was adopted and among the several committees provided for was the Committee on Education. The 1901 Constitution of the American Osteopathic Association provided that the Committee on Education, together with the Executive Committee of the Associated Colleges of Osteopathy, should constitute a joint committee to:

a. Investigate schools applying for membership in the Associated Colleges of Osteopathy;
b. Make an annual investigation of schools who were already members; and
c. Make an annual report on these schools to the Board of Trustees of the American Osteopathic Association.

The Committee on Education was charged with the duty of reporting annually on the condition of each school. The Board and members of the Association were primarily interested in the following:

a. "Do the charter, equipment and work of a particular school correctly represent osteopathy?"
b. "What kind of person, both as to general character and professional qualifications, who just from school, has opened an office near me for the practice of the same profession?"

In 1901, the joint committee adopted the policy of appointing a member of the profession to serve as "college inspector," sometimes referred to as "censor". In 1902, the Bylaws of the American Osteopathic Association for the first time provided machinery for the inspection and approval of osteopathic colleges. The first college inspection was made in 1903, and on the basis of the report to the Board of Trustees, the members of the Associated Colleges of Osteopathy were approved. By 1915, it was agreed that expenses of college accreditation would be borne by the American Osteopathic Association.

In 1923, the AOA Department of Education was changed to "The Bureau of Professional Education," and two years later, "The Bureau of Colleges" was added. In 1928, the two bureaus were joined together, and in 1930, the Bureau of Professional Education and Colleges was established. In the following year the Board of Trustees approved a recommendation that the Chair of the Bureau of Professional Education and Colleges and the Chair of the Committee on College Inspection, a sub-committee of the Bureau, should be one and the same person.

In 1938, a policy was adopted to create official inspection committees of two or three members to inspect each osteopathic college at least once every two years. In 1949, a new policy of college inspection, known as the "Survey Committee," was adopted, which provided for a complete survey of each college to be performed by a survey team of from four to seven members at least every three years.

In 1952, the American Osteopathic Association was initially recognized by the United States Department of Education. In 1959 - 1960, after several years of study, a reorganization of the education structure of the American Osteopathic Association took place. In order to bring all facets of osteopathic education into one body, a new Bureau of Professional Education was organized.

The National Commission on Accrediting recognized the American Osteopathic Association in 1967. The National Commission on Accrediting was the predecessor to the Council on Postsecondary Accreditation. On January 1, 1994 the Council on Postsecondary Accreditation
was reorganized as the Commission on Recognition of Postsecondary Accreditation. On January 1, 1997, the Commission on Recognition of Postsecondary Accreditation (CORPA) was reorganized as Council on Higher Education Accreditation (CHEA), which is the non-governmental agency recognized by higher education institutions to approve, and recognize national agencies for accreditation purposes.

In 1993, the Bureau renamed its committees and coordinated four councils that dealt with various phases of osteopathic education:

- The Council on Predoctoral Education, the evaluating unit of undergraduate medical education;
- The Council on Postdoctoral Training, the evaluating unit of internships, residencies, preceptorships and other post-graduate medical education programs;
- The Council on Continuing Medical Education, the unit which evaluates programs and recommends approval of CME credits; and
- The Council on International Osteopathic Medical Education and Affairs.

These councils were responsible for evaluating the programs under their purview and making initial recommendations to the AOA Bureau. The AOA Bureau served as the accrediting and final approval agency for colleges of osteopathic medicine. The Board of Trustees was the final appeal body for decisions of the Council on Postdoctoral Training, and was the final approving and appeal body for the Council on Continuing Medical Education.

In 2001, the Task Force to Study the Structure of the Department of Educational Affairs began to broadly review the structure of the Department of Educational Affairs, with an emphasis on the AOA Bureau. In February 2003, the Task Force presented its final report to the AOA Board of Trustees for approval. The result of this Task Force was to split the functions of the AOA Bureau into two separate decision making bodies.

The Bureau of Osteopathic Education (BOE) was responsible for postdoctoral education and continuing medical education and had five committees reporting to it. Of those five committees, three were new. The five committees were: 1) Council of Hospitals (new); Osteopathic Medical Educators Council (new); Council of Osteopathic Specialty Societies (new); Council on Postdoctoral Training; and Council on Continuing Medical Education. The BOE began its new functions in July 2004.

The college accreditation process was re-organized into the Commission on Osteopathic College Accreditation (COCA), a single purpose committee that functions as the final decision making body for college accreditation.

In February 2004, the AOA Board of Trustees voted to approve the recommended structure of the COCA, which included the elimination of the Council on Predoctoral Education. The COCA is now the sole accrediting body for colleges of osteopathic medicine that reviews, evaluates and establishes the accreditation status of a COM.
Mission, Goals and Objectives of the COCA

The COCA serves the public by establishing, maintaining, and applying accreditation standards and procedures to ensure that academic quality and continuous quality improvement delivered by the COMs reflect the evolving practice of osteopathic medicine. The scope of the COCA encompasses the accreditation of COMs.

Goals and Objectives

Goal 1

To serve the public and the community of interest by ensuring the continued effectiveness of the COCA.

Objectives:

1. Maintain an independent and objective accreditation process.
2. Inform the public and the communities of interest regarding the accreditation status of programs and institutions.
3. Develop and implement policies with integrity and high ethical standards.
4. Continue to seek the most cost effective way to provide the services of the COCA.
5. Develop and disseminate information that demonstrates the effectiveness of the COCA's operations.
6. Maintain liaison between the COCA and its constituents.
7. Keep the community of interest informed of current trends and developments in specialized accreditation.
8. Serve as a resource on accreditation.

Goal 2

To develop, maintain, apply, and periodically review the COCA's accreditation processes and the accreditation standards for COMs.

Objectives:

1. Review COMs programs and institutions and make accreditation decisions in accordance with COCA's standards and procedures and the COM's mission, goals and objectives.
2. Establish and disseminate standards, policies and procedures in the accreditation manual for the COMs accredited by the COCA.
3. Comprehensively review the accreditation standards at least every five years.
4. Solicit suggestions from accrediting teams relative to standards, procedures, and process.
5. Solicit suggestions from the community of interest relative to standards, procedures, and process.
6. Identify competent individuals and provide appropriate training so they can participate in accreditation on-site visits.
7. Evaluate the performance of all evaluators and use the results of the evaluations to identify areas needing emphasis in the training process.
8. Monitor programs in the interim between on-site visits through the use of annual reports, mid-cycle reports, progress reports, interim progress reviews, and focused visitations.
Goal 3

To foster continuous quality improvement of osteopathic medical education by encouraging innovation and creativity in COM’s programs and institutions.

Objectives:

1. Communicate to the community of interest that the COCA encourages innovation and creativity in the COM.
2. Ensure that the policies and the procedures of the COCA do not inhibit innovation.
3. Ensure that the COCA and Evaluators Registry members perceive innovation as a necessary and positive approach to foster continuous quality improvement in osteopathic medical education.
4. Create standards which tie institutional planning to ongoing assessment of COM effectiveness.

Goal 4

To assure the continued effectiveness of the accreditation process by the development and application of continuous quality assurance, self-assessment, and external review of the COCA.

Objectives:

1. Maintain recognition by the USDE.
2. Seek external review by organizations that recognize accrediting bodies and follow accepted codes of good practice.
3. Engage in planning and conduct periodic self-assessments.
4. Evaluate and test the validity and reliability of the COCA's processes.
5. Maintain a committee structure that involves COCA members, and other experts in planning, quality improvement, and self-assessment.
6. Seek regular input from the community of interest relative to planning, quality improvement, and self-assessment.
CHAPTER I: COM ACCREDITATION STANDARDS

Introduction

This chapter defines the accreditation standards against which COMs are evaluated for accreditation by the COCA. The COCA and each accredited COM are required to adhere to the policies, procedures and standards contained in the official COCA document: Accreditation of Colleges of Osteopathic Medicine: COM Accreditation Standards and Procedures.

In conducting its accrediting activities, the COCA will evaluate the COM considering its stated mission, including respect for its religious mission where that exists, and will consistently apply and enforce its standards. This should not be construed as limiting COCA’s ability to enhance its standards over time.

Standard One: Mission, Goals, and Objectives

1.1 The COM must have a clearly defined mission statement. Mission, vision, and goals statements may be used as one entity which collectively addresses all issues mentioned in this standard. The mission, vision, and goals statement must include goals and objectives appropriate to osteopathic medical education that address teaching, research, service, including osteopathic clinical service, graduate medical education training, and student achievement.

Guideline: The mission statement should be clear and concise, and provide in a concise format what the COM does. The mission statement should be communicated to faculty, staff, students and other communities of interest. The mission statement should be periodically reviewed and revised as necessary.

1.1.1 All COMs having accreditation status must submit a “mid-cycle” report to the COCA on their success in meeting their mission. This report will be submitted with the Annual Supplemental Report in the fourth year after receipt of initial or continuing accreditation status.

1.2 Each COM must maintain in effect any charter, licenses or approvals required for it to function as a college of osteopathic medicine in the jurisdiction in which it operates.

1.3 The COM must connect its learning outcomes assessment to mission plans and objectives in order to continuously improve the educational quality of its osteopathic medical education program.

1.3.1 The planning processes must incorporate formative and summative reviews of student achievement including, but not limited to: COMLEX-USA Level 1 and COMLEX-USA Level 2 passage rates; licensure, geographic area of practice, obtainment and completion of a postdoctoral program, and AOA or ABMS board certification.

Guideline: Strategic planning is essential to ensure the quality of the osteopathic medical education program. An assessment program should be an ongoing, systematic process that provides the means for assessing student achievement, program effectiveness, and opportunities for improvement.
1.4 The COM must have a process that will contribute to the advancement of knowledge through research and scholarly contributions in the fields of the basic biomedical sciences, clinical medicine and osteopathic principles and practice.

*Guideline:* Contributing to the existing body of knowledge is an important component to osteopathic medical education and higher education.

1.5 This standard has been eliminated.

1.6 The COM must have a process that addresses the development and planning for the appropriate affiliations necessary to provide predoctoral clinical experiences sufficient in scope for the training of osteopathic physicians.

*Guideline:* The COM should demonstrate the educational continuum of its students from predoctoral education, which leads to the professional degree, to placement of graduates in postdoctoral education.

**Standard Two: Governance, Administration, and Finance**

2.1 The COM, and/or its parent institution, must develop and implement bylaws, or equivalent documents, that clearly define the governance and organizational structure that enables the COM to fulfill its mission and objectives.

2.1.1 Responsibilities of the COM administrative and academic officers and faculty must be clearly defined in the COM, and/or its parent institution’s bylaws, or other equivalent documents.

*Guideline:* Clearly defining the COM’s, and/or its parent institution’s, governance and organizational structure enables others to clearly identify lines of authority and to understand how the COM will meet its mission and objectives.

2.1.2 The COM or its parent institution must have board approved policies regarding:

a. Conflict of Interest for board members, professional and non-professional full time employees, and all credentialed instructional staff;

b. Due process for all employees, students, and credentialed instructional staff;

c. Claims of illegal discrimination;

d. Confidentiality of employment, student, and medical records; and

e. Fiscal management and accountability of the COM

2.1.3 The COM, and/or its parent institution, must satisfy such provisions as may be required by applicable law and regulations. If the COM is organized within a larger institution of higher education, that institution must have appropriate approval from its U.S. Department of Education-recognized institutional accreditor to offer doctoral programs.
2.2 The **governing body** will confer the degree Doctor of Osteopathy (D.O.) or Doctor of Osteopathic Medicine (D.O.) upon those students who have satisfactorily completed the requirements for graduation and have been recommended for graduation by faculty.

2.3 The COM must have financial resources and reserves to achieve and sustain its educational mission and objectives.

2.4 The **Chief Academic Officer** must have the responsibility and authority for fiscal management of the COM and ensuring compliance with COCA Standards.

   **Guideline:** This responsibility and authority usually consists of oversight of resources appropriately allocated by the governing board of the COM (if freestanding) or its institutional governing board (if within a larger institution of higher education).

2.5 The **Chief Academic Officer** must have relevant training and experience.

   **Guideline:** This experience will usually include but is not limited to: dean, associate dean, assistant dean, or chair of an academic unit at a college of osteopathic medicine, college of allopathic medicine, military or public health facility.

   2.5.1 The **Chief Academic Officer** must have an earned DO degree from a COCA accredited COM.

   2.5.2 The **Chief Academic Officer**, at a minimum at the time of appointment, must be a D.O. who has achieved AOA or ABMS board certification in his/her primary specialty at some point in his/her career.

   2.5.3 The **Chief Academic Officer** must be employed full time by the COM and will *not* engage in other gainful employment outside the institution.

   2.5.4 The **Chief Academic Officer** must be able to demonstrate the “Competencies of a Chief Academic Officer” as defined in the Glossary of this document.

2.6 The COM must have a **Chief Financial Officer** who has training and experience relevant to the position.

   2.6.1 For those COMs that are free-standing, single degree-program institutions for which the COCA is the institutional accreditor, the **Chief Financial Officer** must be able to demonstrate the “Competencies of a Chief Financial Officer” as defined in the Glossary of this document.

2.7 The COM’s senior administrative leadership must collectively demonstrate experience and training in higher education and medical education.

   **Guideline:** The senior administrative leadership includes, but is not limited to the Chief Executive Officer, Chief Academic Officer, and Chief Financial Officer.

   2.7.1 For those COMs that are free-standing, single degree-program institutions for which the COCA is the institutional accreditor, the **Chief Executive Officer** must be able to demonstrate the “Competencies of a Chief Executive Officer” as defined in the
Glossary of this document.

2.8 The selection of administrative personnel must not discriminate on the basis of race, ethnicity, color, sex, gender, religion, national origin, age or disabilities.

Guideline: A diverse administrative staff provides the richness necessary for medical education. A COM should make every effort to hire administrative staff from a diverse background to foster that richness while meeting its mission and objectives.

Standard Three: Facilities, Equipment, and Resources

3.1 A COM must have available sufficient and appropriate facilities for the program of instruction that enable students and faculty to successfully pursue the educational goals and curriculum of the COM.

Guideline: Facilities should include appropriate classroom and laboratory space to facilitate attainment of the curricular objectives.

3.1.1 The COM must have a continuous assessment process that reviews all facility resources appropriate to achieve the COM’s mission and objectives.

3.2 The COM must provide access to appropriate learning resources necessary to support the curriculum.

Guideline: Resources should include, but not be limited to: information technology; student space for individual and group study; and electronic resources, including databases for learning.

3.3 The learning resources of all campuses and affiliated teaching sites must be reviewed by the COM to ensure delivery of the curriculum.

Guideline: The COM should identify the specific learning resources necessary for their students at each affiliated site. COMs should conduct an evaluation of all affiliated sites to ensure each site has the necessary space, technology, and other material as identified by the COM.

Standard Four: Faculty

4.1 The COM must have sufficient and appropriately trained faculty, supplemented by part time and adjunct faculty, at the COM to meet its mission and objectives. The COM must also have sufficient and appropriately trained faculty at its affiliated and educational teaching sites.

Guideline: A well-functioning COM should have enough faculty members to conduct the work of committees; ensure that all lecture topics are covered; allow all students to have access to faculty for consultation; and provide advisement to student organizations.
4.1.1 The COM must develop a faculty adequacy model\(^1\) appropriate to the COM’s mission and objectives and curriculum delivery model. The method used to calculate the model must be fully described and documented. Faculty must include osteopathic physicians, basic scientists, and other qualified faculty to carry out the COM’s mission and objectives.

4.1.2 The COM must academically credential or approve the faculty at all COM and COM-affiliated and educational teaching sites.

**Guideline:** The process should be consistent with the COM’s established faculty academic credentialing or approval procedures and should include regular reviews based upon the COM’s established methods of faculty evaluation.

4.2 The **Department Chair or Equivalent** must have proven experience in teaching and academic leadership in a medical education setting.

4.2.1 In the clinical department or discipline of Primary Care (defined as Family Medicine, Internal Medicine, and/or Pediatrics), the *Chair or Equivalent* must be a D.O who is AOA or ABMS board certified in their primary specialty.

**Guideline:** The COM should have an organizational structure that can provide faculty leadership. This can be done through faculty departments or divisions.

4.2.2 In the discipline of Osteopathic Manipulative Medicine/Neuromusculoskeletal Medicine, the **Department Chair or Equivalent** leader must be AOA board-certified through the American Osteopathic Board of Neuromusculoskeletal Medicine or have received a Certificate of Special Proficiency in Osteopathic Manipulative Medicine (C-SPOMM).

4.2.3 In all other clinical departments or disciplines, the **Department Chairs or Equivalents** must be AOA board-certified or ABMS board-certified physicians in one of the disciplines included within the department.

**Guideline:** COMs are highly encouraged to have osteopathic physicians as the chairs of all clinical departments and divisions in their COMs. This will ensure expression of osteopathic tenets throughout the curriculum and adequate mentoring opportunities for the students.

4.2.4 In all departments of the COM, the **Department Chair or Equivalent** must be able to demonstrate the “Competencies of a Department Chair or Equivalent” as defined in the glossary of this document.

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\(^1\) A conceptual definition is provided in the Glossary. For questions about implementation, please contact the COCA Secretary.
4.3 The selection of faculty must not discriminate on the basis of race, ethnicity, color, sex, gender, religion, national origin, age or disabilities.

**Guideline:** A diverse faculty provides a richness necessary for medical education. A COM should make every effort to hire faculty from a diverse background to foster that richness while meeting its mission and objectives.

4.4 COMs must develop and implement an ongoing needs-based, assessment driven faculty development program that is in keeping with the COM’s mission and objectives.

**Guideline:** The ongoing faculty development program should be a needs-based professional development program. The participants’ educational outcomes should be assessed and utilized by the COM for further faculty development planning.

4.4.1 The faculty development program must include the knowledge and understanding of osteopathic philosophy and principles.

**Guideline:** All faculty, on-campus and off-campus, should participate in a comprehensive osteopathic philosophy and principles faculty development program.

4.5 A faculty organization that serves as a representative forum for the free exchange of ideas and concerns of all faculty must be developed and implemented.

4.6 Faculty policies and procedures must be developed, adopted, and implemented.

**Guideline:** Faculty policies and procedures should address faculty recruitment, promotion, appointments, re-appointments, tenure, academic assignments and responsibilities, sabbaticals, reporting relationships, grievance, conflicts of interest, and benefits.

4.7 The COM must have a board approved code of academic and professional ethics for its entire faculty, administration, and staff that includes the interaction of these groups. Such code of ethics shall address the proper relationship of faculty, administration, and staff with students.

**Guideline:** A statement of professional ethics for a COM should address most, if not all, of the following principles:

- Duty to adhere to policies and procedures of the COM in all matters;
- The student – faculty interaction;
- The student – administration interaction;
- The student – staff interaction;
- The faculty - administration & staff interaction;
- Intellectual honesty in teaching activities;
- Promotion of learning by students;
- Pursuit of innovation in medical education;
- Scholarly activity by faculty and students;
- Intellectual honesty in scholarly activities;
- Research; and
- Relationship with commercial entities.
4.7.1 The COM must have adopted the Code of Ethics established by the American Osteopathic Association.

Standard Five: Students

5.1 The COM must adopt admissions policies and criteria designed to meet its mission and objectives.

5.1.1 To ensure the COM meets its mission and objectives, the COM must tie its admission process and criteria to the outcome performance of its graduates.

**Guideline:** Tying the admission process and admission criteria to the outcome performance should validate that the COM is admitting students who may be expected to have the ability to complete the curriculum of study in accordance with the COM’s mission and objectives.

5.2 The COM must develop and implement a student recruitment process that attracts and maintains a qualified applicant pool.

5.3 The minimum requirement for admission to a COM must be no less than 75 percent of the credits needed for a baccalaureate degree from a college or university accredited by an agency recognized by the United States Department of Education.

**Guideline:** The COM should document alternative educational experiences that it will accept for admission.

5.3.1 The COM must have a policy to verify that candidates with credentials from a college or university outside of the United States have met the equivalency of the minimum requirements for admission to a COM.

5.3.2 Recruitment and selection of students for admission to a COM must not discriminate on the basis of race, ethnicity, color, sex, gender, religion, national origin, age or disabilities.

**Guideline:** A diverse student body provides the richness necessary for osteopathic medical education. A COM should make every effort to recruit students from a diverse background to foster that richness while meeting its mission and objectives.

5.4 Each COM must develop transfer credit and waiver policies and procedures in accordance with its educational mission and objectives.

5.4.1 Credits may be transferred only from medical schools and colleges accredited either by the COCA or by the Liaison Committee on Medical Education (LCME). Transfer credits should only be given is the student is eligible for readmission to the previously attended COCA or LCME accredited medical school.

5.4.2 When a student transfers from one COM to another COM, the last two years of instruction must be completed within the COM granting the D.O. degree.

5.4.3 When students transfer from an LCME accredited medical school or college to a
COM at least two years of instruction must be completed within the COM.

5.4.4 In the case of LCME transfers, the COM requirement for osteopathic manipulative medicine must be completed prior to graduation.

Guideline: Transfer credits should only be given if the student is eligible for readmission to the previously attended COM or other LCME medical school.

5.4.5 The transfer of credit policy of each COM must be publically disclosed in accordance with 34 CFR 668.43(a)(11) \(^1\); and

5.4.6 The transfer of credit policy of each COM must include the criteria established by the COM regarding transfer of credit.

5.4.7 Each COM, for which the COCA is its institutional accreditor, shall establish written policies and procedures and employ them in a systematic review of the assignment of credit hours for all of its curriculum, using the definition of a credit hour as provided in the glossary of the Accreditation of Colleges of Osteopathic Medicine: COM Accreditation Standards and Procedures. The COM bears the responsibility of assigning the amount of credit awarded for student work and demonstrating that its assignment criteria conform to commonly accepted practices in higher education. The COM must maintain records of this activity in a format that will permit sampling by a COCA site visit team.

Guideline: The COM is strongly encouraged to include a discussion of the application of these policies and procedures for reviewing the credit hours given for each course in its curriculum in the self-study report.

5.5 The COM, and/or its parent institution, must provide services devoted to student affairs.

Guideline: The COM, and/or its parent institution, should have sufficient full-time employees to deliver these services.

5.5.1 The COM, and/or its parent institution, must provide services devoted to registrar services.

Guideline: The COM, and/or its parent institution, should have sufficient full-time employees to deliver these services.

5.5.2 The COM, and/or its parent institution, must provide services devoted to admissions.

Guideline: The COM, and/or its parent institution, should have sufficient full-time employees to deliver these services.

5.5.3 The COM, and/or its parent institution, must provide services devoted to financial

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\(^1\) 34 CFR 668.43 (a)(11): A description of the transfer of credit policies established by the institution which must include a statement of the institution’s current transfer of credit policies that includes, at a minimum – (i) Any established criteria the institution uses regarding the transfer of credit earned at another institution; and (ii) A list of institutions with which the institution has established an articulation agreement.
Guideline: The COM, and/or its parent institution, should have sufficient full-time employees to deliver these services.

COMs should provide, on an annual basis, counseling to its students regarding their level of indebtedness.

5.5.4 The COM, and/or its parent institution, must provide services devoted to academic counseling.

5.5.5 The COM, and/or its parent institution, must provide services devoted to career counseling.

5.5.6 The COM, and/or its parent institution, must provide students’ access to administrators and faculty.

Guideline: Opportunities to consult with faculty should be available and made known on a regular and ad hoc basis.

Opportunities to consult with members of the administration should be available and made known to each student.

5.5.7 The COM and/or its parent institution must make available to students confidential resources for physical healthcare services.

5.5.8 The COM and/or its parent must make available to students on a 24 hour per day 7 days a week (“24/7”) basis, confidential resources for behavioral healthcare services.

5.6 The COM, and/or its parent institution, must develop an orderly, accurate, confidential, secure, and permanent system of student records.

Guideline: All staff who provide student services should be knowledgeable of the confidential aspects of these services, including but not limited to FERPA, HIPAA, and Title IX requirements.

5.7 The COM, and/or its parent institution, must publish, at least every other year, via paper document or on its website, information on policies and procedures on academic standards, grading, attendance, tuition fees, refund policy, student promotion; retention; graduation; academic freedom; students’ rights and responsibilities, including a grievance policy and appeal procedures; and other information pertinent to the student body.

5.8 The COM, and/or its parent institution, must publish policies and procedures regarding student complaints related to accreditation standards and procedures, and must maintain records of the receipt, adjudication, and resolution of such complaints. The COM must include in its policies and procedures the contact information, including address, phone number and email, of the COCA in the American Osteopathic Association, Department of Accreditation, 142 East Ontario, Chicago, IL, 60611, 312-202-8000, email:
Guideline: The COM should utilize student complaints in its ongoing performance improvement processes, as appropriate.

Standard Six: Curriculum

General Requirements

6.1 The COM must develop and implement a method of instruction and learning strategies designed to achieve its mission and objectives.

Guideline: A COM can implement their curriculum utilizing different curriculum models. The curriculum should at least include, but not be limited to, the following areas of biomedical sciences and disciplines related to osteopathic medicine: principles, history and practice of osteopathic medicine, human anatomy, biochemistry, pharmacology, genetics, physiology, pathology, microbiology, physical and differential diagnosis, medical ethics and legal aspects of medicine; internal medicine, family medicine, pediatrics, geriatrics, obstetrics and gynecology, preventive medicine and public health, psychiatry, surgery, radiology, and basic knowledge of the components of research.

6.1.1 The minimum length of the osteopathic medical curricula must be at least four academic years or its equivalent as demonstrated to the COCA.

Guideline: The curriculum should provide at least 130 weeks of instruction.

6.2 The COM must develop and implement ongoing review and evaluation of the curricula, and demonstrate application of the findings towards improvement of the educational program.

Guideline: The COM should have a Curriculum Committee to conduct the curricula review and evaluation. The Curriculum Committee should be comprised of sufficient faculty representation to ensure a thorough review of the curriculum. Students should also be represented on the Curriculum Committee.

6.3 The COM must provide for integration of osteopathic philosophy, principles and practices, including didactic and hands-on opportunities, through each year of the curriculum.

Guideline: The COM should be able to present a broad based curriculum to their first and second year students that includes direct and indirect OMM techniques and understanding of the glossary of terms found in the Glossary of Osteopathic Terminology © American Association of Colleges of Osteopathic Medicine, Chevy Chase, MD, April 2009. The COM should have in place learning programs in OMM/OPP for students during their third and fourth years that include both didactic content (may be delivered by distance education technology) and hands-on opportunities under faculty/preceptor supervision which include osteopathic physicians. The assessment process through all four years should be appropriate for both cognitive and
6.3.1 The COM must provide each student with opportunities for both observation and hands-on application of OMM to patients in a clinical setting supervised by full time faculty of the COM.

**Guideline:** Observations and hands-on opportunities for OMM can be provided in a college setting, primary care office, student clinic, or hospital setting.

6.4 The COM must help to prepare students to function on health care teams that include professionals from other disciplines. The experiences should include practitioners and/or students from other health profession and encompass the principles of collaborative practices prior to graduation from the COM.

**Guideline:** Competencies for interprofessional collaborative practice may include the ability to:

1. Work with individuals of other professions in a climate of mutual respect.
2. Apply knowledge of the osteopathic physicians’ and other professionals’ training, knowledge, skills and competencies to address the health care needs of the patients and populations served.
3. Communicate with patients, families, communities, and other professionals in a manner that supports the team approach to the care of the patient, the maintenance of health and treatment of disease.
4. Apply principles of team dynamics to plan and deliver patient/population centered care that is safe, timely, efficient and effective.

**Core Competencies**

6.5 The COM must stipulate specific educational objectives to be learned in its educational program.

**Guideline:** The COM should also stipulate the course of instruction designed to address the educational objectives, and the faculty responsible for offering the instruction.

6.5.1 At minimum, a graduate must be able to:

1. Demonstrate basic knowledge of osteopathic philosophy and practice and osteopathic manipulative treatment;
2. Demonstrate medical knowledge through one or more of the following: passing of course tests, standardized tests of the NBOME, post-core rotation tests, research activities, presentations, and participation in directed reading programs and/or journal clubs; and/or other evidence-based medical activities;
3. Demonstrate interpersonal and communication skills with patients and other healthcare professionals;
4. Demonstrate knowledge of professional, ethical, legal, practice management, and public health issues applicable to medical practice;
5. Demonstrate basic “basic support skills,” as assessed by nationally standardized evaluations.
6.6 The COM must define, publish, and implement educational outcomes, based on its own educational objectives that will prepare students for osteopathic graduate medical education consistent with the COM’s mission, goals, and objectives.

6.6.1 The COM must establish clinical core competencies and a methodology to ensure they are being met.

**Guideline:** Osteopathic medical students should have the basic skills and competencies defined by COM faculty as the prerequisites to osteopathic graduate medical education.

Integration of basic skills and competencies should be developed through the use of standardized patients, skills testing, and clerkship training.

The COM should, at minimum, consider the Seven Core Competencies required of all AOA-accredited postdoctoral training programs. The seven competency areas include: medical knowledge; osteopathic philosophy and osteopathic manipulative medicine; patient care; professionalism; interpersonal & communication skills; practice-based learning and improvement; and systems based practice. For details on the requirements and Guidelines of the core competency program, please refer to the AOA’s Core Competency Compliance Program as described in the document entitled “The Basic Documents for Postdoctoral Training”, Part One: Basic Document for Postdoctoral Training, Section IV. Institutional Requirements, Subsection I. Core Competency Requirements or contact the AOA’s Division of Postdoctoral Training at 312.202.8000.

6.7 A longitudinal record marking the career tracks, choices, and achievements of the graduates must be included in an assessment system.

6.8 The COM must develop and publicize a system, in keeping with the COM’s mission and objectives, to assess the progress of each student toward acquiring the competencies essential to effective performance as an osteopathic physician.

6.8.1 All students must take and pass the National Board of Osteopathic Medical Examiners, Inc. (NBOME) Comprehensive Osteopathic Medical Licensing Examination COMLEX-USA Level 1 prior to graduation. All students must take COMLEX-USA Level 2 Cognitive Evaluation (CE) and Performance Evaluation (PE) components prior to graduation. All students who enter in the 2004-2005 academic year or later, and all students who graduate after December 1, 2007, must also pass NBOME Cognitive Evaluation (CE) and Performance Evaluation (PE) components of COMLEX-USA Level 2 prior to graduation.¹

6.8.2 A component of this assessment must include the student performance and the

¹ Students graduating prior to December 1, 2007 were required to have taken COMLEX-USA Level 2 CE and PE prior to graduation.
COM’s overall performance on the NBOME COMLEX-USA Levels 1, 2, and 3.

6.8.3 The COM must track COMLEX-USA Levels 1, 2, and 3 results as part of a process to determine how well students accomplish the COM’s educational goals.

Guidelines: The assessment process should provide assurance that the COM’s students have met all requirements for the D.O. degree prior to conferral of that degree.

The system of assessment should clearly define procedures for the evaluation, advancement and graduation of students. It should provide feedback to each student and should serve as a motivating factor in improving student performance.

Clerkship Training

6.9 A COM may offer a portion of its curricula at affiliated or educational clinical sites not owned or operated by the COM. Written affiliation or educational agreements with core rotation sites, which clearly define the rights and responsibilities of both parties, must be obtained between the COM and each clinical clerkship teaching facility not owned or operated by the COM, or in the case where an institutional agreement is not applicable, between the COM and the individual preceptor.

6.9.1 Osteopathic medical education must include student experiences with the clinical practice of osteopathic physicians.

Guideline: “Experience with the clinical practice of osteopathic physicians” should be interpreted broadly to include Osteopathic Principles and Practices as well as Osteopathic Manipulative Medicine. Standard 6.9.1 may be met through early clinical experience, core, selective and/or elective rotations.

6.9.2 The COM must provide an annual prospective and retrospective assessment of the adequacy of affiliations for predoctoral clinical education.

Guideline: The COM’s annual assessment should provide evidence of having secured the necessary affiliations for all students’ required core clinical rotations and retrospectively assess the availability of “elective” clinical rotations.

6.9.3 The COM must conduct an annual assessment of the numbers of students and areas of instruction that are to take place at each of its affiliated clinical education sites.

6.10 The COM must develop and implement its clinical clerkship training curricula to achieve the COM’s mission and objectives.

6.10.1 The COM must utilize the clinical education capabilities of its Osteopathic Postdoctoral Training Institution (OPTI) partners to offer predoctoral clinical education clerkships to its students.

Guideline: The COM may also offer clinical rotations at affiliated sites that are outside of its OPTI partners.
6.11 All instruction at the affiliated or educational sites must be conducted under the supervision of COM academically credentialed or approved faculty.

Guideline: The Dean or the Dean’s designate is responsible for ensuring that meaningful educational experiences should be conducted at affiliated clinical sites including credit-based international sites.

It is the responsibility of the COM administration to review the credentials of all academically credentialed or approved faculty to determine that they are qualified, or to have an affiliation agreement with such clinical sites which recognizes and approves the processes by which faculty at those sites are credentialed and approved (that are consistent with the credentialing policies of the COM). The training environment at affiliated educational sites should also be reviewed to guarantee that they provide students, at a minimum, an appropriate number of clinical presentations, appropriate supervision, and opportunities to interact with other healthcare professionals.

The individuals supervising students’ clinical experiences should be the same as those who were appointed or credentialed by the COM, or approved or credentialed by the affiliate as provided for in the affiliation agreements.

6.12 Planning and implementation of instruction at affiliated or educational sites must be a cooperative activity between COM academically credentialed or approved faculty at those sites and the administration and faculty at the COM.

6.13 The COM must develop and implement an assessment process that reviews student achievement in the clinical education program at its affiliated or educational sites to ensure that these programs meet the COM’s mission and objectives.

6.14 The COM must develop a process that evaluates the clerkship in regards to meeting the COM’s mission and objectives.

Guideline: The COM should hold the affiliated or educational site to its established goals and objectives, and conduct routine, periodic visits to ensure the goals and objectives are being met. The COM may also wish to utilize the OPTI to ensure the COM’s OPTI’s goals and objectives of the clerkships are being met.

Standard Seven: Research and Scholarly Activities

7.1 The COM must make contributions to the advancement of knowledge and the development of osteopathic medicine through scientific research. This effort may include, but may not be limited to, the conduct of and resulting publication in peer-reviewed journals of “bench” research, clinical trials, patient care research, medical educational research, and health services research. The faculty adequacy model1 must demonstrate adequate faculty time for

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1 A conceptual definition is provided in the Glossary. For questions about implementation, please contact the COCA Secretary.
research efforts.

**Guideline:** A functioning research program would include some, if not all, of the following elements: research programs that investigate questions arising from the unique elements and applications of the principles and practices of osteopathic medicine; an Institutional Review Board (IRB); Institutional Animal Care and Use Committee (IACUC); dedicated facilities to conduct research, either at the COM or with a partnering institution; evidence of start-up funding for research; a grants officer; pre-award and post-award management of grants; and evidence of published articles in scholarly journals.

7.2 The COM must show its commitment to research by having a strategic plan for research support, development, and productivity that is linked to faculty adequacy, facilities, outcome goals, and budget.

**Guideline:** Growth and development of research is closely linked to availability of human, financial, and physical resources required to support research efforts, as well as the education of osteopathic physicians to prepare them for conduct of research. COMs can enhance this in many ways, including, but not limited to: having an expectation for research in the culture and expected outcomes of the institution; providing appropriate protected time for faculty to engage in research; providing funding to support research initiatives; providing facilities and resources required to support research efforts; supporting dual degree programs in research disciplines, i.e. leading to the MS and PhD degree; dual degree programs in other professional areas that are supportive of research, e.g. MPH, MEd; sponsorship or support for research fellowships for students and residents.

**Standard Eight: GME Outcomes**

8.1 The COM must be a member of an Osteopathic Postdoctoral Training Institution (OPTI) that is accredited by the American Osteopathic Association’s Council on Osteopathic Postdoctoral Institutions for the purpose of supporting the continuum of osteopathic education.

8.2 The COM must establish a relationship with an OPTI and facilitate the development, growth and maintenance of graduate medical education.

8.3 The COM must develop a retrospective GME Accountability Report based on information reported by the COM on the AACOM Annual Report demonstrating that the COM’s mission and objectives are being met. The methods used to develop the report must be fully described and documented. The report must demonstrate the number of graduates entering GME, the positions available in the COM’s affiliated OPTI, the historic percentage of match participation (AOA, NRMP, military, etc.), final placement, the number/percentage of eligible students unsuccessful in the matches, and the residency choices of its graduates.

**Guideline:** COMs should strive to place 100% of their graduates into GME programs.

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1 NOTE: The following standards occur in other standard domains in this chapter and have some components that are related to graduate medical education: 1.1, 6.6, 6.6.1, 6.7, 6.8.2, 6.8.3, 6.10.1, and 6.14.
8.4 The COM must develop and publicize a system, in keeping with the COM’s mission and objectives, to assess the progress of each student toward acquiring the competencies essential for successfully entering into a GME program leading to graduation and effective performance as an osteopathic physician.

8.5 The COM must annually report publicly, beginning with the 2013-2014 academic year, from the previous four academic years, the following data (a. and b. below) on its website, in its catalog, and in all COM promotional publications that provide information about the COM’s education for prospective students. The COM may use a reference to this data as to where it can be found on the COM’s website.

a. The number of students from each graduating class who applied to and obtained or were offered placement in a graduate medical education program accredited by the American Osteopathic Association or the Accreditation Council for Graduate Medical Education or the military, and the number of students from each graduating class who applied to and were unable to obtain placement in an accredited graduate medical program.¹

b. The first time pass rate of its graduates on the COMLEX-USA Level 3 exam.²

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¹ The COMLEX-USA Level 3 examination first time pass rates are reported as an aggregate score to all COMs for a single year period. This is the value that is to be published by the COM.
Standard Nine: Prerequisites for Accreditation (for Pre-accreditation evaluations only)

9.1 Each applicant must obtain any charter, licenses or approvals required for it to function as a COM in the jurisdiction in which it intends to operate.

9.2 Each applicant must have a **governing body**, or be part of a higher education institution with a **governing body**, which defines the mission of the institution and the intended COM.

9.3 Each **governing body** will adopt bylaws, or equivalent documents, which will:

9.3.1 Ensure that the **governing body** will be composed of persons with demonstrated expertise required to implement the mission of the COM.

9.3.2 Define responsibilities of the **governing body**, the administrative and academic officers and the faculty and set forth the organizational structure of the COM; and

9.3.3 Satisfy such provisions as may be required by applicable law and regulations.
Revision of Standards

The COCA, in establishing procedures for the review of the accreditation documents, recognizes the need for an ongoing review process. Therefore, the COM Accreditation Standards and Procedures will be reviewed for relevancy on a continuous basis, with a major review every three (3) years. That review will be precipitated by a survey to determine whether the intent of the standard is clear, reliable and whether it is relevant to osteopathic education. The COCA will announce the review process via the COCA website, http://www.aoacoca.org. This announcement will include information about the process and its timeline.

A survey of the standards, policies and procedures will be conducted prior to the initiation of the accreditation document review process. The survey document will query respondents to evaluate the accreditation document as it relates to the a) quality of osteopathic medical education, and b) the relevancy of the educational training needs of the osteopathic medical student. The COCA will solicit comments from the following constituents: 1) COM Presidents; 2) COM Deans; 3) COM Faculty; 4) Site Team Evaluators; 5) Directors, Medical Education; 6) Directors, Residency Programs; 7) Members, Specialty College Evaluator Committees; 8) COM Students; 9) recent COM Graduates; 10) Osteopathic Licensing Boards; 11) NBOME; 12) Hospital Administrators; 13) AOA Board of Trustees; and 14) COCA Members.

Once the COCA has initiated the accreditation document review process, the review will be completed within twelve months. Changes to the document Accreditation of Colleges of Osteopathic Medicine, including the policies, procedures, and scope of accreditation of the COCA, will be made when necessary only after providing advance notice and opportunity for comment by affected persons, institutions, and organizations, including, but not limited to: The Secretary of the USDE, AACOM, the NBOME, and each COM.
CHAPTER II: APPLICANT AND ACCREDITATION PROCEDURES

Introduction

COM development is meant to be an orderly process that requires time, financial reserves and planning. This process should not be embarked upon at an accelerated rate or without careful consideration of the minimal timelines that are discussed in this chapter and in the tables and other documents specifically described herein.

The COCA believes that the timeline provided is the minimum period necessary to develop a new COM and will not waive its usual timeline procedures to process applications of new COMs. Entities seeking to develop a new COM should be aware of the business risks that are inherent in the development of a new COM.

Applicant Status

Applicant status is the initial step in seeking accreditation. This status is offered without rights or privileges of accreditation, and does not establish or imply recognition by the COCA. Applicant status is granted upon the formal request for evaluation submitted by the Chief Executive Officer of the applicant COM. Information regarding “New and Developing COMs” can be found on the COCA website, www.aoacoca.org. This information consists of:

- A Memo to Prospective Applicants
- Startup Costs Estimates
- Pre-accreditation Preparation Timetable Calculator Tool
- Accreditation of Colleges of Osteopathic Medicine: COM Accreditation Standards and Procedures

Pre-accreditation Status

Pre-accreditation status is the second step in seeking accreditation by an applicant COM and is conferred with the privilege of recognition by the COCA, which will be publicly announced. Pre-accreditation status may be granted to COMs that demonstrate the planning and resources necessary to be expected to be able to proceed to Provisional accreditation within five (5) years.

Role of the Dean

It is expected that a Dean, as the Chief Academic Officer of the COM, will be hired at least 6 months prior to the submission of the Feasibility Study in the development of the COM and will provide the principle guidance and direction in the development of the COM through all steps of the pre-accreditation process and beyond through Provisional accreditation and into Accreditation. A feasibility study must be prepared and submitted by the Chief Executive Officer and the Dean of the applicant COM in order for a COM to be evaluated for Pre-accreditation status. Applicants should also note the minimal timelines for the Provisional accreditation application process as stated in Table 1, and the spreadsheet referred to within Table 1, with regard to the selection of the Dean.
It is also expected that the Dean will hire qualified individuals at the Associate/Assistant Dean level to assist him/her in the development of the COM through the Pre-accreditation status and into the Provisional accreditation status and ultimately progress to Accreditation.

**Feasibility Study**

An applicant for Pre-accreditation status must submit a Feasibility Study that assesses the viability of the proposed new COM. The COM Dean and administrative team must play an integral role in the development of the feasibility study (see section “Role of the Dean” above).

The financial *pro forma* portion of the Feasibility Study must be conducted by a nationally recognized accounting firm/management firm.

The Feasibility Study must contain documented evidence of:

1. An assessment of the degree of support that the applicant has in the community, county and state, and the respective osteopathic professional associations. The assessment must include a letter of comment from the state osteopathic association for each state in which the applicant intends to have clinical training sites.
2. Incorporation as a new, free-standing applicant as either a non-profit or for-profit corporation with bylaws consistent with the accreditation standards, and with an appointed, functioning governing body.
3. For an applicant that is part of a university, the parent institution, of which the COM is a part, must demonstrate clear commitment to the COM's mission, operation, development, and financial support.
4. A charter or evidence of support for approval to grant the Doctor of Osteopathy (D.O.) or Doctor of Osteopathic Medicine (D.O.) degree from the appropriate state agency.
5. Adequate staff support, including but not limited to, the appointment of a Chief Executive Officer, a dean/chief academic officer, and a chief financial officer, all of whom will have sufficient professional education and experience to provide leadership during the development of the COM. The Chief Academic Officer must have an earned D.O. degree from a COCA-accredited COM, have AOA board certification, and be employed in the development of the applicant COM on a full-time basis.
6. The Dean/Chief Academic Officer must have identified the organizational structure to be employed, including all Associate/Assistant Deans and a plan for their hiring at the time of submitting the Feasibility Study. At the time of awarding of Pre-accreditation, all Associate/Assistant Deans must be under contract. The professional education and experience of the Associate/Assistant Deans will be reviewed under Standard 2.7 at the time of initial review of Pre-accreditation.
7. Written verification about the educational planning and progress toward providing for clerkship training opportunities sufficient in number for the clinical curricular experiences of the applicant. Documentation must include an assessment of the impact of the applicant’s proposed clerkship training programs upon any osteopathic training programs already in existence at the clinical sites under discussion.
8. Adequate financial support that includes sufficient operating, reserve, and necessary construction funds:
   a. Sufficient funds will be available to support all necessary and proper expenses, the
employment of a core staff, the development of curriculum or curricula, support of
administration and planning personnel, and will include such other funds as may be
necessary to secure funding from governmental or private sources.

b. The applicant will demonstrate that the level of funds described immediately above
will be available for not less than four (4) years of instruction, i.e., until graduation of
the first class of students.

c. An applicant must demonstrate the existence of a minimum segregated,
unencumbered reserve fund escrowed until graduation of the first class of students
and equal to the greater cash value of 1) $12,500,000; or 2) tuition multiplied by the
number of students of the inaugural class multiplied by four years. An increase in
tuition will require recalculation of the escrow amount and an increase in the
calculation of the amount of the escrowed funds. The escrowed reserve fund must
not be borrowed or pledged funds and must be 100% wholly owned assets of the
COM or its parent institution.

d. Except upon written approval of the COCA, such fund will remain segregated and
unencumbered; and cannot be used for any purpose including, but not limited to,
operation, equipment or construction costs, until after Accreditation status has been
granted. The purpose of this fund is to provide substantial financial support for the
costs of a teach-out agreement should such an agreement become necessary. The
applicant, to achieve its mission and objectives, may use interest earned on such fund
at any time.

e. For a state-supported applicant, a letter or statement of commitment is required to
document their financial support being available in the amount specified in Procedure
8c for four years.

f. An applicant must also demonstrate the existence of a minimum operating reserve
fund equal to one-quarter (1/4) of the amount of the minimum segregated,
unencumbered reserve fund. The minimum operating reserve fund must not be
borrowed or pledged funds and must be 100% wholly owned assets of the COM or its
parent institution.

g. Except upon written approval of the COCA, the operating reserve fund must
maintain its minimum value throughout the entire fiscal year of the COM. The
COCA may authorize use of this fund for operation, equipment or construction costs.
If such use is granted, then the minimum value of this fund must be re-attained at the
end of the fiscal year in which the operating reserve fund is reduced below its
required minimum value. These restrictions will apply until after Accreditation
status has been granted. The new COM, to achieve its mission and objectives, may
use interest earned on the operating reserve fund at any time.

h. For a state-supported applicant, a letter or statement of commitment is required to
document their financial support available in the amount specified in Procedure 8f for
four years.

9. Demonstrate educational planning and noted progress in generating graduate medical
education opportunities using a retrospective GME Feasibility Report, incorporating the
metrics in the GME Accountability Report in Standard 8.3 that demonstrates the expected
placement in GME, including OGME, for their prospective class.* An EXCEL® workbook
for current and projected Clinical Rotations and GME development will be sent to all COMs requesting approval of a new COM. COCA staff will send the workbook and information to complete the workbook after the request for the new COM has been received. COCA Staff will also assist the COM in the workbook completion.

*A COM must demonstrate the feasibility of success for GME placement of its students in order to be approved.

**COMs with Hosting Partners**

COMs and hosting partners, who are themselves, academic institutions, hospitals, or healthcare systems, require a Memorandum of Understanding (MOU) or legally binding contract that addresses at least the following elements:

These statements must be included at the time a new COM is submitting a feasibility study:

1. A statement of why the COM wishes to enter into an agreement with the “host” institution.
2. A statement that identifies the authority and status of the “host” institution.
3. A statement of contractual agreement and legal obligation that includes:
   a. Fiscal, fiduciary, and marketing relationship;
   b. The rights retained by the COM;
   c. The duties of the COM to the “host” institution;
   d. The rights retained by the “host” institution;
   e. The branding by the COM alone, and any co-branding with the host institution;
   f. Specification of the services being provided by each entity to the other;
   g. Specification of who is the final authority on the curriculum for the COM and the requirements for granting the D.O. degree;
   h. Specification on who awards the D.O degree;
   i. Specification on who is the final authority on the selection of COM students;
   j. Specification on who is the final authority on selection of COM faculty members;
   k. A statement of the term of the agreement;
   l. A statement on how the agreement may be amended;
   m. A statement on how either party may withdraw from the agreement;
   n. A statement that explains whether the MOU reflects the complete agreement between the parties of should be interpreted in light of other agreements between the parties;
   o. A statement that the COM recognizes it is responsible for meeting the COCA standards;
   p. A statement where the COM recognizes it is responsible for handling COCA complaints;
   q. Information, as requested by COCA concerning the “host’s” finances and accreditation status;
   r. Verification that students are aware of financial responsibility and student rights in regards to Title IV;
   s. Verification that students are aware that financial aid is no processed through the “host” institution and they are not eligible to participate in Title IV through the “host” institution;
   t. A lease agreement must be a minimum of 10 years in length with at least five (5) year notice of termination;
   u. A minimum period of three (3) years is required for cancellation of any services
v. Upon notice of termination of a lease, a teach-out plan must be submitted to the COCA or the school must be able to immediately demonstrate a new location or lease to be approved by the COCA.

All of the above legal and contractual obligations must be completed prior to the awarding of Provisional accreditation.

Feasibility Study Evaluation

Upon receipt of a completed application with Feasibility Study, the Feasibility Study will be reviewed by the COCA Executive Committee (COCA-EC) to determine if the Feasibility Study materials are technically complete, meaning that if a site visit were to be authorized, it may be reasonably expected that the site visit team will be able to find evidence on-site to assess compliance with the standards and procedures required for the award of Pre-accreditation. This review will occur within sixty (60) days of receipt of the Feasibility Study at a teleconference of the COCA-EC.

The applicant COM will be notified as to the decision of the COCA-EC within fifteen (15) working days of the COCA-EC determination. Upon determination by the COCA-EC that the Feasibility Study is acceptable and technically complete to permit scheduling of an on-site visit, staff will schedule the initial review of Pre-accreditation within forty-five (45) to sixty (60) days after notifying the applicant COM that the Feasibility Study is technically complete and notifying the COCA of the findings of the Feasibility Study review, subject to availability of team members.

In the review of a Feasibility Study, the COCA-EC may determine that one or more of the Feasibility Study elements are not technically complete and request additional information before authorizing a site visit. The COCA-EC reserves the right to review this information either by (a) by teleconference meeting, or (b) vote by email.

Pre-accreditation On-Site Visit

The Pre-accreditation on-site visit will be conducted to ensure the accuracy of the Feasibility Study and the following standards found in Chapter I:

- Standard One: Mission, Goals, and Objectives – all standards
- Standard Two: Governance, Administration, and Finance – all standards
- Standard Five: Students – Standard 5.7 and Standard 5.8
- Standard Nine: Prerequisites for Accreditation – all standards

The application, which includes the Feasibility Study, COCA-EC review of the Feasibility Study (including materials requested to establish technical completeness), and the on-site visit report, will be transmitted to the COCA for their decision on the granting of Pre-accreditation status. This review will occur at the next regularly scheduled meeting of the COCA.

Activities Prohibited During Pre-accreditation

The COM holding Pre-accreditation status will not recruit, accept applications from, or admit prospective students. This means that a COM holding Pre-accreditation status must not do any of the following:

- Use solicitation to recruit students;
- Solicit or collect application fees;
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- Collect application information, including academic transcripts, Medical College Admissions Test (MCAT) scores, and letters of recommendation;
- Initiate the admission review process;
- Schedule interviews for any potential applicants;
- Offer advice on financial aid; and
- Issue letters of admittance into the COM.

Review of Pre-accreditation

Pre-accreditation status is reviewed on an annual basis for up to five (5) years and the COM will be required to submit an annual report in the format prescribed by the COCA. The COCA will review the annual report, and based on that review, may determine that continuing Pre-accreditation status will be subject to an on-site visit, as necessary.

Accreditation actions taken by the COCA during the period in which a COM holds Pre-accreditation include continuing Pre-accreditation status or withdrawal of Pre-accreditation status, and will be based upon an on-site visit. However, if the COM fails to attain Provisional accreditation status within five (5) years of the Pre-accreditation status award, the COCA will terminate the COM's Pre-accreditation status. Such termination will be published within thirty (30) days of final action.

Provisional Accreditation Status

Provisional accreditation status may be granted to COMs who have achieved Pre-accreditation status and meet the standards of accreditation. In order to assure adequate self-study, timely consideration of information, and provide for faculty and administration development, an institution seeking COCA Provisional Accreditation must conform to these provisions. The COCA may not waive compliance with these procedures.

In order for the COCA to grant Provisional accreditation status to the new COM holding Pre-accreditation status, the new COM will demonstrate that it meets, or will meet at the date proposed for the beginning of its educational program, the accreditation standards as described in Chapter I.

Additionally, a COM must demonstrate the following prior to being granted Provisional accreditation status:

1. Faculty must be hired consistent with the initial hiring plan and pro forma submitted to the COCA.
2. The first and second year curricula must be fully developed.
3. Clinical affiliation agreements sufficient to meet the needs of the curriculum and the students must be signed.

Timetable to Achieve Provisional Accreditation

The Updated Feasibility Study must be submitted a minimum of eighteen (18) months prior to the intended opening date (See Table One for a timetable). This schedule will permit the orderly progression for the COM to begin its inaugural class. However, in order to begin its educational program, a COM seeking Provisional accreditation would need to adhere to the minimum time schedule in Chapter IX, Table One. This schedule will permit orderly consideration of a COM's request for Provisional accreditation status. A COM receiving this status may begin accepting applications.
**Updated Feasibility Study Content**

The Updated Feasibility Study must contain all pertinent information regarding:

- The COM’s compliance with all standards of domains One through Eight, addressed for each individual numbered standard in the domains;
- Administration and operation of the educational program proposed for the COM through graduation of the COM's first class of students;
- Future development plans and other information required by the COCA;
- Written verification of the number of clinical sites to accommodate the entire first class of students at the time of graduation;
- Written verification of clinical sites to accommodate their entire clinical needs; and
- Written verification of the formal affiliation agreements with an adequate number of training positions for the entire required clinical curriculum of the COM. The affiliation agreements must be included in the updated feasibility study.

**Evaluation of Updated Feasibility Study**

In addition to the information listed above, an acceptable Updated Feasibility Study must address any issues found to be out of compliance or lacking on the Pre-accreditation visit, and not yet found satisfied by the COCA, as well as all standards that will be reviewed on the Provisional Accreditation On-site visit (see below) and with attachments of support.

COCA staff will review the materials submitted to assess the presence of the elements required and note the presence or absence of each of the elements. The presence or absence of this information will be reviewed with the COCA Chair to determine if additional information is required prior to scheduling or at the time of the initial provisional accreditation site visit. The COM will be notified of the results of this analysis. This analysis will be completed with thirty (30) days of receipt of the updated feasibility study. After determining that the updated Feasibility Study is complete, an on-site visit will be conducted.

**Provisional Accreditation On-site Visit**

The initial Provisional accreditation on-site visit will be conducted to ensure the accuracy of the updated Feasibility Study and compliance with the following standards found in Chapter I:

- Standard One: Mission Goals, and Objectives – all standards
- Standard Two: Governance, Administration, and Finance – all standards
- Standard Three: Facilities, Equipment and Resources – all standards
- Standard Four: Faculty –all standards
- Standard Five: Students – all standards
- Standard Six: Curriculum — all standards
- Standard Seven: Research and Scholarly Activities – all standards
- Standard Eight: GME Outcomes – all standards

Following receipt of the visiting team’s report, the request for the Provisional accreditation status will be considered by the COCA at its next regularly scheduled meeting.

**Activities Allowed During Provisional Accreditation**

Upon the receipt of Provisional accreditation, the COM will have the right and privilege to solicit
applications and admit students, offer medical instruction within the approved osteopathic medical curriculum, and announce its provisional accreditation status. A COM may publicize that it is provisionally accredited. However, Provisional accreditation status may not be designated as "Accreditation" until the COM has received “accreditation” from the COCA.

**Review of Provisional Accreditation**

Provisional accreditation status will be reviewed for renewal annually by the COCA six to eight months prior to the initial day of classes and then concurrent with the academic progress of the first-, second-, and third-year classes of the COM. In order to obtain continuing provisional accreditation status for the second and each subsequent year of provisional accreditation status, the COM will demonstrate that it meets the standards of accreditation as described in Chapter I through annual submission of an updated Self-Study, and an on-site visit.

In compliance with 34 CFR 602.16(a)(2), Provisional accreditation will be for a period of time not to exceed five (5) years. Provisional accreditation will be awarded to become effective no earlier than July 1 of the calendar year, five (5) years prior to the year in which the COM intends to graduate its first class in the months of May-June.

If the COCA makes a decision to award Provisional accreditation at a meeting that occurs prior to the effective date specified above, the Pre-accreditation status will remain until the effective date of Provisional accreditation, but not for a period to exceed five (5) years of total award. During this interim period, the COM’s Pre-accreditation status will be stated as: “Pre-accreditation with permission to recruit, but not to admit students or offer instruction.”

**Timetable to Achieve Accreditation**

COMs holding Provisional accreditation status will undergo a Comprehensive accreditation visit directed by the COCA to be scheduled prior to graduation of its first class. The Comprehensive visit will be conducted before March 31 of the year the COM’s inaugural class graduates. Provisional accreditation status will expire following the Accreditation award granted by the COCA.

If a new COM fails to attain Accreditation status, the COCA will terminate the COM's Provisional accreditation status. Such termination will be published within thirty (30) days of final action.

**Accreditation Status**

Accreditation status is the highest level of accreditation awarded, and confers all rights and privileges of accreditation. Accreditation status is reviewed on a seven (7) year survey cycle unless otherwise directed by the COCA for a shorter period. Renewal of accreditation is subject to an on-site visit. Once Accreditation status is attained, the COM will retain that status until such time as it may be withdrawn by the COCA or may be voluntarily withdrawn at the request of the COM.
CHAPTER III: THE SELF-STUDY PROCESS

The Self-Study

The Self-Study is a systematic process of institutional and programmatic self-assessment leading to institutional improvement and providing evidence to the COCA that standards of accreditation are being met. The Self-Study is used, in part, to prepare for the COCA accreditation process prior to a Provisional or Comprehensive on-site accreditation visit. A COM’s self-evaluation and assessment should reflect its unique, distinctive organization and be utilized as a frame of reference for the review that the COM’s evaluation team conducts and the COCA reviewers assess. A broad Self-Study that exhibits integrity in reporting indicates to the site visit team and the COCA that the COM is serious in their attitude toward self-examination and peer review.

A successful Self-Study will provide valuable information that may be used by the COM for change and improvement of its educational program, organization, budgeting, and planning processes. An effective Self-Study will produce results and recommendations that the COM can utilize and address as well as identify challenges facing the COM in the future. The Self-Study should build on the COM’s existing self-evaluation processes in order to add to what is already in place as well as be an indication of where to change their processes through their self-study evaluation.

Preferably, a COM with accreditation status should initiate the self-study process at least twenty-four (24) months before the scheduled site visit. Completed Self-Studies must be sent to the COCA at least sixty (60) days prior to the scheduled date of a Comprehensive or Provisional on-site visit. The Self-Study is to be submitted to: Secretary, COCA; American Osteopathic Association; Department of Accreditation; 142 E. Ontario Street, 6th Floor; Chicago, IL 60611 or via email to predoc@osteopathic.org.

Beginning the process early allows time to address the basic questions that will help to guide the development of the Self-Study:

- Does the COM have a current and appropriate mission, goals, and institutional learning objectives?
- Are the curriculum and resources organized to meet the mission, goals and objectives of the COM?
- What is the evidence that the COM is meeting its mission, goals and objectives?
- How can current assessment processes be utilized in creating the Self-Study, including the strategic planning process and outcomes data?
- What is the structure of the COM? Who are the COM’s leaders?
- What are the strengths and weaknesses of the COM?
- Who will be involved in the creation of the Self-Study? Who will lead the process? Who will edit the documents?

Characteristics of an Effective Self-Study

1. *The Self-Study process should be a COM-wide project, rather than the work of a few individuals.*

   The Self-Study is an official COM document; therefore, the individuals chosen to participate in creating the Self-Study should be representative of the COM. All constituencies should be represented on the Self-Study committee, including students for the Comprehensive and
Provisional Self-Study.

An effective Self-Study will draw on the expertise of recognized leaders throughout the organization in order to make the effort credible and to accomplish goals in an efficient way. The Self-Study committee will serve as both the starting point and ending point of the Self-Study document and should continually provide and obtain feedback in order to ensure that all constituencies are informed and involved as the process unfolds. Participants of the Self-Study committee should be noted in the completed document.

2. Adequate personnel, technical, and financial resources should be provided by the COM administration and Board for the self-study process.

COM administration and the Board send a clear message to faculty, staff, and students that the Self-Study is an important institutional priority when adequate resources are allocated to assure its timely and effective completion. High expectations for organizational learning from the Self-Study process should be clearly communicated to all constituencies. Evidence of support from administration and the Board motivates stakeholders and keeps them engaged in the process.

3. The success of the Self-Study will depend on the ability of the COM to add to its ongoing self-evaluation processes.

The Self-Study should not be perceived as being separate from a COM’s existing and ongoing evaluation processes nor should it be the creation of new processes and data for use only in the Self-Study process. Rather, the Self-Study should build on the assessment processes and outcomes already in place within the organization in order to analyze their effectiveness, add to them, and make changes to them as indicated throughout the Self-Study process. In addition, the Self-Study will incorporate data already existing within the organization in its report to provide evidence of institutional compliance with the standards.

An essential element of the Self-Study is to assess the results or outcomes of the COM’s efforts in pursuit of its mission, goals, and objectives. While mission, goals and objective statements indicate the desired outcomes, the COM should address the specific criteria utilized to validate outcomes and establish that they have been achieved.

4. The Self-Study should be a report that meets the needs of the COCA and the site visit team that will be evaluating the COM for accreditation.

While the Self-Study has several audiences, the COCA is one of the most important. The Self-Study report provides evidence to the COCA and the visiting team that the COM deserves its accreditation status. The Self-Study assists the team in conducting an efficient visit by providing them with important information about the COM, including its mission, goals, objectives, curriculum, and all business, personnel and student processes. The Self-Study will tell the story of the COM to the COCA and the visiting team by presenting evidence of how the COM meets the accreditation standards.

5. The content of the Self-Study should include information regarding:

- historical overview of the COM;
- organization of the self-study process;
- mission, goals and objectives of the COM;
- organization of the COM;
- facilities;
In addition, the COM must include evidence that it is in compliance with its responsibilities under Title IV of the Higher Education Act of 1965 as most recently amended. Separate financial reports, including the audited financial statements, or the appropriate financial reports for state institutions, for at least the last three years, should be included in the Self-Study or, at least, be available to the visiting team on site. The Self-Study should also include information concerning the COM's plans, if any, for proposed changes in curriculum, faculty, staff, students, financial support services, and physical plant development.

Getting Ready for the Self-Study: Planning, Choosing a Model, Establishing Timelines

1. **COM administration should provide direction to the Self-Study committee prior to turning the task of the Self-Study over to them. COM leadership should focus on:**
   - Creating the organizational goals or outcomes for the process. If they believe that there are particular priorities or issues within the organization that need to be addressed, they should be made clear to the committee.
   - Clarifying the values and culture of the organization that the self-study should respect.
   - Suggesting the ongoing evaluation processes that are being utilized by the COM that the Self-Study committee can build on for their report.
   - Understand what is required for compliance with the U.S. Department of Education as well as compliance with the COCA standards and procedures as published in *Accreditation of Colleges of Osteopathic Medicine: COM Accreditation Standards and Procedures*, as most currently revised.
   - Determine the size of the committee based on tasks necessary to complete the Self-Study and consider organization based on smaller work-groups charged with gathering specific information and completing specific tasks.
   - Issuing an appointment letter from the COM **Chief Academic Officer** or **Chief Executive Officer** to committee members stating effective dates of their appointment, describing specific responsibilities and expectations, and other information that may be relevant to the committee’s mission in the development of the Self-Study.

2. **Common models that can be used for the Self-Study:**
   - The most common Self-Study model is built from the organization of the standards. This Self-Study model would track the process standard by standard through each of the eight standard domains. A working group could be assigned for each standard domain to prepare and complete the Self-Study.
   - The Self-Study can also be developed in narrative form, addressing themes identified by the COCA or areas within the organization that the institution wishes to emphasize, improvements in institutional structures and processes, and strategic planning processes.
In this model, standards could be grouped together in a way that made sense to the COM, i.e. one working group could be assigned to all assessment processes at the COM.

- The Self-Study may also be developed from selected topics that the institution wishes to address and present to the visiting team and the COCA. Compliance with standards not related to the selected topics would be addressed by providing documentation for the team and the COCA to review.

If a Self-Study model is chosen that is not based on the organization of the COCA accreditation standards, the COM should provide a crosswalk of the Self-Study’s organization with that of the COCA accreditation standards for evaluators and reviewers to utilize.

3. **Timelines for completing the tasks involved in producing the Self-Study should be determined by the COM early in the process.**

   These timelines should be realistic and allow opportunity for input by all constituencies, but also consider the deadline for submitting the Self-Study to the COCA. In addition, enough time should be allowed for editing and review by faculty, students and staff for completeness, accuracy, and determining whether the Self-Study has met the goals that were set.

4. **Finalizing the Self-Study.**

   Plan to share the outcomes from the self-study process with all constituencies in the COM community. Doing so will help to prepare faculty, students and staff for the upcoming site visit and enable all concerned to answer questions that may be directed to them by the team in a knowledgeable way as well as receive valuable feedback from constituencies before the Self-Study is published and sent to the COCA.
CHAPTER IV: ON-SITE VISIT PROCEDURES

On-Site Visit Process

On-site visits will be scheduled during the normal periods that the COM is in session. Official holidays, examination periods and days immediately adjacent to them should be avoided. The Chief Executive Officer or Chief Academic Officer, as appropriate, will be consulted in establishing mutually suitable dates.

If the COCA directs an on-site visit and the COM refuses to permit an on-site visit, and the COM is not on probation, the COCA will reduce that COM's status to Accreditation with Probation. However, if the COM is on probation, the COCA will withdraw accreditation status for reasons of non-compliance with the policies and procedures for accreditation.

For Provisional or Comprehensive on-site visits, the COM’s Self-Study is required at least sixty (60) days in advance of the on-site visit date.

Members of the site visit team will be appointed by the COCA from an approved list of evaluators qualified to review the particular standards to be addressed at the on-site visit. The COCA will only use competent and knowledgeable persons, qualified by experience and training, and selected in accordance with conflict of interest and non-discriminatory practices developed and articulated in writing by the COCA.

Provisional and Comprehensive Accreditation On-Site Visits

Provisional and Comprehensive accreditation on-site visits to COMs are scheduled by the COCA to examine compliance with all areas of the accreditation standards. Three (3) days on site are usually required for completion of these on-site visits.

Interim Progress Reviews

An Interim Progress Review ordinarily will require one (1) or two (2) days and will focus on the particular areas about which questions have been raised by the COCA at a previous on-site visit, rather than on the entire COM as in the case of a Provisional or Comprehensive on-site visit.

Focused Visitations

A Focused Visitation will ordinarily require one (1) or two (2) days and will focus on particular area(s) identified by the COCA.

The COCA may require a COM to undergo an on-site evaluation when, in the judgment of the COCA, such an evaluation is warranted.

Composition and Selection of the On-Site Visit Team

For Provisional and Comprehensive on-site visits the team will be comprised of five (5) or six (6) members, one (1) evaluator trainee (when appropriate), and one (1) AOA staff member to address all of the accreditation standards. At least one of the team members will be an educator and one will be an osteopathic practitioner.
An Interim Progress Review team will be composed of a sufficient number of evaluators but no more than six (6) evaluators and one (1) AOA staff member to adequately review the findings from the previous on-site visit.

A Focused Visitation team will also be composed of no more than two (2) evaluators and one (1) AOA staff member when conducted to adequately address problems noted in a Provisional or Comprehensive on-site visit, or Interim Progress Review, or other issues identified by the COCA. The Focused Visitation team to review a request for substantive change will be composed of evaluators and one (1) AOA staff member as appropriate for the substantive change. (See Chapter VI)

The COCA will appoint the personnel for site visits. The COCA chair, or his/her designee, selects personnel from the Evaluators Registry who have the experience, training, and represent certain areas of expertise to serve on an on-site visit. For each type of on-site visit, each team may have at least one (1) member who is a member of the COCA. Depending on the standards to be addressed, the on-site visit team will be composed of individuals with the following areas of expertise:

- Team Chair
- Administration/Finance
- Student Services
- Preclinical Education
- Clinical Education
- Evaluator trainee (when appropriate)

The COCA will seek and receive the concurrence of the COM’s Chief Executive Officer or Chief Academic Officer as to the composition of the team. The names and a brief background about the proposed team members will be provided to the COCA’s Chief Executive Officer or Chief Academic Officer to determine whether there are any conflicts of interest perceived with any of the proposed members. If the COM finds a real or potential conflict of interest with respect to a proposed team member, the COM must indicate to AOA staff the nature of the conflict of interest. AOA staff will inform the COCA chair, or his/her designee who will take action when deemed necessary.

Observers

Observers may, upon formal request and approval by the COCA chair accompany, on-site visit teams. Each observer must not be in violation of the conflict of interest standards as adopted by the COCA. Observers from the USDE, and the Council for Higher Education Accreditation, and those who represent Federal or State agencies or organizations, which may have a legitimate accreditation responsibility, may also accompany on-site visit teams. Costs incurred by this observer will be paid by the observer’s organization.

Observers on an on-site visit of a COM will abide by the following procedures:

1. The observer's function is generally limited to gathering first-hand information regarding the on-site visit procedures of the COCA.
2. The observer is not a consultant to either the on-site visit team or COM, and should be careful not to be drawn into the team as an active member.
3. Approved observers may attend all phases of the on-site visit, including the entrance and exit conference, subject to the approval by the Chief Executive Officer or Chief Academic Officer of the COM and the chair of the COCA on-site visit team.
Observers must agree to honor the confidentiality of the standards adopted in this document.

4. If, at the completion of the on-site visit, the team asks the observer for comments on the team's performance, it is appropriate for him/her to inform the team of the major points that will be reported to that observer's agency or institution.

5. Each observer's agency or organization should provide, in advance, their official set of criteria to be used to evaluate the site visit team performance.

6. In assessing the competence of an on-site visit team, the observer should note not only the members' academic competence, but also their understanding of the purposes and procedures of accreditation.

On-Site Visit Agenda

The on-site visit agenda is the scheduled interviews of each team member that will be conducted during the on-site visit. The agenda is a fluid document subject to revisions before and during the on-site visit to accommodate changing circumstances, including unplanned interviews. AOA staff, prepares a draft agenda based on the COM’s self-study report. If the on-site visit is an Interim Progress Review or Focused Visitation, the agenda is based upon the issues identified by the COCA, or as required by a substantive change request. After the draft agenda is created, the agenda is presented to the COM for approval. Refer to the Evaluator Manual for more information about the on-site visit agenda.

Although the agenda differs based on the demands of the on-site visit, each of the following elements are included:

1. Day 1 of the site visit generally begins with a team planning and document review session. Some of the topics discussed at this meeting include the agenda, review of protocol for team members, identification of areas that need clarification with the Chief Executive Officer or Chief Academic Officer, and discussion of the materials provided as they relate to the accreditation standards.

2. Also on day 1 of the site visit, an entrance interview with the chief academic officer and others who may be so designated will be conducted to discuss the following topics: the chief academic officer’s perceptions of the strengths, challenges, and areas of concern of the program; the team's perceptions of areas which will require exploration and clarification during the on-site visit; discussion of the relationship of the COM to the parent institution, when appropriate; and other subjects selected by the chief academic officer and the Team Chair. The entrance interview will orient the team to particular areas of concern and the chief academic officer to the methods and procedures of the team.

3. A campus tour of the COM including teaching facilities and external clinical sites, as identified.

4. Interviews with the following individuals as determined by the standards to be reviewed: the Chief Executive Officer or appointed representative if the COM is part of a university; the Chief Academic Officer; chief financial officer; admissions officer; student affairs officer; financial aid officer; department chairs; students; faculty; librarian; and selected standing committees.

5. An open meeting with students (no faculty or administrators present) will be scheduled to provide the team with input on student perceptions regarding the effectiveness of the COM.
6. An open meeting with faculty (no administrators present) to allow the faculty to participate in discussions with the team.

7. Meetings with individual faculty, students and administrators will be conducted at the discretion of the Team Chair or appropriate team member.

8. A team meeting will be held at the end of each full day of the on-site visit to go over any findings the team may have noted, and to begin the report writing process.

9. A final team meeting will take place at the end of the last day of the on-site visit. This meeting will provide an opportunity for the team to further discuss their findings and to review their written report.

At the conclusion of the on-site visit, an Executive Session between the Team Chair and the Chief Executive Officer and/or Chief Academic Officer will be conducted. The team will give an oral report that will provide the COM with an accurate preview of the final report. During the Executive Session, the COM will be allowed to present additional information to correct any errors the team may have reported. Following the Executive Session, an Exit Conference between the team and representatives of the COM designated by the Chief Executive Officer or Chief Academic Officer will be conducted. This meeting provides an opportunity for the team to present a brief overview of their findings to the COM’s senior administrators and invited guests. At the discretion of the Team Chair and COM President or Dean, the Executive Session and Exit Conference may be combined.

Report Structure

All Provisional and/or Comprehensive site visit reports will consist of the components as described below. Reports of Interim Progress Reviews and Focused Visitations will contain only those components as appropriate.

1. **Site Visit Cover**: The cover page will denote the type of on-site visit, the COM being evaluated, the date of the on-site visit, and includes the following statement: This report has been reviewed by all members of the on-site visit team, and by the COM.

2. **Summary of Due Dates for Continuing and New Requirements**: The summary page is designed to provide an overview of the standard sections that the on-site visit team found to be out of compliance and need further review. Each Requirement must be submitted to the COCA in the form of a Progress Report by the due date cited.

3. **Purpose of the On-Site Visit**: The purpose of the on-site visit includes a brief narrative of the reason for the on-site visit; the name and location of the COM; and the date of the on-site visit. This narrative will also include whether any previous Requirements were reviewed. This narrative is written in paragraph form by the team secretary.

4. **History of Accreditation**: This section will be prepared by AOA staff. It will contain, among other information, a chronological history of the COM’s accreditation activities and resulting COCA actions; a brief description of the geographical location of the institution; its public or private status; its relationship with the parent institution, if appropriate; and regional accreditation status, if applicable.

5. **Review of Compliance with the Standards**: Each standard section begins with an Introduction. Each assigned team member will provide a brief, but concise overview
of the COM’s standards compliance related to the standards in that particular section.

In addition, each evaluator will write a comprehensive current finding on all standards in their assigned domain that are the subject of the site visit review. All Requirements must specify the standard or procedure that is being cited and refer to accreditation standards as described in Chapter I.

The visiting team may include Recommendations in the team report as a mechanism to provide consultative advice to a COM. Because Recommendations are consultative in nature, no further response will be required from the COM. Recommendations from previous site visit reports are reviewed by the COCA and subsequent visiting teams for informational purposes only. All Recommendations must specify the standard or procedure that is being addressed and refer to accreditation standards as described in Chapter I.

The visiting team may also write Commendations. All Commendations must specify the standard that is being exceeded and provide the rationale for the finding. Commendations can only refer to standards of accreditation as described in Chapter I.

6. Summary of Requirements: This summary will contain all Requirements written by the visiting team in the order cited.

7. Summary of Recommendations: This summary will contain all Recommendations made by the visiting team.

8. Summary of Commendations: This summary will contain all Commendations made by the team in the order cited.

9. On-Site Visit Team Roster: The on-site visit team roster lists (on a separate page) each team member’s name, title, area of expertise, and team assignment.

10. Individuals Interviewed and Documents Reviewed: This section consists of a list of the individuals interviewed (by position only) and materials reviewed by the team and are included as Appendix A. Any clinical sites visited or teleconferences conducted by the team will also be included.

11. Background Information: This information includes historical accreditation information and on-site visits. This will be prepared by AOA staff and included as Appendix B.

Financing the Accreditation Process

The accreditation process is funded through annual accreditation fees paid by the COMs. The same accreditation fees will also be charged for Branch Campuses and Additional Locations.

The AOA will be reimbursed by a COM for the direct costs of an on-site visit. The AOA will bill the COM for these expenses after the conclusion of the on-site visit.
CHAPTER V: ACCREDITATION PROCEDURES

Due Process

All COMs have the right to appear before the COCA to offer testimony on all accreditation actions, including:

1. Applications for Pre-accreditation and its continuation;
2. Applications for Provisional accreditation and its continuation;
3. Applications for Accreditation and its continuation;
4. Review of on-site evaluation reports;
5. Review of Progress Reports;
6. Review of requests for Substantive Change;
7. Changes in accreditation status;
8. Reconsideration; and
9. Appeals

The COCA provides for review of its accreditation actions by first allowing COMs to seek reconsideration before the COCA, and second, if necessary following reconsideration and if requested by the COM, a separate hearing before the COCA Appeals Committee (see descriptions that follow).

All COMs have the right to representation by legal counsel in all appearances before the COCA and its Appeal Panel, including reconsiderations and appeals.

Review of the Accreditation Site Visit Report

A copy of the draft report, including the final Requirements and Recommendations, will be sent to each team member for review, correction, and/or editing. The on-site visit report will then be transmitted to the COM's Chief Executive Officer or Chief Academic Officer, as appropriate, for review and correction of errors of fact.

After receipt of the draft report, the COM may request correction of errors of fact. The COM will have up to thirty (30) calendar days from the date of transmission in which to submit written response to the visiting team report, unless the COM requests that this period be waived by the COCA. The visiting team's report will reflect consideration of the COM's comments, as appropriate, and will be forwarded to the COCA. If no comments were received, that fact will also be noted when the report is presented.

The report of each visiting team will be reviewed and evaluated by the COCA. At least one member of the team, preferably the team chair, must be in attendance, either in person or via teleconference.

If the COM has concerns that the errors in the actions, findings or Recommendations of the visiting team have not been resolved, the COM may submit to the COCA additional written information relevant to the questions of accuracy of the report. Because it is intended that the report reflect the findings of the team at the time of the visit, the COCA will retain the right to have such additional written information reviewed by the team chair or other members of the visiting team. It is expected that the COM is to be ready for the visit at the time the visit is conducted.
The COCA will review the COM Self-Study, as appropriate to the type of on-site visit, the draft report of the visiting team, and any written submissions provided by the COM to address questions of accuracy of the report. The COCA may accept or modify the Recommendations made by the visiting team and will specify the reasons for any modifications. The COCA will make the final accreditation decision.

All letters reporting the official actions of the COCA will contain the complete action taken by the COCA, including its findings of deficiencies in meeting the standards for accreditation, and the rationale for changes in accreditation status.

All Requirements issued by the COCA are expected to be addressed by the COM with Progress Reports of corrective action taken to be reviewed at subsequent meetings of the COCA. All Progress Reports will be filed at times as specified in the final site visit report. This date will usually be the first business day of the month preceding COCA meetings (e.g. March 1, July 1 and November 1).

The COCA will notify a COM in writing of any adverse accrediting decision or other action to place the COM on probation or show cause for non-compliance with a standard or show cause for withdrawal of an accreditation status. The written notice will describe the basis for the action.

Accreditation Decisions

**Pre-accreditation Status**

Upon receipt of the application for Pre-accreditation status from COMs with applicant status, the COCA will either:

- Approve the request if the requirements for Pre-accreditation status are clearly being exceeded or met; or
- Defer the request if the COCA finds that there are a limited number of requirements for Pre-accreditation that are not met, and the COCA believes that the applicant may be expected to meet the requirements for Pre-accreditation status at the next meeting of the COCA; or
- Deny the request if the COM fails to meet the requirements for Pre-accreditation status or fails to make proper application. The COCA will clearly specify which requirements were not attained. Denial of Pre-accreditation is an adverse action.

**Provisional Accreditation Status**

Upon the application for Provisional accreditation status from COMs with Pre-accreditation status, the COCA will either:

- Approve the request if the accreditation standards are clearly being met or exceeded; or
- Defer the request until the next meeting or other date if the COCA finds that there are a limited number of requirements for Provisional accreditation that are not met, and the COCA believes that the applicant may be expected to meet the requirements for Provisional accreditation status at the next meeting of the COCA; or
• Deny the request, cite the accreditation standards that have not been met by the COM, and continue Pre-accreditation if the COM fails to meet the standards for Provisional accreditation, but has not exceeded the five-year term of the Pre-accreditation status. Denial of Provisional accreditation is an adverse action; or

• Deny the request, cite the accreditation standards that have not been met by the COM, and withdraw recognition if the COM fails to meet the accreditation standards, and has exceeded the five-year term of the Pre-accreditation status. Denial of Provisional accreditation is an adverse action.

Upon review for renewal of Provisional accreditation status, the COCA will either:

• Approve the request for a renewal period of one (1) year if the accreditation standards are clearly being exceeded or met; or

• Deny the request and deny Provisional accreditation status citing the accreditation standards that have not been met by the COM. Such termination will be published within thirty (30) days of final action. Denial of Provisional accreditation is an adverse action.

Upon the initial review for accreditation status prior to the anticipated graduating date of that COM's first class, the COCA will either:

• Award Accreditation if the accreditation standards are clearly being exceeded or met. The date of accreditation will be established as the graduating date for the COM's first class; or

• Terminate Provisional accreditation if the accreditation standards are not being met. Such termination will be published within thirty (30) days of final action.

Accreditation Status

Accreditation is granted when the COM clearly meets the accreditation standards or the COM has a sound overall program, but certain limited number of accreditation standards is not being met. The COCA will specify the standard(s) not being met and clearly note deficiencies. The COM must provide documentation of compliance with the standards within twenty-four (24) months or less as determined by the COCA. The COCA will specify procedures for monitoring compliance, which may include an on-site visit within two (2) years.

All COMs, regardless of accreditation status, must satisfy a Requirement within twenty-four (24) months of the initial issuance, except for good cause. If a COM should have its accreditation status reduced, e.g. from Accreditation to Accreditation with Probation, any existent Requirements must still be satisfied within the initial period of issuance. This fixed period will not lengthen solely by virtue of a reduction in accreditation status.

The COCA may elect to extend the twenty-four (24) month period for the following good causes:

• Change in Chief Executive Officer;
• Change in Chief Academic Officer;
• Demonstration of progress on a plan whose fulfillment would require an extension in time; or
• Other substantive financial or administrative changes which affect the operation of the COM
This period of extension is to be determined by the COCA, but must not exceed twelve (12) months in total duration. Failure to meet the Requirements as stated by the COCA during the twenty-four (24) month period, including any extension for good cause, will result in denial of accreditation.

**Accreditation with Warning**

“Accreditation with Warning” or “Provisional Accreditation with Warning” is granted when the COM is found to exhibit weaknesses that threaten the quality of the total program. The COCA will specify the accreditation standard(s) not being met, clearly note deficiencies, and specify the procedures for monitoring compliance. Accreditation with warning status is private between the COCA and the COM. The COCA and the COM will continue to publicly describe the COM's status as "Accreditation" or "Provisional accreditation.” The COCA may require the use of a consultant, submission of written reports and/or documents, and other actions or activities as determined by the COCA.

COMs must provide documentation of standards compliance within one year or less as determined by the COCA and will undergo an on-site visit within one year of the COCA’s decision of Accreditation with Warning.

The COCA may elect to extend this period for the following good causes:

- Change in Chief Executive Officer;
- Change in Chief Academic Officer;
- Demonstration of progress on a plan whose fulfillment would require an extension in time; or
- Other substantive financial or administrative changes, which affect the operation of the COM.

This period of extension is to be determined by the COCA, but must not exceed twelve (12) months in total duration. Failure to meet the Requirements as stated by the COCA during the twelve (12) month period, including any extension for good cause, will result in denial of accreditation.

At any time during the period a COM has accreditation with warning status, the COCA may require that COM to show cause why accreditation should not be denied. The COCA will state, in writing, its reasons for taking this action. The COM will have thirty (30) days in which to respond. The COCA will take action upon the COM’s response within thirty (30) days after its receipt.

**Accreditation with Probation**

“Accreditation with Probation” or “Provisional Accreditation with Probation” is granted when the COM is found to exhibit serious weaknesses in meeting the accreditation standards such that the quality of the total program is in jeopardy. The COCA will specify the accreditation standard(s) not being met, clearly note deficiencies, and specify the procedures for monitoring compliance. Accreditation with probation status is public and notice will be provided to all interested parties. The COCA and COM will publicly describe the COM's status as "accreditation with probation.” The COCA will establish a timetable for remediation. The COCA may require the use of a consultant, submission of written reports and/or documents, and other actions or activities as determined by the COCA.
The COCA may elect to extend this period for the following good causes:

- Change in **Chief Executive Officer**;
- Change in **Chief Academic Officer**;
- Demonstration of progress on a plan whose fulfillment would require an extension in time; or
- Other substantive financial or administrative changes, which affect the operation of the COM.

The COCA will determine the extension period, but the extension must not exceed six (6) months in total duration. Failure to comply with outstanding **Requirements** during the six (6) month period, including any extension for good cause, will result in denial of accreditation.

At any time during the period a COM has accreditation with probation status, the COCA may require that COM to **show cause** why accreditation should not be denied. The COCA will state, in writing, its reasons for taking this action. The COM will have thirty (30) days in which to respond. The COCA will take action upon the COM's response within thirty (30) days after its receipt.

**Denial of Accreditation**

Denial of accreditation may occur at any time that the COM is found to exhibit such weaknesses in meeting the accreditation standards that the quality of the total program is unacceptable. Denial of accreditation will usually be preceded either by accreditation with warning or accreditation with probation. Prior to denial of accreditation, the COCA will require that COM to **show cause** why accreditation should not be withdrawn. The COCA will state, in writing, its reasons for taking this action. The reasons will include citation of all areas of non-compliance with the standards or procedures for accreditation. The COM will have thirty (30) days in which to respond. The COCA will take action upon the COM's response within thirty (30) days after its receipt. Denial of accreditation is an **adverse action**.

**Withdrawal from Accreditation**

At any time, an accredited COM, or new COM, retains the right to withdraw from the accreditation process. Such requests may be made only in writing by the **Chief Executive Officer** of the COM. **Withdrawal** is an action initiated and taken by the COM. The COCA will notify the USDE of a withdrawal from the accreditation process within thirty (30) days of the receipt of the withdrawal.

**Notification of Accreditation Decisions**

The COM will receive a decision letter from the COCA within 30 days of the meeting. Letters and accompanying documents will be sent to the COM **Chief Academic Officer**. Concurrently, a copy of the letter and accompanying documents will be sent to the Chancellor, Provost, President, or **Chief Executive Officer**, as appropriate.
 Appeal Process

Reconsideration of a Decision

A COM has the opportunity to make a request for reconsideration of a COCA Accreditation decision not more than thirty (30) days following the receipt of the COCA decision. A request for reconsideration may be filed by the COM’s Chief Executive Officer, Chief Academic Officer, or other appropriate authority. These requests must be filed, in writing; be accompanied by documentation, data, and other information; and will be limited to:

- Alleged bias, injustice or factual error of sufficient magnitude to warrant a reconsideration of the decision; or
- Departure from the standards of accreditation or established policies and procedures as defined in the document Accreditation of Colleges of Osteopathic Medicine.

The COCA will also provide for reconsideration of a decision for purposes of reviewing new financial information if all of the following conditions are met:

- The financial information was unavailable to the COM until after the accreditation action subject to reconsideration and appeal was made;
- The financial information is significant and bears materially on the financial deficiencies identified by the COCA, i.e. the information is of such a nature that if found to be credible it could result in the finding that a deficiency based upon financial resources is now met;
- The only remaining deficiency cited by the agency in support of a final adverse action decision is the institution’s or program’s failure to meet an agency standard pertaining to finances

Such a review of new financial information may only be sought once – through reconsideration and subsequently through appeal - and that the decision made by the COCA is not subject to further appeal.

COCA Reconsideration Hearing

The reconsideration hearing before the COCA will occur at a regularly scheduled meeting of the COCA as an announced agenda item. The COM will receive prior notice as to the date / time / place of the COCA meeting at least thirty (30) days in advance of the meeting. The COM will have an opportunity to present written and oral testimony at the meeting. The reconsideration hearing will be conducted as described for the appeal hearing before the COCA Appeal Panel.

COCA Reconsideration Decision

The decisions to be made by the COCA following a reconsideration hearing are as follows:

- Affirm the original action of the COCA,
- Amend the original action of the COCA, or
Reverse the original action of the COCA, based upon finding the presence of bias, injustice, error or departure from the standards and procedures, or

In the case of a review of new financial findings, determine that the requirements pertaining to financial standards are either met, or not met.

Requests for reconsideration of a COCA decision should be addressed to the Secretary, COCA; American Osteopathic Association; 142 E. Ontario St.; Chicago, IL 60611 or via email to predoc@osteopathic.org. The COCA Secretary will notify the COM of the date of the next regularly scheduled COCA meeting. The COM will be given an opportunity to appear at this meeting and to make a statement or presentation regarding the COCA decision.

Appeal of a COCA Decision

Following the reconsideration of an accreditation action before the COCA, the Chief Executive Officer or Chief Academic Officer of a COM may appeal a COCA decision within sixty (60) days of receipt of the notice of the final disposition of the request for reconsideration. The COM’s current accreditation status, if applicable, will be maintained throughout the appeal process.

The basis of an appeal will be limited to:

- Alleged bias, injustice or error of sufficient magnitude to warrant a change in the COCA’s action; or
- Departure from the standards of accreditation or established policies and procedures as defined in the document Accreditation of Colleges of Osteopathic Medicine.

The COCA will also provide for the appeal of a decision for purposes of reviewing new financial information if all of the following conditions are met:

- The financial information was unavailable to the COM until after the accreditation action subject to reconsideration and appeal was made;
- The financial information is significant and bears materially on the financial deficiencies identified by the COCA, i.e. the information is of such a nature that if found to be credible it could result in the finding that a deficiency based upon financial resources is now met;
- The only remaining deficiency cited by the agency in support of a final adverse action decision is the institution’s or program’s failure to meet a COCA standard pertaining to finances

Such a review of new financial information may only be sought once, and that the decision made by the COCA (at reconsideration) or at the Appeal Panel is not subject to further appeal.

Requests for appeal must be in writing and should be addressed to the Secretary, COCA; American Osteopathic Association; 142 E. Ontario St.; Chicago, IL 60611 or via email to predoc@osteopathic.org. The notice of an appeal must specifically state the basis for the appeal and will be accompanied by supporting documents, data and other information.

The Secretary of the COCA will notify the COM Appeal Panel, upon the receipt of an appeal.
COM Appeal Panel Composition

The COM Appeal Panel consists of five (5) members, including one (1) public member. These members will be selected from a list of former COCA members who were not COCA members when the COCA made the adverse decision under appeal. The list of former COCA members eligible for participation in the COM Appeal Panel will be reviewed and approved annually by the COCA and will be chosen based upon the following considerations:

- When the COCA is serving as an institutional accreditor of the COM, then the panel will include a member with academic background, and a member with administrative background;
- When the COCA is serving as a programmatic accreditor of the COM, then the panel will include an educator and a practitioner.

A quorum (simple majority) of the panel must be present for a hearing.

If vacancies occur on the COM Appeal Panel list, the COCA may fill those vacancies at any time during the year by action of the COCA. When possible, the list of seven members will include two former public members of the COCA and at least one member with previous experience as a full-time faculty member and/or in academic administration.

The COCA will approve the list of seven former members annually, including their backgrounds. The COM Appeal Panel is subject to the COCA’s Conflict of Interest Policy.

COM Appeal Panel Hearing

Within ninety (90) days after receipt of the appeal, the COM Appeal Panel will convene an appeal hearing. The COM will be notified once the hearing date is established. The COM Appeal Panel considers the COM’s allegations and any written documentation submitted in support of the allegation. It will also consider, as necessary, on-site visit report(s), including any Recommendations and Requirements, and any response from the COM; review material from the COCA; and other materials it considers pertinent to the alleged failure of processes, which are the basis for the appeal.

The COM Appeal Panel will first hear a presentation of the COCA’s position, which will be given by the COCA chair or the Chair’s designee(s). After this presentation, the appellant COM will present its position. Following these presentations, the COM Appeal Panel will have the opportunity to question both parties. Each party will then be given an opportunity for summation of its position. After the summation, the COM Appeal Panel will deliberate in executive session and reach a decision.

COM Appeal Panel Decisions

The COM Appeal Panel will take final action on the appeal and provide a written decision, including a statement of the reasons for the decision, to the COCA and the COM.
The COM Appeal Panel will take one of the following actions:

- Sustain the original action of the COCA, or
- Amend the original action of the COCA, or
- Reverse the original action of the COCA, or
- Remand the original action of the COCA back to the COCA for reconsideration, with specific issues to be addressed by the COCA based upon finding the presence of bias, injustice, error or departure from the standards and procedures.

The COM Appeal Panel may affirm, amend, reverse or remand matters back to the COCA. A decision to affirm, amend or reverse the adverse action is implemented by the COCA upon notification by the Appeal Panel. In a decision to remand the matter to the COCA for further consideration, the COM Appeal Panel must identify specific issues that the COCA must address. In a decision that is implemented by or remanded to the COCA, the COCA must act in a manner consistent with the COM Appeal Panel’s decisions or instructions.

If the appeal is considering a COCA decision of denial of accreditation, and after the exhaustion of all administrative appeals, upon formal disposition to uphold the COCA decision, the COM may seek reinstatement of accreditation by complying with the requirements for Pre-accreditation.

**Monitoring Accredited Programs**

**The Annual Report**

Annually, the COCA will request information about COM class size. This information, which will detail all four years of the COM, will be presented for review and acceptance at a COCA meeting.

The joint AOA/AACOM Annual Report of a COM will be presented for consideration by the COCA each year. The COCA may also request an Annual Supplemental Report that will be reviewed in conjunction with data from the AOA/AACOM Annual Report annually.

The Annual Report will collect key information, including, without limitation, the following:

- Financial -- revenues and expenditures, and an audited financial statement;
- Student Achievement -- attrition, graduation, participation in match programs for graduate medical education;
- Mid-cycle reporting – this will respond to standard 1.1.1 when applicable;
- GME placement of graduates in OGME and GME programs.

The principal purpose of the Annual Report review will be to determine whether there is credible information to cause the COCA to further investigate whether or not a COM remains in compliance with the standards. Such investigation may consist of any one or more of the following:

- a request for additional written information;
- a request to show cause as to why a COM is not in violation of a standard(s); and/or
- a request for COM representatives to appear before the COCA;
• a Focused Visitation as directed;
• a reduction in approved class size as directed by the COCA.

The Progress Report

A Progress Report may be requested when Standard(s) are determined to be “not met”. The Requirement will explain the deficiency and will indicate to whom the COM must respond. The COM needs to provide all the information necessary as stipulated by the Requirement. The Progress Report must be submitted by the due date listed in the Requirement, and to: Secretary, COCA; American Osteopathic Association; 142 E. Ontario St.; Chicago, IL 60611 or via email to predoc@osteopathic.org.

The COCA will review reports, which are submitted in fulfillment of a Requirement. The COCA will determine one of the following:

• The Requirements will be determined to be “met”; or
• The Requirements will be determined to be “not met”.

The COCA will document its findings in a report that details the review of the COM’s Progress Report, including any recommendations for further Progress Reports. The COCA may also determine that an on-site Focused Visitation be conducted in lieu of another Progress Report.

Interim Progress Review

An Interim Progress Review is utilized to examine a COM's response to the findings of a previous Provisional or Comprehensive on-site visit, in which deficiencies were noted and Requirements for compliance with the accreditation standards were stated.

Focused Visitation

A Focused Visitation may be required by the COCA on the basis of problems noted in a Provisional, Comprehensive, or Interim Progress Review site visit which have been determined to not have been adequately addressed. A Focused Visitation may also be required when deemed necessary by the COCA.
CHAPTER VI: USDE REQUIREMENTS

Correspondence with the USDE

The COCA is required to provide the USDE with specific information as prescribed in 34 CFR 602.27.

Annual Information

The COCA will make available to the USDE, on an annual basis, a copy of the following:

- A copy of the COCA’s annual report to the AOA House of Delegates; and
- An annually updated copy of its directory of COMs having recognition status from the COCA.

Selected Proposed Changes in Standards and Procedures

The COCA will notify the USDE of any proposed changes in its standards and procedures that might alter:

- Its scope of recognition, or
- Its compliance with the criteria for recognition by the Secretary.

Selected Activities by the COCA

The COCA will submit to the USDE the following:

- A summary of the COCA’s major accrediting activities during the previous year (an annual data summary), if requested by the Secretary;
- A decision by the COCA to expand its scope of recognition to include distance education or correspondence education as provided in section 496(a)(4)(B)(i)(I) of the HEA, which will become effective on the date the USDE receives the notification;
- The name of any COM that the COCA accredits that the COCA has reason to believe is failing to meet its Title IV, HEA program responsibilities, or is engaged in fraud or abuse, along with the COCA’s reasons for concern about the institution or program;
- If the Secretary requests, information that may bear upon a provisionally accredited or accredited COM’s compliance with its Title IV or HEA program responsibilities, including the eligibility of the institution or program to participate in these programs.

Ordinarily, the COCA will copy the affected COM on any correspondence with the USDE as described in this section. The need for confidentiality of that contact, based upon the circumstances, will be considered on a case-by-case review. Upon request by the USDE, the COCA must consider that contact confidential.

Distance education

The USDE gives accrediting agencies the authority to conduct accreditation of programs offered by distance education. The COCA accredits osteopathic medical schools. The COCA encourages all their accredited schools to be innovative and use multiple methods of instruction to deliver their
curriculum. The COCA, however, does not accredit stand-alone on-line medical school programs. The COCA believes that the science and art of osteopathic medicine must be gained by direct, in-person interaction with instructors and clinical education supervisors. For this reason, the COCA will not accredit programs offered by distance education as defined at 34 CFR 602.3.

USDE Notification

Initial and Continuing Accreditation Decisions

The COCA will provide written notification regarding its accreditation decisions to the Secretary of the USDE, the appropriate state licensing or authorizing agency, the appropriate accrediting agencies, and the public within 30 days after the decision to:

- Award initial and continuing Pre-accreditation
- Award initial and continuing Provisional accreditation
- Award initial and continuing Accreditation.

Adverse Decisions

The COCA will provide written notification regarding its accreditation decisions to the Secretary of the USDE, the appropriate state licensing or authorizing agency, the appropriate accrediting agencies, and the public at the same time as provided to the COM, and within 30 days after it makes either of the following decisions:

- Final decision of probation or equivalent status of an institution or program; or
- Final decisions to deny, withdraw, suspend, revoke, or terminate the accreditation or pre-accreditation of an institution or program.

Written notice to the public, including posting to the COCA website, regarding the above decisions must be made within 24 hours of the notice to the institution or program. In addition, a brief statement summarizing the reasons for the agency’s decision, describing the evidence that the affected institution or program was given the opportunity to provide comments, and the comments, if any, that the affected institution or program may have made with regard to that decision will be provided to the Secretary of the USDE, the appropriate state licensing or authorizing agency, the appropriate accrediting agencies, and the public, no later than 60 days after the final decisions.

Withdrawal or Lapses of Accreditation

The COCA will notify the Secretary of the USDE, the appropriate state licensing or authorizing agency, the appropriate accrediting agencies, and, upon request, the public within 30 days of receiving notification from the institution or program if it has decided to withdraw voluntarily from Pre-accreditation, Provisional accreditation or Accreditation.

The COCA will notify the Secretary of the USDE, the appropriate state licensing or authorizing agency, the appropriate accrediting agencies, and, upon request, the public within 30 days of the date on which accreditation or pre-accreditation lapses if the institution or program notifies the COCA that it will not request renewal of its pre-accreditation or accreditation status.

Consideration of Other Accreditors’ Actions

As a condition of being recognized as an accrediting agency by the U.S. Secretary of Education, the
COCA is expected to not grant initial or renewed pre-accreditation, provisional accreditation, or accreditation to a COM during a period in which the parent educational institution of a COM or the COM itself:

- Is the subject of an interim action by a recognized institutional accrediting agency potentially leading to the suspension, revocation, or termination of any recognition status;
- Is the subject of an interim action by a state agency potentially leading to the suspension, revocation, or termination of the institution's legal authority to provide postsecondary education;
- Has been notified of public probation or a threatened loss of accreditation by a recognized institutional accrediting agency, and the due process procedures required by the action have not been completed; or
- Has been notified of a threatened suspension, revocation, or termination by the state of the institution's legal authority to provide postsecondary education, and the due process procedures required by the action have not been completed.

The COCA will provide the Secretary of the USDE, within thirty (30) days of action by the COCA, with a thorough explanation, consistent with its accreditation standards, of why it may have elected to grant initial Pre-accreditation, Provisional accreditation, or Accreditation of a COM during a period in which the parent educational institution of a COM:

- Has had its recognition status placed on probation or an equivalent by a recognized institutional accrediting agency; or
- Has had its recognition status denied or revoked by a recognized institutional accrediting agency; or
- Has had its legal authority to provide postsecondary education suspended, revoked, or terminated.

The COCA will promptly review the Pre-accreditation, Provisional accreditation, or Accreditation status of a COM when a recognized institutional agency takes an adverse action with respect to the parent body for a COM, or places that institution on public probation.

The COCA may review the Pre-accreditation, Provisional accreditation, or Accreditation status of a COM when a recognized programmatic accrediting agency takes an adverse action for reasons associated with the overall institution, rather than the specific program.

**Title IV**

The COM and, where applicable, its parent institution will document performance of its students and graduates relative to Title IV default rates based on the most recent data provided by the Secretary of the USDE. The COM and, where applicable, its parent institution must document compliance with all necessary responsibilities under Title IV of the 1965 Higher Education Act as most recently amended, and the resulting regulations issued by the Secretary at 34 CFR Part 602, 34 CFR 667, and 34 CFR 668 and other enabling regulations.
Teach-Out Plans and Agreements

Conditions That Require Approval of a Teach-out Plan

The COCA requires a COM for which it is the institutional accreditor and has granted provisional accreditation or accreditation to submit a teach-out plan to the COCA for approval upon the occurrence of any of the following events:

- The Secretary of Education notifies the COCA that the Secretary has initiated an emergency action against an institution, in accordance with section 487(c)(1)(G) of the HEA, or an action to limit, suspend or terminate an institution participating in any title IV, HEA program, in accordance with section 487(c)(1)(F) of the HEA, and that a teach-out plan is required;
- The COCA acts to withdraw, terminate, or suspend the provisional accreditation or accreditation of the COM;
- The COM notifies the COCA that it intends to cease operations entirely or close a location that provides one hundred percent of at least one program;
- A state licensing or authorizing agency notifies the COCA that an institution’s license or legal authorization to provide an educational program has been or will be revoked.

Evaluation of a Teach-Out Plan

The COCA will evaluate the teach-out plan to ensure that it provides for equitable treatment of students under the criteria listed below for teach-out agreements. The plan must specify what additional charges, if any, will need to be paid by the students, and will provide notification to the students of those charges.

If the COCA approves a teach-out plan that includes a program that is also accredited by another recognized accrediting agency, then the COCA must notify that accrediting agency of its approval. The COCA may require a COM to which it has granted Provisional accreditation or Accreditation to enter into a teach-out agreement as part of its teach-out plan.

Evaluation of Teach-out Agreements

The COCA will only approve teach-out agreements that are between COCA-accredited COMs. A COM may enter into a teach-out agreement with another institution provided that:

1. The agreement is submitted to the COCA, at least one hundred twenty (120) days prior to the beginning of transfer of students under the agreement, for its review and approval;
2. The agreement is consistent with the accreditation standards and procedures;
3. The agreement will provide that students will receive all of the instruction promised by the closed institution but not provided because of the closure;
4. The COCA will review the teach-out plan to ensure that it provides for equitable treatment of all students. In assessing whether the plan provides for such equitable treatment, the COCA will consider the following factors:
   - All correspondence to students regarding the closing of the COM will be given to all students at the same time;
   - All students from the closed program will be notified of all potential receiving
In general, such instruction will be provided without additional costs and tuition charges to the student. If the program determines that additional charges are needed, the plan will specify those charges and the basis for them and such additional charges will be directly related to the cost of instruction;

- All students are specifically notified, in writing, of any additional costs and tuition charges for each of the potential receiving COMs; and
- Any additional costs and tuition charges for a receiving COM will be the same for all students who transfer to that COM;

5. The recipient teach-out institution will demonstrate that it has the necessary experience, resources, and support services to provide an educational program that is of acceptable quality and is reasonably similar in its content, structure, and scheduling to that of the institution that is ceasing operations either entirely or at one of its locations;

6. The recipient teach-out institution will demonstrate that, during the period of the teach-out agreement, it will remain stable, carry out its mission, and meet all obligations to its existing students.

7. The closed institution will strive to provide for student placement in geographic proximity to the closed institution;

8. The recipient institution COM(s), in order to take additional students from the closed institution, must request an increase in class size through the substantive change process.

Closed Institutions Without Plan or Agreement

In the event that a COM having any accreditation status from the COCA closes without a teach-out plan or agreement, the COCA will work with the USDE and the appropriate state agency, to the extent feasible, to assist students in finding reasonable opportunities to complete their education without additional charges.

Substantive Change

General Information

The COCA will maintain complete and accurate records of all decisions made regarding requests for substantive changes, including the correspondence that is significantly related to those decisions. The COCA will not grant “pre-approval” of Additional Locations or Branch Campuses as described in 34 CFR 602. If a COM wishes to implement a Substantive Change, the COM must receive prior approval from the COCA 120 days before the implementation of the Substantive Change.

Substantive Changes that the COCA will review are:

1. Any change in the established mission or objectives or location of the institution;
2. Any change in the legal status or form of control of the institution;
3. Addition of instruction which represents a significant departure, in terms of curriculum content or method of delivery, from the curriculum as offered at the last on-site evaluation of the COM;
4. A change from clock hours to credit hours or vice versa;
5. A substantial increase in the number of clock hours awarded for completion of the curriculum;
6. A substantial increase or decrease in the length of the curriculum;
7. Establishment of an Additional Location geographically apart from the main campus, including a Branch Campus;
8. Contracting with a non-Title IV certified institution for greater than 25% of a program;
9. Acquisition of any other institution or any program or location of another institution;
10. Addition of a permanent location at which a teach-out is being conducted for students of another institution that has ceased operations; and
11. Any anticipated increase in class size.

Mergers between a COM and another entity will be reviewed as a Substantive Change in Governance.

Initial requests for a Substantive Change and the supporting materials should be submitted to: Secretary, COCA; American Osteopathic Association; 142 E. Ontario St.; Chicago, IL 60611 or via email to predoc@osteopathic.org.

Table 6a: Substantive Change Submission Guidelines

<table>
<thead>
<tr>
<th>Substantive Change</th>
<th>Minimum Notification Timeline/# of days/months¹</th>
<th>Minimum Materials Submission/# of days¹</th>
<th>Suggested COCA Review²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mission or Objectives of Institution</td>
<td>60 days</td>
<td>30 days</td>
<td>Two (2) COCA meetings prior to implementation</td>
</tr>
<tr>
<td>Change in Location of Institution</td>
<td>60 days</td>
<td>30 days</td>
<td>Two (2) COCA meetings prior to implementation</td>
</tr>
<tr>
<td>Change in Legal Status/Ownership</td>
<td>60 days</td>
<td>30 days</td>
<td>Two (2) COCA meetings prior to implementation</td>
</tr>
<tr>
<td>Curriculum</td>
<td>60 days</td>
<td>30 days</td>
<td>The August/September or December COCA meeting prior to implementation of new curriculum in the following academic year.</td>
</tr>
<tr>
<td>Hour Calculations</td>
<td>60 days</td>
<td>30 days</td>
<td>Two (2) COCA meetings prior to implementation</td>
</tr>
<tr>
<td>Curriculum Length</td>
<td>60 days</td>
<td>30 days</td>
<td>Two (2) COCA meetings prior to implementation</td>
</tr>
</tbody>
</table>

¹ Prior to the scheduled COCA meeting that COM wants Substantive Change to be reviewed.
² All Substantive Changes require at least 120 days prior approval from the COCA prior to implementation.
### Additional Locations

<table>
<thead>
<tr>
<th></th>
<th>18 months</th>
<th>90 days</th>
<th>A scheduled COCA meeting approximately 15 months prior to offering instruction at the location/at least 6 months prior to projected date to admit students.</th>
</tr>
</thead>
</table>

### Class Size Increase

<table>
<thead>
<tr>
<th></th>
<th>60 days</th>
<th>30 days</th>
<th>The August/September or December COCA meeting prior to intended class matriculation in the following academic year.</th>
</tr>
</thead>
</table>

### Contracting with non-Title IV institution to deliver < 25% of COMs education program

<table>
<thead>
<tr>
<th></th>
<th>18 months</th>
<th>90 days</th>
<th>A scheduled COCA meeting approximately 15 months prior to offering instruction at the location/at least 6 months prior to projected date to admit students.</th>
</tr>
</thead>
</table>

### Branch Campus

<table>
<thead>
<tr>
<th></th>
<th>18 months</th>
<th>90 days</th>
<th>A scheduled COCA meeting approximately 15 months prior to offering instruction at the branch/at least 6 months prior to projected date to admit students.</th>
</tr>
</thead>
</table>

### Substantive Change Review

The COCA must be notified by the COM, at least sixty (60) days prior to the next regularly scheduled COCA meeting of all substantive change requests, which the COM wishes to have reviewed at the next regularly scheduled meeting. The COM must submit to the COCA all material that supports their substantive change request at least thirty (30) days prior to the next regularly scheduled meeting. Documentation required for the substantive change submission is listed under each substantive change category in the information that follows.

### Substantive Changes Requiring Comprehensive Evaluation

The COCA may require that the requests for Substantive Change be evaluated with a comprehensive evaluation, in addition to the evaluation requirements that exist for that type of substantive change, whenever the COM meets one or more of the following conditions:

1. Had its last Comprehensive visit four (4) or more years ago;
2. Has received an accreditation status that included “with warning” or “with probation” within the last (5) years;
3. Had an approved Substantive Change-Class Size Increase within five (5) years;
4. Had an approved Substantive Change-Unplanned Class Size Increase within five (5) years;
5. Had an approved Substantive Change-Branch Campus within five (5) years; and
6. Had an approved Substantive Change-Additional Location within five (5) years.

The COCA may grant a new 7-year cycle of review of continuing Accreditation to a COM which undergoes a Comprehensive on-site visit for purposes of evaluating a request for Substantive Change.

### Change in Educational Mission or Objectives of the Institution

Any COM that changes its established educational mission or objectives must provide
documentation that describes:

1. The rationale for the change;
2. The effect this change will have on learning outcome assessments, facilities, faculty, admission policies and procedures, and the curriculum;
3. Governing body review and approval; and
4. Announcement of the proposed change to students, faculty, staff, alumni, and the public.

Monitoring

The COCA will require a Progress Report in Year 2 and Year 4 of the change in the educational mission or objectives. That Progress Report must address:

1. The linkage of its learning outcome assessments to its new mission plans and objectives (Standard 1.3);
2. Any changes to facilities as a result of the changes in the educational mission or objectives (Standard 3.1);
3. Any changes to faculty as a result of the changes in the educational mission or objectives (Standard 4.1);
4. Any changes to the admission policies and procedures as a result of the changes in the educational mission or objectives (Standard 5.1); and
5. Any changes to the curriculum as a result of the changes in the educational mission or objectives (Standard 6.1).

Change in the Location of the Institution

COMs that change their location must provide documentation that describes:

1. Appropriate charters, licenses, or approvals required to function if location is moved to a new jurisdiction;
2. The new facilities including a building and/or remodeling plans, project budget, and completion timelines;
3. Budget for move and other related expenses; and
4. Governing body discussion and approval.

Monitoring

The COCA will direct an on-site visit as soon as practicable, but within six (6) months for a substantive change involving a location change.

Another on-site visit will be conducted in Year 2 of the move to review:

1. Adequate COM financial resources (Standard 2.3);
2. Adequate COM facilities (Standards 3.1, 3.1.1, 3.2, 3.3); and
3. Adequacy of faculty (Standard 4.1).

Change in Legal Status or Form of Control or Ownership of the Institution

Changes in an institution’s legal status or form of control or ownership must provide documentation that describes:

1. Governing body decisions and approval;
2. New or amended Articles of Incorporation;
3. New or revised governing body bylaws;
4. New or revised organizational chart;
5. Announcement of the proposed changes to students, faculty, staff, alumni, the public.

Monitoring

The COCA will direct an on-site visit as soon as practicable, but within six (6) months. That on-site visit will review the following:

1. **Governing body** bylaws and/or policies and procedures (Standards 2.1, 2.1.2, and 2.1.3)
2. Organization of **governing body** and its relationship to COM administration and academic officers (Standard 2.1.1)

**Change in Curriculum**

COMs that request curriculum changes, which represent a significant departure in terms of curriculum content or method of delivery, from the curriculum offered at the last on-site visit must provide documentation that describes:

1. The curriculum change;
2. Analysis of additional resources—financial, facilities, and faculty—needed for the curriculum change;
3. Curriculum Committee discussion and approval;
4. Faculty governance discussion and approval; and
5. **Governing body** discussion and approval.

Monitoring

The COCA will require a Progress Report for four years, beginning in the year after the first year of the curriculum change. The Progress Report must address:

1. Analysis of changes—positive and/or negative— that resulted from the curriculum change;
2. Analysis of additional resources—financial, facilities, and faculty—needed for this change (Standards 2.3, 3.1, 3.1.1, 3.2, 3.3, 4.1, and 4.1.1);
3. Student achievement data relating to the curriculum change.

**Change in Hour Calculations**

A COM requesting to change clock hours to credit hours or vice versa must provide a detailed description as to why the COM is making the change.

Monitoring

If approved, the COCA will not request further monitoring.

**Increase or Decrease in Curriculum Length**

A COM requesting to increase or decrease their curriculum must provide the following documentation that describes:

1. How the curriculum will be increased or decreased;
2. Analysis of additional resources—financial, facilities, and faculty—needed for increasing or
decreasing the curriculum length;
3. Curriculum Committee discussion and approval;
4. Faculty governance discussion and approval; and
5. Governing body discussion and approval.

Monitoring

The COCA will require a Progress Report for four years of the curriculum change, beginning in the year after the first year of the curriculum increase or decrease. The Progress Report must address:

1. Analysis of changes—positive and/or negative—that resulted from the increase or decrease in curriculum length;
2. Analysis of additional resources—financial, facilities, and faculty—needed for this change (Standards 2.3, 3.1, 3.1.1, 3.2, 3.3, 4.1, and 4.1.1);
3. Student achievement data relating the increase or decrease in curriculum length.

Additional Locations

An Additional Location is geographically apart from the main campus, and offers at least 50 percent of an educational program. The Additional Location will not have separate administration, faculty, or budgetary independence, all of which are required for a Branch Campus or for a new COM. Students may be admitted directly to the Additional Location as their primary place of enrollment. Students from the entire program can take classes at the Additional Location.

A COM must submit written notification to the COCA of its intention to establish an Additional Location at least eighteen (18) months prior to the desired date of offering instruction. The COM must also address the feasibility of establishing the Additional Location. This Feasibility Study must be received ninety (90) days in advance of the COCA meeting at which it will be considered and address at least the following items:

1. If the COM, or its parent, has accreditation from a regional agency recognized for that purpose by the U.S. Secretary of Education, then a letter indicating approval of the Additional Location from the regional accreditor must accompany the substantive change request.
2. A COM, and/or its parent, must not have accreditation with warning, accreditation with probation, or be subject to a show cause determination that could alter accreditation status issued by the COCA or the regional accreditor prior to requesting the substantive change for an Additional Location.
3. Assessment of the degree of support that the Additional Location has in the community, county and state, and the respective osteopathic professional associations. Written documentation must accompany this assessment. The assessment must include a letter of comment from the state osteopathic association for each state in which the proposed Additional Location intends to have clinical training sites.
4. A statement of the curriculum proposed to be offered at the Additional Location and the COM’s previous experience with that curriculum.
5. Demonstrate and document with written verification that it has the availability of adequate clinical training sites. Documentation must include an assessment of the impact of the
Additional Location’s proposed clinical training programs upon any osteopathic training programs already in existence at the clinical sites under discussion.

6. A GME feasibility report (incorporating the retrospective GME Accountability Report outcome metrics of Standard 8.3) that demonstrates the expected placement of the COM’s current and prospective graduates in GME positions, including OGME positions. In addition, the COM must demonstrate educational planning and noted progress in generating postdoctoral training opportunities.* An EXCEL® workbook for current and projected Clinical Rotations and GME development will be sent to all COMs requesting approval of an Additional Location. COCA staff will send the workbook and information to complete the workbook after the request for Additional Location has been received. COCA Staff will also assist the COM in the workbook completion.

*A COM must demonstrate the feasibility of success for GME placement of its students in order to be approved for the substantive change.

7. The parent must provide for student services for the Additional Location as required by Standard Five: Students.

8. Identify the faculty who will provide instruction.

9. Projected revenues, expenditures, and cash flows at the Additional Location.

10. Operation, management, and physical resources at the Additional Location, including learning resources.

COMs Seeking Additional Locations with Hosting Partners

COMs and hosting partners, who are themselves, academic institutions, hospitals, or healthcare systems, require a Memorandum of Understanding (MOU) or legally binding contract that addresses at least the following elements:

These statements must be included at the time a new COM is submitting a request for substantive change:

1. A statement of how the proposed additional location would fit within the COM’s mission.
2. A statement of why the COM wishes to enter into an agreement with the “host” institution.
3. A statement that identifies the authority and status of the “host” institution.
4. A statement of contractual agreement and legal obligation that includes:
   a. Fiscal, fiduciary, and marketing relationship;
   b. The rights retained by the COM;
   c. The duties of the COM to the “host” institution;
   d. The rights retained by the “host” institution;
   e. The branding by the COM alone, and any co-branding with the host institution;
   f. Specification of the services being provided by each entity to the other;
   g. Specification of who is the final authority on the curriculum for the COM and the requirements for granting the D.O. degree;
   h. Specification on who awards the D.O degree;
   i. Specification on who is the final authority on the selection of COM students;
   j. Specification on who is the final authority on selection of COM faculty members;
   k. A statement of the term of the agreement;
   l. A statement on how the agreement may be amended;
m. A statement on how either party may withdraw from the agreement;

n. A statement that explains whether the MOU reflects the complete agreement between the parties of should be interpreted in light of other agreements between the parties;

o. A statement that the COM recognizes it is responsible for meeting the COCA standards;

p. A statement where the COM recognizes it is responsible for handling COCA complaints;

q. Information, as requested by COCA concerning the “host’s” finances and accreditation status;

r. Verification that students are aware of financial responsibility and student rights in regards to Title IV;

s. Verification that students are aware that financial aid is no processed through the “host” institution and they are not eligible to participate in Title IV through the “host” institution;

t. A lease agreement must be a minimum of 10 years in length with at least five (5) years notice of termination.

u. A minimum period of three (3) years is required for cancellation of any services affecting students.

v. Upon notice of termination of a lease, a teach-out plan must be submitted to the COCA or the school must be able to immediately demonstrate a new location or lease to be approved by the COCA.

Monitoring

- An on-site Focused Visitation will be conducted six months prior to beginning operations, including admitting students and beginning instruction to review the following selected standards addressing: finances; administrative team; facilities; faculty; student services, curriculum and GME.
  o Standards 2.3, 2.7;
  o Standard Three (all);
  o Standards 4.1, 4.1.1, 4.2, 4.2.1, 4.2.2, 4.2.3, 4.2.4;
  o Standard Five (all);
  o Standard Six (all)
  o Standards 8.1, 8.2 and 8.3

- An on-site Focused Visitation will be conducted within six months of operations to determine that financial, faculty, and facility resources are appropriate for the Additional Location. This visit will review the following standards:
  o Standard 2.3;
  o Standard Three (all);
  o Standards 4.1, 4.1.1, 4.2, 4.2.1, 4.2.2, 4.2.3, 4.2.4;
  o Standard Five (all);
  o Standard Six (all);
  o Standards 8.1, 8.2 and 8.3.

- The COCA will include the Additional Location(s) in the parent institution's accreditation only after verifying that the COM meets all accreditation standards.
• After the on-site visit within six (6) months of operation, the Additional Location(s) will undergo a Focused Visitation in Year 3 to review compliance with standards for clinical education and educational planning (Clerkship Training in standard domain Six). If the next Comprehensive evaluation of the parent would occur prior to Year 3 of operation, then this Year 3 evaluation will occur within that Comprehensive evaluation. Thereafter, on-site evaluations of the Additional Location will occur in conjunction with the on-site visit of the parent campus.

Accreditation Status

1. The parent’s Accreditation status will be extended to the Additional Location(s) only after a site visit and the acceptance of the site visit report by the COCA.

2. The Additional Location(s) cannot recruit students or begin operations, including offering instruction, until after the first on-site visit and approval by the COCA.

Class Size Increases (Unplanned and Planned)

All COMs have an approved class size from the COCA. Each Branch Campus and Additional Location that is recognized by the COCA will also have a separate, approved class size from the COCA. COMs may matriculate up to and including a number of students that is equal to 1.08 times the approved class size.

Each class size increase request, or request for approval of a one-time class size increase, or an unplanned increase must be reviewed by the COCA on a case-by-case basis. Documentation to be submitted by the COM for this review must include, but is not limited to the:

1. Adequacy of faculty and how that was calculated;
2. Sufficient classroom and laboratory space, such as auditoriums, anatomy, and Osteopathic Manipulative Medicine;
3. Sufficient library space;
4. Sufficient number of Year 3 and Year 4 rotation slots;
5. A GME feasibility report (incorporating the retrospective GME Accountability Report outcome metrics of Standard 8.3) that demonstrates the expected placement of the COM’s current and prospective graduates in GME positions, including OGME positions. In addition, the COM must demonstrate educational planning and noted progress in generating postdoctoral training opportunities.* An EXCEL® workbook for current and projected Clinical Rotations and GME development will be sent to all COMs requesting approval of an Class Size Increase. COCA staff will send the workbook and information to complete the workbook after the request for Class Size Increase has been received. COCA Staff will also assist the COM in the workbook completion.

* A COM must demonstrate the feasibility of success for GME placement of its students in order to be approved for the substantive change.

For the purpose of an accurate accounting of class size, in those instances where a student matriculates in one (1) year but takes a leave of absence or other decelerated program options, the COM will count that student towards the class in which he/she matriculated. Student admissions will be limited to the COCA approved class size with a permitted variance of eight percent (8%) of the approved class size.
Monitoring

Unplanned Class Size Increase -- All COMs with an unplanned class size increase in excess of the permitted variance (8%) will be required to submit Progress Reports annually for Years 1, 2, 3, and 4. At minimum, Focused Visitations will be conducted in Years 1 and 3. The Focused Visitation for Year 1 of operation and Progress Report for Year 2 will address Standards 2.3, 3.1, 3.1.1, 3.2, 3.3, 4.1, 4.1.1, and 4.1.2. The Progress Reports for Years 3 and 4 will address standards for clinical education and educational planning (Clerkship Training in standard domain Six) and Standards 8.1, 8.2 and 8.3. The Year 3 Progress Report will be due sixty (60) days prior to the Year 3 Focused Visitation and will only be utilized by the site visit team and not reviewed by the COCA.

Any COM with a matriculation in excess of eight percent (8%) over their approved class size will not be allowed to request a class size increase for three (3) years in order to permit the COCA to follow the academic achievement of this class cohort throughout its remaining years to receipt of the first professional degree.

The COCA will have the right to review the accreditation status of any institution which exceeds its class size using progressive measures as follows:

- A request for additional written information to explain the deficiency;
- A request to show cause as to why a COM is not out of compliance;
- A request for COM representation to appear before the COCA;
- A focused visitation as directed;
- Or a reduction in approved class size as directed by the COCA.

Based upon the findings of its review, the COCA may implement appropriate remedial measures affecting the accreditation of the COM, including reduction or withdrawal of the COM’s accreditation.

Planned Class Size Increase -- For planned class size increases, Focused Visitations will be conducted in Years 1 and 3 of implementation and Progress Reports will be required for Years 2, 3, and 4. The Focused Visitation for Year 1 of operation and the Progress Report for Year 2 will address Standards 2.3, 3.1, 3.1.1, 3.2, 3.3, 4.1, 4.1.1, and 4.1.2. The Focused Visitation in Year 3 and the Progress Reports for Years 3 and 4 will address standards for clinical education and educational planning (Clerkship Training in standard domain Six) and Standards 8.1, 8.2 and 8.3. The Year 3 Progress Report will be due sixty (60) days prior to the Year 3 Focused Visitation and will only be utilized by the site visit team and not reviewed by the COCA.

Contracting with a non-Title IV certified institution to provide greater than 25% of a COM’s educational program

A COM that seeks to enter into a contract under which an institution or organization not certified to participate in Title IV, HEA programs offers more than 25 percent (25%) of the COM’s program must submit written notification to the COCA of its intention to establish such a partnership at least (18) months prior to the desired date of offering instruction at the partner’s facilities.
The criteria for evaluation and monitoring are those as established for Substantive Change–Curriculum and Substantive Change–Additional Location, depending on the nature of the agreement.

1. If the instruction will occur at the COM, then this will be reviewed as a Substantive Change–Curriculum.
2. If the instruction will occur at a different geographic location from the COM, and represents 25-49% of the program offering, then this will be reviewed as a Substantive Change–Curriculum.
3. If the instruction will occur at a different geographic location from the COM, and represents 50% or more of the program offering, then this will be reviewed as a Substantive Change–Additional Location.

Acquisition of any other institution or any program or location of another institution

A COM that seeks to acquire another COM or merge with another COM must submit written notification to the COCA of its intention to establish such an acquisition at least (18) months prior to the desired date of offering instruction at the acquired programs.

The criteria for evaluation and monitoring are those as established for Substantive Change–Governance and Substantive Change–Additional Location/Substantive Change–Branch Campus depending on the COCA’s accreditation role and the nature of the agreement.

1. If two COMs intend to merge and create a new legal entity, then this will be reviewed as a Substantive Change–Governance. Depending on the nature of the new legal entity, the COCA may direct a Comprehensive on-site evaluation of all accreditation standards or some portion thereof in addition to those normally reviewed in a Substantive Change–Governance.
2. If two COMs intend to merge in a manner that one of the COMs remains the surviving entity, and has institutional accreditation from the COCA, then this will be reviewed as a Substantive Change–Branch Campus or Additional Location, depending on how the surviving COM intends to operate the acquired COM.
3. If two COMs intend to merge in a manner that one of the COMs remains the surviving entity, and has programmatic accreditation from the COCA, then this will be reviewed as a Substantive Change–Additional Location.

Addition of a permanent location at which a teach-out is being conducted for students of another institution that has ceased operations

A COM that seeks to add a permanent location at a site at which the institution is conducting a teach-out for students of another COM that has ceased operations before all its students have completed their program of study must submit written notification to the COCA of its intention to establish such an acquisition at least (18) months prior to the desired date of adding the permanent location.

NOTE: the criteria for review of a teach-out agreement per se, are found in the section on review of teach-out agreements.
The criteria for evaluation and monitoring are those as established for Substantive Change–Governance and Substantive Change–Additional Location/Substantive Change–Branch Campus depending on the COCA’s accreditation role and the nature of the agreement.

1. If the COM that remains the surviving entity has institutional accreditation from the COCA, then this will be reviewed as a Substantive Change–Branch Campus or Additional Location, depending on how the surviving COM intends to operate the acquired COM.

2. If the COM that remains the surviving entity has programmatic accreditation from the COCA, then this will be reviewed as a Substantive Change–Additional Location.

Branch Campus

Only a free-standing COM having accreditation status from the COCA as its institutional accreditor will have the option of offering instruction at a Branch Campus owned or operated by the COM.

A COM must submit written notification to the COCA of its intention to establish a Branch Campus at least eighteen (18) months prior to the desired date of offering instruction. The COM must also address the feasibility of establishing the Branch Campus. This Feasibility Study must be received ninety (90) days in advance of the COCA meeting at which it will be considered and address at least the following items:

1. The appropriate state agency, a charter, or evidence of support for approval to grant the Doctor of Osteopathy (DO) or Doctor of Osteopathic Medicine (DO) degree;

2. Assessment of the degree of support that the Branch Campus has in the community, county and state, and the respective osteopathic professional associations. Written documentation must accompany this assessment. The assessment must include a letter of comment from the state osteopathic association for each state in which the proposed Branch Campus intends to have clinical training sites;

3. Demonstrate and document with written verification that it has the availability of adequate clinical training sites. Documentation must include an assessment of the impact of the Branch Campus’ proposed clinical training programs upon any osteopathic training programs already in existence at the clinical sites under discussion;

4. The curriculum to be offered at the Branch Campus;

5. The faculty who will provide instruction;

6. Projected revenues, expenditures, and cash flows at the Branch Campus;

7. Physical resources at the Branch Campus;

8. Administrative structure of the Branch Campus, including the identification of the individual who will be the on-site chief academic officer;

9. Organizational structure between the parent and the Branch Campus must be described and documented in an organizational chart; and
10. A GME feasibility report (incorporating the retrospective GME Accountability Report outcome metrics of Standard 8.3) that demonstrates the expected placement of the COM’s current and prospective graduates in GME positions, including OGME positions. In addition, the COM must demonstrate educational planning and noted progress in generating postdoctoral training opportunities.* An EXCEL® workbook for current and projected Clinical Rotations and GME development will be sent to all COMs requesting approval of a Branch Campus. COCA staff will send the workbook and information to complete the workbook after the request for Branch Campus has been received. COCA Staff will also assist the COM in the workbook completion.

*A COM must demonstrate the feasibility of success for GME placement of its students in order to be approved for the substantive change.

COMs Seeking Branch Campuses with Hosting Partners

COMs and hosting partners, who are themselves, academic institutions, hospitals, or healthcare systems, require a Memorandum of Understanding (MOU) or legally binding contract that addresses at least the following elements:

These statements must be included at the time a new COM is submitting a request for substantive change:

1. A statement of how the proposed branch campus would fit within the COM’s mission
2. A statement of why the COM wishes to enter into an agreement with the “host” institution.
3. A statement that identifies the authority and status of the “host” institution.
4. A statement of contractual agreement and legal obligation that includes:
   a. Fiscal, fiduciary, and marketing relationship;
   b. The rights retained by the COM;
   c. The duties of the COM to the “host” institution;
   d. The rights retained by the “host” institution;
   e. The branding by the COM alone, and any co-branding with the host institution;
   f. Specification of the services being provided by each entity to the other;
   g. Specification of who is the final authority on the curriculum for the COM and the requirements for granting the D.O. degree;
   h. Specification on who awards the D.O degree;
   i. Specification on who is the final authority on the selection of COM students;
   j. Specification on who is the final authority on selection of COM faculty members;
   k. A statement of the term of the agreement;
   l. A statement on how the agreement may be amended;
   m. A statement on how either party may withdraw from the agreement;
   n. A statement that explains whether the MOU reflects the complete agreement between the parties of should be interpreted in light of other agreements between the parties;
   o. A statement that the COM recognizes it is responsible for meeting the COCA standards;
   p. A statement where the COM recognizes it is responsible for handling COCA complaints;
   q. Information, as requested by COCA concerning the “host’s” finances and accreditation status;
r. Verification that students are aware of financial responsibility and student rights in regards to Title IV;

s. Verification that students are aware that financial aid is no processed through the “host” institution and they are not eligible to participate in Title IV through the “host” institution;

t. A lease agreement must be a minimum of 10 years in length with at least five (5) year notice of termination.

u. A minimum period of three (3) years is required for cancellation of any services affecting students.

v. Upon notice of termination of a lease, a teach-out plan must be submitted to the COCA or the school must be able to immediately demonstrate a new location or lease to be approved by the COCA.

Monitoring

The Branch Campus offering a program in osteopathic medicine must have that program conform to the same standards for faculty, staff, facilities, student services, curriculum, and research in order to meet the COCA accreditation standards for a COM.

1. The COCA will conduct a Comprehensive on-site visit to a Branch Campus at least six (6) months prior to the initiation of instruction and acceptance of students at the Branch Campus to ensure compliance with all of the accreditation standards.

2. Comprehensive on-site visits will be conducted in Years 1 and 2 of operation to review all standards.

3. The COCA will include the Branch Campus(s) in the parent institution's accreditation only after verifying that the COM meets all accreditation standards.

4. Focused Visitations will be conducted in Years 3 and 4 of operation to review standards addressing clinical education (Clerkship Training in standard domain Six) and Standard 8.1, 8.2 and 8.3. Thereafter, on-site evaluations of the Branch Campus will be scheduled in conjunction with the on-site visit of the parent campus.

Accreditation Status

The COCA will include a Branch Campus in the parent institution's accreditation only after verifying that the COM meets all accreditation standards. After the initial on-site visits to monitor and evaluate the application, a Branch Campus will undergo on-site visits scheduled in conjunction with on-site visits of the parent campus.

The Branch Campus may recruit, but not accept students or offer instruction, after the first review and approval of its application. Operations at the Branch Campus, including enrolling students and offering instruction, may begin after COCA review of the initial site visit report and granting of such approval. See Table Two: Timetable for the Branch Campus application.
### Table 6b: Substantive Change – Monitoring

<table>
<thead>
<tr>
<th>Substantive Change</th>
<th>Standards Reviewed for Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational Mission or Objectives of Institution</td>
<td><strong>Years 2 and 4- Progress Report</strong> addressing Standards 1.3; 3.1, 4.1, 5.1, and 6.1</td>
</tr>
<tr>
<td>Change in Location of Institution</td>
<td><strong>6 months of operation and Year 2-Focused Visitation</strong> addressing Standards 2.3, 3.1, 3.1.1, 3.2, 3.3, and 4.1</td>
</tr>
<tr>
<td>Change in Legal Status or Form of Control or Ownership</td>
<td><strong>Within 6 months of change-Focused Visitation</strong> addressing Standards 2.1, 2.1.1, 2.1.2, and 2.1.3</td>
</tr>
<tr>
<td>Change in Curriculum</td>
<td><strong>Progress Reports for 4 years</strong> beginning the year after the first year of the curriculum change addressing Standards 2.3; 3.1, 3.1.1, 3.2, 3.3, 4.1, and 4.1.1, as well as other criteria noted in the body of Chapter VI</td>
</tr>
<tr>
<td>Change in Curriculum Length</td>
<td><strong>Progress Report for 4 years</strong> beginning the year after the first year of the curriculum change addressing Standards 2.3, 3.1, 3.1.1, 3.2, 3.3, 4.1 and 4.1.1, as well as other criteria noted in the body of Chapter VI</td>
</tr>
<tr>
<td>Additional Location</td>
<td><strong>6 months prior to operation and 6 months after operation has begun-Focused Visitations</strong> addressing Standards 2.3, 2.7 (2.7-<strong>prior</strong> only); Standard Three (all); Standards 4.1, 4.1.1, 4.2, 4.2.1, 4.2.2, 4.2.3, 4.2.4; Standard Five (all); Standard Six (all); and Standards 8.1, 8.2 and 8.3. <strong>Year 3-Focused Visitation</strong> addressing clinical education standards (<em>Clerkship Training</em> in standard domain Six) and Standards 8.1, 8.2 and 8.3.</td>
</tr>
<tr>
<td>Class Size Increase (Unplanned)</td>
<td><strong>Year 1-Focused Visitation and Progress Report</strong> addressing Standards 2.3, 3.1, 3.1.1, 3.2, 3.3, 4.1, 4.1.1, and 4.1.2 <strong>Year 2 Progress Report</strong> on same standards. <strong>Years 3-Focused Visitation and Years 3 &amp; 4-Progress Reports</strong> each addressing clinical education standards (<em>Clerkship Training</em> in standard domain Six) and Standards 8.1, 8.2 and 8.3.</td>
</tr>
<tr>
<td>Class Size Increase (Planned)</td>
<td><strong>Year 1 Focused Visitation and Year 2 Progress Report</strong> addressing Standards 2.3, 3.1, 3.1.1, 3.2, 3.3, 4.1, 4.1.1, and 4.1.2 <strong>Year 3-Focused Visitation and Years 3 &amp; 4-Progress Reports</strong> addressing clinical education standards (<em>Clerkship Training</em> in standard domain Six) and Standards 8.1, 8.2 and 8.3.</td>
</tr>
</tbody>
</table>

This table continues on the following page.
Table 6b: Substantive Change – Monitoring (continued)

<table>
<thead>
<tr>
<th>Substantive Change</th>
<th>Standards Reviewed for Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracting with non-Title IV institution to deliver ≥ 25% of COM’s education program</td>
<td>Same as either Change in Curriculum or Additional Location depending upon criteria noted in Chapter VI.</td>
</tr>
<tr>
<td><strong>Branch Campus</strong></td>
<td>A comprehensive visit will be conducted 6 months prior to operations to review all standards.</td>
</tr>
<tr>
<td></td>
<td>Years 1 &amp; 2 - Comprehensive Site Visit to review all standards</td>
</tr>
<tr>
<td></td>
<td>Years 3 &amp; 4 - Focused Visitation addressing clinical education standards (Clerkship Training in standard domain Six) and Standards 8.1, 8.2 and 8.3.</td>
</tr>
</tbody>
</table>

Not all Substantive Changes are included in this table. Please find additional information in the body of Chapter VI.
CHAPTER VII: IN THE PUBLIC INTEREST

Public Information about the COCA

The COCA maintains a website – http://www.aoacoca.org – as its principal source of information about its accreditation program. Examples of the types of information that will be found include, but are not limited to, the following:

- the types of recognition granted by the COCA;
- the application procedures that are used for seeking recognition from the COCA;
- the standards and procedures for accreditation – *Accreditation of Colleges of Osteopathic Medicine: COM Accreditation Standards and Procedures*
- the COMs that currently have an accreditation recognition status from the COCA; and
- the names, academic and professional qualifications, and relevant employment and organizational affiliations of the COCA commissioners and principal administrative staff.

Third Party Comments

The COCA will receive, review, and consider any written or oral third-party comment in regard to an initial or continued request for accreditation, pre-accreditation, provisional accreditation, requests for substantive change, or requests to enter into a teach-out agreement. Persons wishing to present third party testimony at any COCA meeting must provide written notice thirty (30) days prior to the meeting to the COCA Secretary if they wish to attend. The COM will be notified of the third party presentation so that they can have an opportunity to comment. Notice of opportunity to comment will be provided with announcements of the COCA meeting on the AOA website, www.aoacoca.org.

Confidentiality of Accreditation Reports

Accreditation reports are confidential between the COCA and the COM involved. Premature and/or unauthorized disclosure of information reflecting visiting team or COCA views concerning the accreditation status of a COM is not permitted.

The administrative officers of each COM are encouraged to make accreditation reports available to faculty members and others directly concerned. Except for the information that is presented in open sessions of the COCA, members of the COCA and visiting team members are not authorized under any circumstances to disclose any information obtained during on-site visits.

With the exception of the reporting required by the Secretary of the USDE, it is the obligation of the COCA to maintain the confidentiality of its relationships with its COMs and not to announce publicly any action with respect to a COM other than its accreditation status, including public probationary status, or its removal from the accredited list.

The COM retains the right to publicize accreditation reports for the institution. If a COM releases part or all of an accreditation report in such a manner as to misrepresent or distort the report of the COCA, the COCA may release either appropriate parts of or the full report to correct the misinformation. The COCA will inform the COM in advance of the release and the substance of the release of any such information.

If the COM elects to publicly disclose its Pre-accreditation, Provisional accreditation, or Accreditation status received from the COCA, it must state the following:
The college has received Pre-accreditation, Provisional accreditation, or Accreditation status from the American Osteopathic Association’s Commission on Osteopathic College Accreditation, which is the recognized accrediting agency for the approval of colleges and programs leading to the Doctor of Osteopathic Medicine (DO) degree. The address and phone number of the accrediting agency are: Secretary, COCA; Department of Accreditation; American Osteopathic Association; 142 East Ontario Street; Chicago, IL 60611; Telephone 312/202-8000; Fax 312/202-8209; email predoc@osteopathic.org.

Complaint Review Procedures

Complaint review procedures are established to protect the integrity and the maintenance of accreditation standards and procedures as they relate to approved COMs having recognition from the COCA. Complaint procedures provide a mechanism for concerned individuals or organizations to bring to the attention of the accrediting agency information concerning specific actions and programs, which may be in non-compliance with the COCA’s accreditation standards. The COCA recognizes their responsibility to provide complainants the opportunity to utilize the COCA as a vehicle to deal with specific grievances as well as being a mechanism for reviewing and finally resolving complaints against the COCA or the administrative staff.

Complaints may be filed by any individual or group including, but not limited to, the following:

- An osteopathic medical student;
- An individual, organization, or institution affected by the accreditation program academically or professionally; and
- A member of the general public.

Complaint Submission about a COM

The complaint must be in writing and signed by the complainant. All signed complaints must be submitted to the Secretary, COCA; American Osteopathic Association; 142 E. Ontario St.; Chicago, IL 60611 or via email to predoc@osteopathic.org. Complaints that are received that are not signed by the complainant(s) or are submitted anonymously will not be processed.

The complainant will present a concern regarding a violation(s) of an accreditation standard or procedure that must be based upon direct and responsible information. The complainant must provide a narrative of his/her allegation, as it relates to the accreditation standards or procedures, and include any documentation that could support his/her allegation. This information must be accurate and well documented.

The complainant will provide evidence that an effort has been made to resolve the problem through the recommended route through COM administration, and will include information about all other actions initiated to resolve the problems.

Within ten (10) business days of receipt of a signed complaint, copies of the complaint will be sent to the COM’s Chief Executive Officer or Chief Academic Officer for response to the complaint. The COM’s Chief Executive Officer or Chief Academic Officer will have fifteen (15) business days to respond. The COM’s response and the complaint will be forwarded to the COCA chair who will either ask the COCA Executive Committee or appoint an ad hoc subcommittee to determine whether the complaint merits further investigation. An investigation will be conducted if the complaint has merit. If the COCA Executive Committee or the ad hoc subcommittee finds no merit in the complaint, the complainant and the COM will be notified in writing. The complainant and the COM
will be notified of the outcome in writing. This process will be concluded within fifteen (15) business days.

**Complaint Investigation**

If an investigation is warranted, the COCA Secretary, in cooperation with AOA corporate counsel, and the COCA Executive Committee or the *ad hoc* subcommittee will initiate a formal review within thirty (30) days from the decision to initiate an investigation. The *ad hoc* subcommittee will decide what particular method of study and mode of investigation is most appropriate for the complaint that has been received, which may include an on-site visit.

The COCA Executive Committee or the *ad hoc* subcommittee’s findings will be forwarded to the COCA. Based upon these findings, the COCA may take either of the following actions:

- Dismiss the complaint and report that the COM is in compliance with the accreditation standards; or
- Notify the COM in question that, on the basis of an investigation, the COCA has determined that the COM is failing to meet the accreditation standards.

If the COM has been found to be out of compliance with the accreditation standards, the COCA may determine one of the following methods of review:

- A report outlining the COM’s plans to address the deficiencies outlined by the COCA; and/or
- A Progress Report documenting the COM’s planning and its implementation of the plans; or
- An on-site visit may be recommended to determine whether a change in the accreditation status of the COM is warranted.

These procedures should be completed and the COM notified within fifteen (15) days of the COCA decision. Any such accreditation decision or action of the COCA will be subject to the reconsideration and appeal procedures set forth in these procedures.

**Investigation and Resolution of a Complaint Against the COCA or Administrative Staff**

The complaint must be in writing and signed by the complainant. All signed complaints must be submitted to the Secretary, COCA; American Osteopathic Association; 142 E. Ontario St.; Chicago, IL 60611 or via email to predoc@osteopathic.org.

The COCA Secretary will present the complaint, in conjunction with AOA corporate counsel, to the COCA chair, vice-chair, and, when applicable, to affected staff members. A subcommittee of the COCA will be appointed by the COCA chair to formally review the complaint and develop a response to the complaint. This subcommittee review process and response will be completed and forwarded to the COCA within thirty (30) days of the date the subcommittee is convened.

The COCA will consider the complaint and the response at its next regularly scheduled meeting. The complainant will be invited to appear before the COCA to present respective views in order to attempt an agreed resolution. The final action of the COCA will be communicated to the complainant within fifteen (15) business days of the COCA decision.

**Student Complaints**

The policies and procedures for student complaints are stated in Standard 5.8 as follows:
The COM, and/or its parent institution, must publish policies and procedures regarding student complaints related to accreditation standards and procedures, and must maintain records of the receipt, adjudication, and resolution of such complaints.

**Considerations of Actions from other Accrediting Bodies**

The COCA will routinely share information about the pre-accreditation, provisional accreditation, or accreditation status of a COM or any adverse action taken against the COM with other appropriate recognized accrediting agencies and state agencies.
CHAPTER VIII: GLOSSARY

AApCOM – American Association of Colleges of Osteopathic Medicine

Additional Location – A location that is geographically apart from the main campus at which the institution offers at least 50 percent of an educational program.

Adjunct Faculty – Faculty serving in a temporary or auxiliary capacity with limited duties and benefits.

Adverse Action – Adverse action is the denial of any accreditation status by the COCA. A “denial” action is initiated by the COCA.

Affiliated Clinical Site – Within criteria specified in AOA Standards and Procedures an affiliated clinical site is an accredited healthcare facility or clinic, not owned or operated by a COM, which agrees to provide specific and limited clinical instruction to a COM's students.

Anticipated change in class size – A substantive change. The COM’s governing body typically will approve a class size increase. After the COM or its parent institution’s governing body approves an increase in class size, the COM must submit a request for approval from the COCA. This request must follow the procedures outlined under Chapter V: Accreditation Procedures.

AOA - American Osteopathic Association

AOA Board – Board of Trustees of the AOA

COCA – Commission on Osteopathic College Accreditation of the AOA

Branch Campus – COMs that have their institutional accreditation status from the COCA. A Branch Campus is any location of an institution other than the main campus which is permanent in nature, offers courses in educational programs leading to the doctor of osteopathy or doctor of osteopathic medicine degree, has its own faculty and administrative or supervisory organization, has its own budgetary and hiring authority, and may have affiliated clinical sites. These will be considered a Branch Campus and must follow the procedures outlined under Chapter VI: USDE Requirements.

CHEA – Council for Higher Education Accreditation

Chief Academic Officer (CAO) -- The COCA has chosen to use the term chief academic officer instead of Dean (a/k/a full dean) when referring to the COM specifically. This definition does not preclude this individual from serving in a higher, more institution – wide capacity where a COM is organized within a parent institution.

Chief Executive Officer (CEO) – The COCA has chosen to use the term chief executive officer instead of President or Chancellor.
Chief Financial Officer (CFO) – The COCA has chosen to use this term, CFO, broadly to identify both: (a) the CFO of a free-standing, single degree program for which the COCA is an institutional accreditor; and for (b) the highest ranking financial person of a COM that is located within a larger institution and for which the COCA is a programmatic accreditor only.

COM – College (or school) of osteopathic medicine offering instruction leading to the Doctor of Osteopathy or Doctor of Osteopathic Medicine (D.O.) degree

COM Community – Includes those individuals affiliated with the COM, including students and faculty, and the public.

Commendation – A written comment in an on-site visit report that indicates a specific accreditation standard has been exceeded.

Communities of Interest – Includes osteopathic medical professionals including, students, interns, and residents, individuals who are employed in the osteopathic medical profession; and the public.

Competencies of a Chief Academic Officer –

- Recruit, select, manage, and evaluate a team of associate / assistant deans, department/discipline heads, faculty and other non-faculty administrative staff who are, themselves, appropriately experienced in higher education and/or osteopathic medical education
- Have expertise to evaluate the adequacy of the curricular model and delivery modalities of the COM
- Have the experience and skill to participate in the development of mission, vision and goals, budgets, and strategic plans for the COM.
- Have the experience to advocate for the resources needed for the development and operation of the COM and oversee their usage at the COM level.

Competencies of a Chief Executive Officer – NOTE: COCA review of the CEO will only be conducted in those COMs in which the COCA is the institutional [and programmatic] accreditor. The CEO must be able to:

- Hire, manage, and evaluate a team of qualified senior administrative and academic management and staff who are, themselves, appropriately experienced in higher education
- Have expertise to define the qualifications of the position of COM’s CAO
- Obtain the financial resources needed for the development and operation of the institution and oversee their usage
- Have the experience and skill to oversee along with the Board of Directors the development of mission, vision, goals and strategic plans for the COM.

Competencies of a Chief Financial Officer -- NOTE: COCA review of the CFO will only be conducted in those COMs in which the COCA is the institutional [and programmatic] accreditor. The CFO must be able to:
• Either serve as controller for the institution, or be able to supervise the controller;
• If serving as the controller, be familiar with Generally Accepted Accounting Principles as applicable to institutions of higher education
• Manage the evaluation of accounting systems for the COM
• Advise the CEO on capital acquisition for projects requiring long-term financing, and assist in the procurement of such financing when needed.
• Advise the CEO on investment strategies for the COM.
• Understand and manage Title IV Federal Student Loan Programs

For those COMs that have the COCA as their programmatic accreditor only, the CFO responsibilities will be shared with those of the CFO for the entire institution. The CFO in the COM must have accounting experience necessary to oversee budget preparation and budget management and other related duties that may be assigned.

Competencies of a Department Chair or Equivalent --

• Recruit, manage, and evaluate a team of faculty members and non-faculty staff who are, themselves, appropriately experienced to meet the teaching, research and service needs of the unit.
• Have expertise to evaluate the adequacy of the curricular model and delivery modalities of that coursework for which the unit is responsible, and recommend changes when appropriate.
• Define the financial, physical and human resources needed for the unit to meet all of its responsibilities, develop budget recommendations for the department or division and oversee their usage.

Credit Hour – For purposes of Standard 5.4.7, a credit hour is defined by the regulations of the U.S. Secretary of Education at 34 CFR 600.2 – Except as provided in 34 CFR 668.8(k) and (l), a credit hour is an amount of work represented in intended learning outcomes and verified by evidence of student achievement that is an institutionally established equivalency that reasonably approximates not less than:

1. One hour of classroom or direct faculty instruction and a minimum of two hours of out of class student work each week for approximately fifteen weeks for one semester or trimester hour of credit, or ten to twelve weeks for one quarter hour of credit, or the equivalent amount of work over a different amount of time; or
2. At least an equivalent amount of work as required in paragraph (1) of this definition for other academic activities as established by the institution including laboratory work, internships, practica, studio work, and other academic work leading to the award of credit hours.

Curriculum Changes – A curricular substantive change. The addition of courses or programs that represent a significant departure, in either content or method of delivery, from those that were offered when the COM had their last accreditation on-site visit; the addition of courses or programs at a degree or credential level above that which is included in the COM’s current accreditation status; a change from clock hours to credit hours; a substantial increase in the number of clock or credit hours awarded for successful completion of a program.

Department Chair or Equivalent in clinical disciplines - COMs are not restricted in their selection of an organizational structure that best enables them to achieve their mission. By tradition, this has
been accomplished with units consisting of professionals within one recognized academic discipline and is designated as a department. Departments maintain considerable educational and administrative authority within their discipline. Other types of organization may group professionals across more than one recognized discipline, e.g. within clinical sciences, primary care medicine and specialty medicine. In such organizational structures, the faculty member who chairs/heads/directs the unit will not be responsible for all educational courses offered under that unit. In these structures, the educational “equivalent leader” for a clinical discipline may be designated as a division or section leader within a larger organizational unit. Alternatively, the educational “equivalent leader” may be defined by curriculum management responsibilities and designated as a course coordinator/director.

**Distance Education** – Distance Education means education that uses one or more of the technologies listed in paragraphs (1) through (4) of this definition to deliver instruction to students who are separated from the instructor and to support regular and substantive interaction between the students and the instructor, either synchronously or asynchronously. The technologies may include:

a. The internet;
b. One-way and two-way transmissions through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices;
c. Audio conferencing; or
d. Video cassettes, DVDs, and CD-ROMs, if the cassettes, DVDs, or CD-ROMs are used in a course in conjunction with any of the technologies listed in paragraphs (1) through (3) of this definition.

**Evaluator Trainee** – An Evaluators Registry member who is attending an on-site visit as an active team member under the supervision of an experienced evaluator qualified in the same area of expertise.

**Faculty Adequacy Model** – A faculty adequacy model compares the total number of faculty hours necessary and the number of total faculty hours available to deliver the curriculum. COMs determine the number of hours available for teaching, class preparation, research, scholarly activity, committee work, advisement, clinical service, and other activities deemed critical to fulfillment of the COM mission. The distribution of hours across these activities may vary among individual faculty members. COMs which have more available hours than necessary hours are deemed to have adequate faculty.

**Faculty, full-time** – Each COM is required to establish and publish its own definitions of full-time faculty. However, such definitions must meet certain minimum requirements as set forth in standard Four: Faculty and in this glossary. Full-time faculty must be employed by the COM and be under contract. It is customary in full-time employment agreements to state that the individual will devote his/her complete attention and energies to the position of employment. Furthermore, it is customary for full-time faculty to normally perform their duties on-site, and contribute to two or more of the following areas: teaching, research, service. Full-time faculty who are executive, academic, or business officers of the COM may devote the majority of their efforts to administration.

**Faculty, part-time** – Each COM is required to establish and publish its own definitions of part-time faculty. However, such definitions must meet certain minimum requirements as set forth in Standard Four: Faculty and in this glossary. Part-time faculty must be employed by the COM and be under contract. It is customary in part-time employment agreements to state that the individual will devote
such attention and energies necessary to fully perform the assigned duties of the position of employment. Furthermore, it is customary for part-time faculty to have responsibilities that are significantly less than those of full-time faculty, both with respect to scope of activities, and percentage of effort devoted to employment at the COM.

**Governing body** – The COCA has chosen to use this term rather than governing board, board of trustees, etc.

**Guideline** – These statements explain the standard intent and provide examples and/or guide COMs toward standard compliance.

**HEA** – The Higher Education Act of 1965 as most currently amended.

**Institutional Accrediting Agency** – An agency that accredits institutions of higher education; such an agency grants accreditation decisions that enable its accredited institutions to establish eligibility to participate in Higher Education Act Programs.

**Interprofessional Collaborative Practice** – Professionals from different disciplines working together with patients, families and communities to deliver health care.

**Must** – Indicates a mandatory requirement.

**New Program Applicant** – A new program that is not part of an existing COM must follow the procedures outlined under *Chapter II: Applicant and Accreditation Procedures*.

**NBOME** – National Board of Osteopathic Medical Examiners, Inc.

**Observer** – Represents Federal or State Agencies or organizations, which may have a legitimate accreditation responsibility to attend an on-site visit.

**Osteopathic Clinical Services** – Services that facilitate faculty and student interaction, and include osteopathic manipulative therapy, which are planned and provided systematically throughout the year. These services could include health fairs, or other student community services either in the local community or world community.

**Programmatic/Specialized Accrediting Agency** – An agency that accredits specific educational programs that prepares students for entry into a profession, occupation, or vocation.

**Promotional Materials** – as described in Standard 8.5, refers to published materials used to recruit students to a COM, e.g. website announcements, catalogs, and other printed prose. Announcements of recruiting fairs and reminders of such activities are included activities for purposes of this definition. COMs may provide a reference to this information on their webpage in the printed material.

**Recommendation** – Advice given for the purpose of improving a COM’s operations and programs. Recommendations do not signify that the COM does not comply with a standard. Recommendations can be written at any time in the accreditation process.

**Requirement** – The written statement that indicates that a COM has not satisfied a specific standard
or procedure. Requirements can be written at any time in the accreditation process. All requirements will be monitored either through a Progress Report, or an Interim Progress Review, or Focused Visitation.

**Should** – Indicates a highly recommended element/issue.

**Show Cause** - a request for information to be provided to the COCA when there is credible reason to believe that a COM may be out of compliance with one or more standards for accreditation.

**Teach-out Agreement** – A teach-out agreement is a written agreement between accredited COMs that provides for the equitable treatment of students and a reasonable opportunity for students to complete their program of study if one of those COMs or a Branch Campus or Additional Location that provides one hundred percent of at least one program offered, stops offering its educational program before all students enrolled in that program complete their program of study.

**Teach-out Plan** – A teach-out plan is a written plan developed by an institution that provides for the equitable treatment of a COM, if that COM or a Branch Campus or Additional Location that provides one hundred percent of at least one program, stops offering its educational program before all students enrolled in that program complete their program of study. This plan may include, if required by the COCA, a teach-out agreement between COMs.

**Types of On-Site Visits**

1. **Comprehensive on-site visit** – A Comprehensive on-site visit is conducted to examine compliance with all areas of the accreditation standards and are conducted by the COCA to determine Provisional and Full accreditation status. At least three (3) days on site are usually required for completion of these on-site visits.

2. **Interim Progress Review** – An Interim Progress Review is conducted to examine particular areas about which questions have been raised by the COCA. These visits typically occur after a full on-site visit and will examine areas that have been raised by a site visit team.

3. **Focused Visitation** – A Focused Visitation ordinarily focuses on the particular area(s) identified by the COCA. The COCA may also require a COM to undergo a Focused Visitation when deemed necessary.

**USDE** – United States Department of Education and the Secretary of Education

**Withdrawal** – The withdrawal of a COM from the accreditation process; this is a voluntary action initiated by the COM.
### CHAPTER IX: TABLES

**Table One: Preliminary Timetable for Evaluation from Application Status to Initial Provisional Accreditation Status Decision***

This sequence assumes that a COM will begin instruction in August **not less than two years** after the acceptance of a feasibility study by the COCA Executive Committee (COCA-EC)). The dates in the table represent a minimal timeline and assume a single review of the feasibility study. To assist developing COMs in better appreciating the steps in obtaining pre-accreditation, a detailed spreadsheet has been prepared that may be used for estimating timelines. For more information, see NOTE at the bottom of this page.

<table>
<thead>
<tr>
<th>Month</th>
<th>Activity</th>
<th>COCA Body Involved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>YEAR ONE (three years prior to beginning instruction)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>September 1</td>
<td>COM appoints its Dean; Dean develops Feasibility Study</td>
<td>None</td>
</tr>
<tr>
<td>October-December</td>
<td>Dean secures employment of Assoc./Asst. Deans</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>YEAR TWO (two years prior to beginning instruction)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>March</td>
<td>Feasibility Study Received</td>
<td>COCA</td>
</tr>
<tr>
<td>May</td>
<td>Review of Feasibility Study and decision on scheduling first evaluation for Pre-accreditation</td>
<td>COCA Executive Committee (COCA-EC)</td>
</tr>
<tr>
<td>May</td>
<td>Schedule the Pre-accreditation visit</td>
<td>COCA</td>
</tr>
<tr>
<td>June – July</td>
<td>Pre-accreditation site visit is conducted</td>
<td>COCA</td>
</tr>
<tr>
<td>August – September</td>
<td>COCA review and approval of Pre-accreditation status</td>
<td>COCA</td>
</tr>
</tbody>
</table>

This table continues on the following page ➤
<table>
<thead>
<tr>
<th>Month</th>
<th>Activity</th>
<th>COCA Body Involved</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>YEAR THREE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>March-April</td>
<td>COM submits updated Feasibility Study and requests evaluation for Provisional accreditation status</td>
<td>COCA</td>
</tr>
<tr>
<td>January - June or July, 60 days after submission of the feasibility study</td>
<td>Initial Provisional accreditation site visit conducted</td>
<td>COCA</td>
</tr>
<tr>
<td>April/May or August/September</td>
<td>COCA approval of Provisional accreditation status</td>
<td>COCA</td>
</tr>
<tr>
<td>Upon Approval of Initial Provisional Accreditation Status</td>
<td>Begin recruiting</td>
<td>COM</td>
</tr>
<tr>
<td><strong>YEAR FOUR</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>August</td>
<td>Begin instruction</td>
<td>COM</td>
</tr>
</tbody>
</table>

*NOTE: This table is a depiction of an optimal movement through a deliberate review process. The actions described assume a COM is successful at each step of the process. However, this depiction is not a guarantee of actions to be taken by the COCA or the COCA-EC in the review of a developing COM."
EXHIBIT F

Site Development Plans

*(to be attached)*
EXHIBIT G

MEMORANDUM OF GROUND LEASE FOR RECORD

Idaho State University and ______________________________ entered into a Ground Lease concerning a certain parcel of land as described in Exhibit A (Leased Premises), attached hereto and made a part hereof. The Ground Lease began on the _____ day of _____________, 2016, with an initial term of forty (40) years, with the option to renew for two additional terms of ten (10) years. The Ground Lease contains terms and conditions which affect the use and occupancy of the Leased Premises.

The sole purpose of this Memorandum of Ground Lease for Record is to provide public notice of the existence of this Ground Lease. The addresses for notice to the Parties are:

ISU: President Arthur C. Vailas
Idaho State University
921 So. 8th Ave, Stop 8310
Pocatello, ID 83209

LESSEE: Daniel C. Burrell, Manager
Idaho College of Medicine
401 Paseo de Peralta
Santa Fe, NM 87501

IDAHO STATE UNIVERSITY
BY: ______________________________
Arthur C. Vailas, President

DATE: ______________________________

IDAHO COLLEGE OF OSTEOPATHIC MEDICINE
BY: ______________________________
Daniel C. Burrell, Manager

DATE: ______________________________
July 8, 2016

Dr. Mary Ann Ranells, Superintendent
West Ada School District
1303 E Central Dr.
Meridian, ID 83642

Dear Dr. Ranells:

At a special session of the State Board of Education (SBOE) held on February 25, 2016, the SBOE unanimously approved a Collaborative Affiliation Agreement between the Idaho College of Osteopathic Medicine (ICOM), and Idaho State University (ISU) for ICOM to be located by a ground lease agreement on a portion of a recorded parcel of land owned by ISU at the Meridian Health Science Center. The approval was the consequence of a request by Megan Ronk, Director, Idaho Department of Commerce, at an executive session of the SBOE on February 17, 2016, for consideration of a proposed osteopathic medical school. Governor Otter had previously requested that ISU President Art Vailas explore the opportunity for an osteopathic medical school in Idaho, and the Governor convened a meeting on February 4, 2016, with stakeholders, e.g., Idaho Hospital Association, supporting the medical education proposal.

In accordance with the provisions of the Master Declaration Agreement and the Joint Use and Operations Agreement ("The Declaration") between ISU and the West Ada School District (School District), dated December 4, 2007, ISU offers the following to demonstrate that the Ground Lease Agreement between ISU as Lessor, and the ICOM as Lessee, will be in compliance with all applicable provisions of The Declaration.

The Ground Lease Agreement includes complete copies of The Declaration as Exhibit C. It also includes the specific language referenced in both Article 2, Section 2.3(a) of the Master Declaration Agreement and in Article 9, Section 9.2(a) of the Joint Use and Operations Agreement, which states that 1) any lease will be subject to these agreements, 2) the occupant will comply with the provisions of these agreements, and 3) such provisions are an integral part of the lease.

In accordance with Article 2 of the Master Declaration Agreement "Common Area, Easements and Right of Entry"; under Section 2.4 Common Area, ISU hereby notifies the School District of its intention to lease and requests the written consent of the School District by August 1, 2016, before the SBOE holds its next meeting on August 10-11, 2016, for ISU to lease a 2.8 acre portion of the ISU parcel, presently used as a vehicular parking lot, to ICOM for the construction of the ICOM building and related improvements. Per the provisions of Article 7 "Future Improvements" of the Joint Use and Operations Agreement, both the School District and ISU will have the opportunity to review the proposed Site Development Plan (the Plan), which shall be prepared and presented by ICOM for the purposes of this building construction. When ICOM furnishes the Plan, ISU will forward it to the School District for its review and written approval.

The attached drawings show the location and configuration of the premises within the ISU parcel that ISU will lease to ICOM and the subdivision plat. ISU appreciates the longstanding relationship with the School District, and is pleased to continue the partnership in supporting ICOM and the medical education opportunities for high school and university students.

Sincerely:

Dr. Bessie Katsilometes, Associate Vice President
ISU-Meridian Health Science Center

Attachments
Appraisal Report

Proposed ICOM Building Site
1303 and 1311 E. Central Drive
Meridian, Idaho 83642

May 12, 2016

FOR:
Idaho State University - Meridian
c/o Dr. Bessie Katsilometes
1311 E. Central Drive
Meridian, Idaho 83642
May 12, 2016

Idaho State University - Meridian
c/o Dr. Bessie Katsilometes
1311 E. Central Drive
Meridian, Idaho 83642

RE: Appraisal Report
Proposed ICOM Building Site
1303 and 1311 E. Central Drive
Meridian, Idaho 83642
Valbridge Job #ID02-16-0076-000

Dear Dr. Katsilometes:

In accordance with your request, we have prepared an appraisal of the above-referenced real property. The subject property is a 2.80 acre pad site proposed to be developed with a 100,000 square foot, 2-3 story, education building. The subject site is currently a part of a larger parcel. As a result of ingress/egress and shared parking easements, the subject’s effective land area is larger than actual, estimated herein at 5.55 acres. The effective land area is currently improved with a parking lot.

The subject was appraised using generally accepted principles and theory. We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA); the Interagency Appraisal and Evaluation Guidelines; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them. The appraisal report complies with the requirements set forth under Standards Rule 2-2(a) of USPAP. It presents a narrative discussion of the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. The depth of the discussion contained in this report is specific to the needs of the client and the intended use.

The purpose of this appraisal is to provide an opinion of 1) Market Value: As Is and 2) Market Rent (for a ground lease). Idaho State University – Meridian is the client in this assignment. The intended use is for internal business decisions. The intended users of this report include the client and any duly appointed representatives of the client, specifically authorized by the client to view or use this appraisal in accordance with the stated purpose or function. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.
The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are contingent on the following extraordinary assumptions and/or hypothetical conditions:

Extraordinary Assumptions:
The subject is currently a part of a larger parcel. A metes and bounds legal description for the subject site was not provided in conjunction with this appraisal. According to the client, the subject actual site size is 122,000 square feet or 2.80 acres. The subject site is proposed to be developed with a 100,000 square foot, 2-3 story, education building. As a result of ingress/egress and shared parking easements, the subject’s effective land area is larger than actual, estimated herein at 5.55 acres. Should the building size change, the effective site area would also change.

If this extraordinary assumption is later proven to be false, the value conclusion(s) reported herein could be rendered invalid, and further valuation analysis would be warranted.

Hypothetical Conditions:
None

Based on the analysis contained in the following report, our value conclusion(s) for the subject property are summarized as follows:

<table>
<thead>
<tr>
<th>Value Type</th>
<th>Value Premise</th>
<th>Interest Appraised</th>
<th>Effective Date</th>
<th>Value Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Value</td>
<td>As Is</td>
<td>Fee Simple</td>
<td>4/7/2016</td>
<td>$2,090,000</td>
</tr>
<tr>
<td>Annual Market Rent</td>
<td>As Is</td>
<td>Fee Simple</td>
<td>4/7/2016</td>
<td>$190,000</td>
</tr>
</tbody>
</table>

This letter of transmittal must be accompanied by all sections of this report as outlined in the Table of Contents for the value opinion(s) set forth above to be valid.

Respectfully submitted,
Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc.

Jeff Vance, MAI
Senior Appraiser
State of Idaho Certification No. CGA-2828
Certification Expiration Date: 4/18/17
E-mail: ivance@valbridge.com

Joe Corlett, MAI, SRA
Senior Managing Director
State of Idaho Certificate No. CGA-7
Certification Expiration Date: 3/11/17
E-mail: jcorlett@valbridge.com
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Addenda, including subject photographs
# Summary of Salient Facts

<table>
<thead>
<tr>
<th>Property Name:</th>
<th>Proposed ICOM Building Site</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Identification:</td>
<td></td>
</tr>
<tr>
<td>Address:</td>
<td>1303 and 1311 E. Central Drive</td>
</tr>
<tr>
<td>City, State, Zip Code:</td>
<td>Meridian, Idaho 83642</td>
</tr>
<tr>
<td>Assessor Parcel No(s).:</td>
<td>Portion of R4704570100 and R4704570200</td>
</tr>
<tr>
<td>Property Ownership:</td>
<td>Larger Parcel: Meridian Joint School District No. 2 and Board of Trustees for Idaho State University</td>
</tr>
<tr>
<td>Zoning:</td>
<td>C-G; General Retail &amp; Service Commercial</td>
</tr>
<tr>
<td>Site Size:</td>
<td>Pad size: 122,000 sf; 2.80 acres</td>
</tr>
<tr>
<td>Effective size: 241,947 sf; 5.55 acres</td>
<td></td>
</tr>
<tr>
<td>Use:</td>
<td></td>
</tr>
<tr>
<td>Property Type and Subtype:</td>
<td>Commercial land</td>
</tr>
<tr>
<td>Property Use:</td>
<td>Current: Parking lot; Proposed: Education building</td>
</tr>
<tr>
<td>Improvements:</td>
<td>Parking improvements</td>
</tr>
<tr>
<td>Location Quality:</td>
<td>Good</td>
</tr>
<tr>
<td>Extraordinary Assumptions:</td>
<td>Yes, see letter of transmittal</td>
</tr>
<tr>
<td>Hypothetical Conditions:</td>
<td>None</td>
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<tr>
<td>Highest and Best Use:</td>
<td></td>
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<tr>
<td>As If Vacant/As Vacant:</td>
<td>Educational or supporting office use</td>
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<tr>
<td>As Improved:</td>
<td>n/a</td>
</tr>
<tr>
<td>Purpose of Appraisal:</td>
<td></td>
</tr>
<tr>
<td>Property Rights Appraised:</td>
<td>Fee Simple</td>
</tr>
<tr>
<td>Date of Inspection:</td>
<td>April 7, 2016</td>
</tr>
<tr>
<td>Date of Value(s):</td>
<td>April 7, 2016</td>
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<tr>
<td>Date of Report Preparation:</td>
<td>May 12, 2016</td>
</tr>
<tr>
<td>Concluded Value Opinions:</td>
<td></td>
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<tr>
<td>Market Value: As Is</td>
<td>$2,090,000</td>
</tr>
<tr>
<td>Annual Market Rent (ground lease rent)</td>
<td>$190,000</td>
</tr>
</tbody>
</table>
Aerial and Site Views

AERIAL VIEW
(APPROXIMATE SITE AREA)

SITE VIEW
Introduction

Client and Other Intended Users of the Appraisal
The intended users of this report include the client, Idaho State University - Meridian, and any duly appointed representatives of the client, specifically authorized by the client to view or use this appraisal in accordance with the stated purpose or function.

Intended Use of the Appraisal
The intended use is for internal business decisions.

Real Estate Identification
The subject is a part of a larger parcel located at 1303 and 1311 E. Central Drive. The Ada County Assessor identifies the larger parcel as Assessor Parcel Numbers R4704570100 and R4704570200. The subject is located within the incorporated city limits of Meridian.

Legal Description
The subject site is a portion of Lot 1 (R4704570100) and Lot 2 (R4704570200), Block 1, Joint No. 2 Subdivision Phase 1, City of Meridian, Ada County, Idaho.

Real Property Interest Appraised
We have appraised the fee simple interest in the subject property.

Type and Definition of Value
We developed opinions of the following types of value for the subject property. We also provided an opinion of market rent for the subject (as a ground lease).

<table>
<thead>
<tr>
<th>VALUATION SCENARIOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valuation</td>
</tr>
<tr>
<td>Market Value: As Is</td>
</tr>
</tbody>
</table>

Market Value Definition- Source: 12 CFR Part 34.42 (FIRREA)
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

a. Buyer and seller are typically motivated;
b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
c. A reasonable time is allowed for exposure in the open market;
d. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
Please refer to the Glossary in the Addenda section for further definitions of value type(s) employed in this report.

Effective Date(s) of Value
The effective date of value is April 7, 2016, coinciding with the date of the inspection.

Date of Report
The date of this report is May 12, 2016. Our conclusions are reflective of market conditions as of the effective date of value.

Scope of Work
The scope of work includes all steps taken in the development of the appraisal. This includes 1) the extent to which the subject property is identified, 2) the extent to which the subject property is inspected, 3) the type and extent of data researched, 4) the type and extent of analysis applied, and the type of appraisal report prepared.

The subject site was legally identified via city, county, public records, and information provided by the client. The subject was inspected by Jeff Vance, MAI, on April 7, 2016. This included walking the site, viewing the property from several different angles, and driving the neighborhood. Joe Corlett, MAI, SRA, also completed a current inspection of the subject property.

We researched and analyzed: 1) market area data, 2) property-specific, market-analysis data, 3) zoning and land-use data, and 4) current data on comparable sales, listings, rentals in the competitive market area. We observed surrounding land use trends, demand for the subject property, and relative legal limitations in concluding a highest and best use. We then appraised the subject based on the highest and best use conclusion, relying on the Sales Comparison Approach. The Income Capitalization Approach and Cost Approach were not completed; they are not applicable for land valuation in this market. Our opinion of market rent for the subject site was estimated based on market comparables of ground leases in the local market.

This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). It presents a narrative discussion of the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. The depth of the discussion contained in this report is specific to the needs of the client and the intended use.

Use of Real Estate
As of the Date of Value: The subject property was part of a larger parcel and was being utilized as a parking lot.

As of the Date of this Report: Same as above.
Ownership and Sales History
The larger parcel is comprised of two parcels. According to Ada County Assessor records, parcel R4704570200 is owned by Board of Trustees for Idaho State University; parcel R4704570100 is owned by Meridian Joint School District No. 2. Each entity has owned their respective property for more than three years. To our knowledge, no transactions of the subject properties have occurred within the past three years. The properties are not currently listed for sale.

List of Items Requested but Not Provided
None

Extraordinary Assumptions
The subject is currently a part of a larger parcel. A metes and bounds legal description for the subject site was not provided in conjunction with this appraisal. According to the client, the subject actual site size is 122,000 square feet or 2.80 acres. The subject site is proposed to be developed with a 100,000 square foot, 2-3 story, education building. As a result of ingress/egress and shared parking easements, the subject’s effective land area is larger than actual, estimated herein at 5.55 acres. Should the building size change, the effective site area would also change.

If this extraordinary assumption is later proven to be false, the value conclusion(s) reported herein could be rendered invalid, and further valuation analysis would be warranted.

Hypothetical Conditions
None
Regional, City, & Neighborhood Analysis

Regional Map
City Map
Neighborhood Map
Regional Overview

The subject’s regional area is located in southwest Idaho, which is generally referred to as the Treasure Valley or the Boise-Nampa Metropolitan Statistical Area (Boise MSA). As defined by the U.S. Census Bureau, the Boise MSA consists of five counties anchored by the cities of Boise, Meridian, and Nampa. It is the state’s largest metropolitan statistical area and includes Idaho’s three largest cities – Boise, Nampa, and Meridian. Nearly 40% of Idaho’s total population resides in the valley. The population of the Boise MSA is approximately 650,000. The metro area is currently the 3rd largest in the Pacific Northwest after Seattle and Portland. Boise is the capital and most populous city in Idaho, as well as the county seat of Ada County. Located on the Boise River, Boise is the principal city in the Boise MSA, and is the largest city between Salt Lake City, Utah and Portland, Oregon. Boise serves as the primary government, economic, cultural, and education center for Southwest Idaho, Eastern Oregon, and Northern Nevada.

County and City Overview

The subject is located in Ada County in the City of Meridian. Ada County is located in southwestern Idaho and is the state’s most populated county. Cities in Ada County include Boise, Meridian, Eagle, Garden City, Kuna, and Star. Boise is the largest city in Idaho and is the State Capitol and Ada County’s seat of government. Boise is headquarters for a number of major corporations and serves as the primary government, economic, cultural, and education center for Southwest Idaho, Eastern Oregon, and Northern Nevada. Boise is continually recognized in numerous publications as one of the best places to live in the country. Meridian is located adjacent west of Boise and is one of Idaho’s fastest growing cities.

Canyon County is adjacent west of Ada County and is the second most populated county in Idaho. Cities in Canyon County include Nampa, Caldwell, and Middleton. Greenleaf, Melba, Notus, Parma, and Wilder are small rural communities also located within Canyon County. Many residents commute to work from Canyon County to benefit from lower overall housing prices and a more rural environment relative to Ada County. Canyon County’s economy has historically been agriculturally-oriented, though it has become more urbanized over the past two decades. Out of 44 counties in Idaho, Canyon County ranks 39th in size, yet it produces ten percent of the state’s agricultural income. As a product of the agricultural base, a number of manufacturing and processing businesses are headquartered in the county.
Ada County Workforce Trends
The following data is prepared quarterly by the Idaho Department of Labor and presents a description of Ada County’s work force trends.

Population
Ada County is Idaho’s most populous with over 426,000 residents. It is a regional center of government, industry and education. It is more than twice the size of neighboring Canyon County, the state’s second most populous. Ada County ranks 31st among the 44 counties in area. It has grown rapidly, adding 91,310 residents since 2003. Population increased rapidly in the years leading up to the recession. People from other states flocked to the county for its outdoor lifestyle and comparatively low real estate prices. While annual population growth has slowed since then, the county continues to grow more rapidly than the nation, growing 2.3 percent between 2013 and 2014.

Unemployment Rates
Despite the recession, education and health care posted a gain of over 10,800 jobs since 2004. This sector was followed by trade, utilities and transportation with almost 6,300 new jobs. Labor and hospitality added over 4,500 jobs over the decade, while professional and business services saw a growth of 2,315 jobs.

Labor Force & Employment
The Ada County labor force grew significantly between 2004 and 2014, increasing by over 53,000. But Ada County has more jobs than its labor force supports, requiring commuters from neighboring counties to fill them. During 2014, the unemployment rate continued to decline, dropping 1.4 points from 2013. The county consistently posts rates below the statewide average.

2013 continued to show an increase in the county’s annual payroll, adding 6,700 covered jobs. Four industrial sectors made up nearly 80 percent of the growth. The largest growth was in trade, utilities & transportation which added 1,739 jobs. This was followed by an additional 1,250 jobs each in construction and education and health care. Leisure and hospitality was the fourth sector with an additional 1,140 jobs.

Over the decade, the county has increased payrolls by over 22,320. That is impressive considering this time frame included the worst recession in recent memory. Construction and manufacturing lost over 5,000 jobs between 2004 and 2014. These sectors made up 18 percent of the covered employment in 2003 but comprise only 13 percent now.

Prepared by Ethan Mansfield, Regional Economist, Idaho Department of Labor • 317 W. Main St., Boise, Idaho 83715
Phone: (208) 332-3570, ext. 3455 • Email: ethan.mansfield@labor.idaho.gov • Labor Market Information website: lmi.idaho.gov
Per Capita Income & Employment

Ada County rose to 6th place among the 44 counties in per capita income with $42,395 in 2013, an increase of $1,145 from 2012. That was still 17 percent higher than statewide per capita income but 5 percent, or $2,370, less than national per capita income.

In 2013, most sectors paid more than the average wage of $43,031, however, almost a third of total employment was in the industries that paid lower average wages, such as Leisure and Hospitality (food service, accommodation, and entertainment) and Trade, Utilities, and Transportation, (especially retail trade).

### Covered Employment & Average Annual Wages Per Job for 2004, 2013 & 2014

<table>
<thead>
<tr>
<th></th>
<th>2004 Average Employment</th>
<th>2013 Average Employment</th>
<th>2014 Average Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Covered Wages</td>
<td>188,103</td>
<td>205,760</td>
<td>212,423</td>
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<tr>
<td>Agriculture</td>
<td>7,13</td>
<td>24,563</td>
<td>30,246</td>
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<tr>
<td>Mining</td>
<td>124</td>
<td>41,212</td>
<td>76,369</td>
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<tr>
<td>Construction</td>
<td>12,310</td>
<td>37,023</td>
<td>45,172</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>20,820</td>
<td>56,706</td>
<td>89,094</td>
</tr>
<tr>
<td>Trade, Utilities &amp; Transportation</td>
<td>34,948</td>
<td>38,756</td>
<td>40,750</td>
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<tr>
<td>Information</td>
<td>3,475</td>
<td>45,401</td>
<td>48,701</td>
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<tr>
<td>Financial Activities</td>
<td>10,950</td>
<td>40,950</td>
<td>52,041</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>31,751</td>
<td>34,068</td>
<td>40,066</td>
</tr>
<tr>
<td>Educational &amp; Health Services</td>
<td>22,648</td>
<td>32,467</td>
<td>43,503</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>17,240</td>
<td>12,169</td>
<td>16,128</td>
</tr>
<tr>
<td>Other Services</td>
<td>5,137</td>
<td>22,211</td>
<td>26,267</td>
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<tr>
<td>Government</td>
<td>28,236</td>
<td>37,266</td>
<td>44,197</td>
</tr>
</tbody>
</table>

### Per Capita Income

- Ada County: $39,589
- State of Idaho: $38,295
- United States: $39,376

*Additional occupational wage data can be found on the Idaho Department of Labor website at labor.idaho.gov.
Employment

Major employers in the Boise MSA include Micron Technology, Hewlett Packard, IDACORP (parent company of Idaho Power), Citicorp, Blue Cross of Idaho Health Services, Boise Company, Albertson’s, J.R. Simplot Company, St. Luke’s Regional Medical Center, St. Alphonsus Regional Medical Center, DirecTV, and Bodybuilding.com. Downtown Boise, in particular, has a strong employment base with several major employers including regional headquarters for Wells Fargo Bank, U.S. Bank, and Key Bank. Several of the major employers previously mentioned are located in downtown Boise. Boise also serves as the base for local, State, and Federal Government offices.

The Ada County labor market accounts for 25% of total Idaho employment. The unemployment rate in Ada County peaked at approximately 8.8% in March 2010. In 2011, the unemployment rate saw its first annual decline since the recession began in late-2007. The unemployment rate has continued its downward trend and was 4% at year-end 2014. After bottoming out at 180,153 in 2009, average annual total employment has increased to 201,676 at year-end 2014, represented an increase of 11.9%.

Population and Demographics

Both Ada County and the City of Meridian have experienced strong population growth during the past two decades. From 2000 to 2014, the population in Ada County increased from 300,904 to 407,073, representing a 35.3% increase during this period. The population in Meridian has increased from 41,315 to 80,011, representing a 93.7% increase during this same period. The area has been a popular relocation destination during this period. People have been attracted to the outdoor lifestyle, relatively low cost of living, diversity of the economy, and availability of employment.

Market area demographics and forecasts of the projected growth by Site To Do Business Online are reprinted in the following tables. The statistics illustrate the expectation of continued growth for the foreseeable future.
### Market Profile

**Population Summary**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>3,363</td>
<td>36,566</td>
<td>96,773</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>5,457</td>
<td>53,956</td>
<td>150,506</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>5,923</td>
<td>58,702</td>
<td>165,328</td>
<td></td>
</tr>
<tr>
<td>2015 Group Quarters</td>
<td>50</td>
<td>319</td>
<td>562</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>6,602</td>
<td>63,847</td>
<td>180,721</td>
<td></td>
</tr>
<tr>
<td>2015-2020 Annual Rate</td>
<td>2.19%</td>
<td>1.69%</td>
<td>1.80%</td>
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</tr>
</tbody>
</table>

**Household Summary**

<table>
<thead>
<tr>
<th>Year</th>
<th>Households</th>
<th>Average Household Size</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>1,192</td>
<td>12,474</td>
<td>32,893</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>2,025</td>
<td>19,111</td>
<td>52,069</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>2,714</td>
<td>20,916</td>
<td>57,412</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>2,482</td>
<td>22,838</td>
<td>62,839</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015-2020 Annual Rate</td>
<td>2.31%</td>
<td>1.77%</td>
<td>1.86%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010 Families</td>
<td>1,617</td>
<td>14,557</td>
<td>40,090</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015 Families</td>
<td>1,759</td>
<td>15,821</td>
<td>43,917</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020 Families</td>
<td>1,967</td>
<td>17,181</td>
<td>47,602</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015-2020 Annual Rate</td>
<td>2.26%</td>
<td>1.66%</td>
<td>1.74%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Housing Unit Summary**

<table>
<thead>
<tr>
<th>Year</th>
<th>Housing Units</th>
<th>Owner Occupied</th>
<th>Renter Occupied</th>
<th>Vacant Housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>1,246</td>
<td>82.8%</td>
<td>12.8%</td>
<td>4.3%</td>
</tr>
<tr>
<td>2010</td>
<td>2,135</td>
<td>76.0%</td>
<td>10.6%</td>
<td>4.3%</td>
</tr>
<tr>
<td>2015</td>
<td>2,308</td>
<td>74.7%</td>
<td>9.0%</td>
<td>5.2%</td>
</tr>
<tr>
<td>2020</td>
<td>2,672</td>
<td>73.1%</td>
<td>9.1%</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

**Median Household Income**

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Household Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$77,113</td>
</tr>
<tr>
<td>2020</td>
<td>$89,124</td>
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</tbody>
</table>

**Median Home Value**

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Home Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$243,975</td>
</tr>
<tr>
<td>2020</td>
<td>$279,464</td>
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</tbody>
</table>

**Per Capita Income**

<table>
<thead>
<tr>
<th>Year</th>
<th>Per Capita Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$30,251</td>
</tr>
<tr>
<td>2020</td>
<td>$34,104</td>
</tr>
</tbody>
</table>

**Median Age**

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>35.2</td>
</tr>
<tr>
<td>2015</td>
<td>35.1</td>
</tr>
<tr>
<td>2020</td>
<td>35.2</td>
</tr>
</tbody>
</table>

**Data Note:** Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families are included in the household and persons related to the household by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population. Source: U.S. Census Bureau, Census 2010 Summary File 1. Est projections for 2015 and 2020. Est converted Census 2000 data into 2010 geography.
### 2015 Households by Income

<table>
<thead>
<tr>
<th>Income Range</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$15,000</td>
<td>2,214</td>
<td>20,916</td>
<td>57,412</td>
</tr>
<tr>
<td>$15,000 - $24,999</td>
<td>5.1%</td>
<td>7.1%</td>
<td>6.5%</td>
</tr>
<tr>
<td>$25,000 - $34,999</td>
<td>5.8%</td>
<td>7.3%</td>
<td>7.6%</td>
</tr>
<tr>
<td>$35,000 - $49,999</td>
<td>6.9%</td>
<td>8.8%</td>
<td>9.4%</td>
</tr>
<tr>
<td>$50,000 - $74,999</td>
<td>10.6%</td>
<td>11.9%</td>
<td>12.8%</td>
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<tr>
<td>$75,000 - $99,999</td>
<td>19.0%</td>
<td>22.6%</td>
<td>22.8%</td>
</tr>
<tr>
<td>$100,000 - $149,999</td>
<td>16.4%</td>
<td>16.9%</td>
<td>15.5%</td>
</tr>
<tr>
<td>$150,000 - $199,999</td>
<td>26.6%</td>
<td>19.1%</td>
<td>16.5%</td>
</tr>
<tr>
<td>$200,000+</td>
<td>5.2%</td>
<td>3.8%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

Average Household Income

|          | $87,653 | $76,377 | $79,054 |

### 2020 Households by Income

<table>
<thead>
<tr>
<th>Income Range</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$15,000</td>
<td>2,482</td>
<td>22,838</td>
<td>62,939</td>
</tr>
<tr>
<td>$15,000 - $24,999</td>
<td>3.9%</td>
<td>6.0%</td>
<td>5.5%</td>
</tr>
<tr>
<td>$25,000 - $34,999</td>
<td>3.5%</td>
<td>4.8%</td>
<td>5.2%</td>
</tr>
<tr>
<td>$35,000 - $49,999</td>
<td>4.8%</td>
<td>6.7%</td>
<td>7.2%</td>
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<tr>
<td>$50,000 - $74,999</td>
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<td>10.5%</td>
</tr>
<tr>
<td>$75,000 - $99,999</td>
<td>17.2%</td>
<td>20.1%</td>
<td>20.3%</td>
</tr>
<tr>
<td>$100,000 - $149,999</td>
<td>19.1%</td>
<td>20.3%</td>
<td>19.4%</td>
</tr>
<tr>
<td>$150,000 - $199,999</td>
<td>33.5%</td>
<td>24.7%</td>
<td>20.6%</td>
</tr>
<tr>
<td>$200,000+</td>
<td>5.9%</td>
<td>4.7%</td>
<td>7.1%</td>
</tr>
</tbody>
</table>

Average Household Income

|          | $94,323 | $86,635 | $89,856 |

### 2015 Owner Occupied Housing Units by Value

<table>
<thead>
<tr>
<th>Value Range</th>
<th>Total</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$50,000</td>
<td>1,724</td>
<td>15,114</td>
<td>42,943</td>
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</tr>
<tr>
<td>$50,000 - $99,999</td>
<td>0.3%</td>
<td>1.2%</td>
<td>1.7%</td>
<td></td>
</tr>
<tr>
<td>$100,000 - $149,999</td>
<td>1.6%</td>
<td>2.1%</td>
<td>2.2%</td>
<td></td>
</tr>
<tr>
<td>$150,000 - $199,999</td>
<td>6.3%</td>
<td>11.0%</td>
<td>9.9%</td>
<td></td>
</tr>
<tr>
<td>$200,000 - $249,999</td>
<td>19.3%</td>
<td>29.0%</td>
<td>25.2%</td>
<td></td>
</tr>
<tr>
<td>$250,000 - $299,999</td>
<td>25.8%</td>
<td>22.9%</td>
<td>23.3%</td>
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<tr>
<td>$300,000 - $399,999</td>
<td>17.8%</td>
<td>13.6%</td>
<td>15.4%</td>
<td></td>
</tr>
<tr>
<td>$400,000 - $499,999</td>
<td>19.9%</td>
<td>13.4%</td>
<td>14.5%</td>
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<td>4.5%</td>
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<td>2.7%</td>
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<tr>
<td>$1,000,000+</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.4%</td>
<td></td>
</tr>
</tbody>
</table>

Average Home Value

|              | $269,348 | $239,402 | $248,061 |

### 2020 Owner Occupied Housing Units by Value

<table>
<thead>
<tr>
<th>Value Range</th>
<th>Total</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$50,000</td>
<td>1,954</td>
<td>16,591</td>
<td>47,133</td>
<td></td>
</tr>
<tr>
<td>$50,000 - $99,999</td>
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<td>0.7%</td>
<td>1.2%</td>
<td></td>
</tr>
<tr>
<td>$100,000 - $149,999</td>
<td>0.7%</td>
<td>1.1%</td>
<td>1.3%</td>
<td></td>
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<tr>
<td>$150,000 - $199,999</td>
<td>1.6%</td>
<td>3.7%</td>
<td>3.2%</td>
<td></td>
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<tr>
<td>$200,000 - $249,999</td>
<td>10.5%</td>
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<td>$250,000 - $299,999</td>
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<td>25.1%</td>
<td>24.3%</td>
<td></td>
</tr>
<tr>
<td>$300,000 - $399,999</td>
<td>22.0%</td>
<td>19.6%</td>
<td>21.6%</td>
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</tr>
<tr>
<td>$400,000 - $499,999</td>
<td>25.7%</td>
<td>18.9%</td>
<td>19.9%</td>
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</tr>
<tr>
<td>$500,000 - $749,999</td>
<td>9.5%</td>
<td>7.2%</td>
<td>7.0%</td>
<td></td>
</tr>
<tr>
<td>$750,000 - $999,999</td>
<td>4.2%</td>
<td>3.1%</td>
<td>3.6%</td>
<td></td>
</tr>
<tr>
<td>$1,000,000+</td>
<td>0.6%</td>
<td>0.3%</td>
<td>0.6%</td>
<td></td>
</tr>
</tbody>
</table>

Average Home Value

|              | $307,856 | $277,842 | $288,767 |

**Data Notes:** Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.

### Market Profile

#### 2010 Population by Age

<table>
<thead>
<tr>
<th>Age Group</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>5,457</td>
<td>53,965</td>
<td>180,511</td>
</tr>
<tr>
<td>0 - 4</td>
<td>8.2%</td>
<td>8.4%</td>
<td>8.2%</td>
</tr>
<tr>
<td>5 - 9</td>
<td>8.9%</td>
<td>9.1%</td>
<td>9.0%</td>
</tr>
<tr>
<td>10 - 14</td>
<td>9.0%</td>
<td>8.5%</td>
<td>8.6%</td>
</tr>
<tr>
<td>15 - 24</td>
<td>11.6%</td>
<td>12.1%</td>
<td>12.1%</td>
</tr>
<tr>
<td>25 - 34</td>
<td>12.0%</td>
<td>13.7%</td>
<td>13.5%</td>
</tr>
<tr>
<td>35 - 44</td>
<td>15.1%</td>
<td>14.1%</td>
<td>14.9%</td>
</tr>
<tr>
<td>45 - 54</td>
<td>13.9%</td>
<td>13.3%</td>
<td>13.4%</td>
</tr>
<tr>
<td>55 - 64</td>
<td>10.3%</td>
<td>9.8%</td>
<td>10.4%</td>
</tr>
<tr>
<td>65 - 74</td>
<td>5.9%</td>
<td>5.5%</td>
<td>5.8%</td>
</tr>
<tr>
<td>75 - 84</td>
<td>3.3%</td>
<td>3.0%</td>
<td>2.9%</td>
</tr>
<tr>
<td>85 +</td>
<td>1.7%</td>
<td>1.5%</td>
<td>1.2%</td>
</tr>
<tr>
<td>18 +</td>
<td>68.6%</td>
<td>69.3%</td>
<td>69.4%</td>
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</table>

#### 2015 Population by Age

<table>
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<tr>
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<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>5,923</td>
<td>58,704</td>
<td>165,328</td>
</tr>
<tr>
<td>0 - 4</td>
<td>8.0%</td>
<td>8.0%</td>
<td>7.9%</td>
</tr>
<tr>
<td>5 - 9</td>
<td>8.2%</td>
<td>8.2%</td>
<td>8.2%</td>
</tr>
<tr>
<td>10 - 14</td>
<td>8.7%</td>
<td>8.7%</td>
<td>8.6%</td>
</tr>
<tr>
<td>15 - 24</td>
<td>13.5%</td>
<td>13.4%</td>
<td>13.1%</td>
</tr>
<tr>
<td>25 - 34</td>
<td>11.4%</td>
<td>12.8%</td>
<td>12.9%</td>
</tr>
<tr>
<td>35 - 44</td>
<td>14.0%</td>
<td>14.3%</td>
<td>14.3%</td>
</tr>
<tr>
<td>45 - 54</td>
<td>13.6%</td>
<td>13.2%</td>
<td>13.0%</td>
</tr>
<tr>
<td>55 - 64</td>
<td>10.5%</td>
<td>10.3%</td>
<td>10.7%</td>
</tr>
<tr>
<td>65 - 74</td>
<td>7.4%</td>
<td>6.8%</td>
<td>7.2%</td>
</tr>
<tr>
<td>75 - 84</td>
<td>3.1%</td>
<td>2.9%</td>
<td>3.0%</td>
</tr>
<tr>
<td>85 +</td>
<td>1.6%</td>
<td>1.4%</td>
<td>1.2%</td>
</tr>
<tr>
<td>18 +</td>
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<td>70.4%</td>
<td>70.7%</td>
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#### 2020 Population by Age

<table>
<thead>
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<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>6,603</td>
<td>63,847</td>
<td>180,722</td>
</tr>
<tr>
<td>0 - 4</td>
<td>7.8%</td>
<td>7.9%</td>
<td>7.8%</td>
</tr>
<tr>
<td>5 - 9</td>
<td>7.8%</td>
<td>7.8%</td>
<td>7.9%</td>
</tr>
<tr>
<td>10 - 14</td>
<td>8.3%</td>
<td>8.2%</td>
<td>8.2%</td>
</tr>
<tr>
<td>15 - 24</td>
<td>13.1%</td>
<td>13.3%</td>
<td>12.6%</td>
</tr>
<tr>
<td>25 - 34</td>
<td>12.7%</td>
<td>13.3%</td>
<td>13.5%</td>
</tr>
<tr>
<td>35 - 44</td>
<td>12.8%</td>
<td>13.9%</td>
<td>14.3%</td>
</tr>
<tr>
<td>45 - 54</td>
<td>12.8%</td>
<td>12.6%</td>
<td>12.1%</td>
</tr>
<tr>
<td>55 - 64</td>
<td>11.2%</td>
<td>10.7%</td>
<td>10.7%</td>
</tr>
<tr>
<td>65 - 74</td>
<td>7.9%</td>
<td>7.5%</td>
<td>8.0%</td>
</tr>
<tr>
<td>75 - 84</td>
<td>3.9%</td>
<td>3.5%</td>
<td>3.6%</td>
</tr>
<tr>
<td>85 +</td>
<td>1.6%</td>
<td>1.4%</td>
<td>1.2%</td>
</tr>
<tr>
<td>18 +</td>
<td>70.9%</td>
<td>71.3%</td>
<td>71.3%</td>
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</table>

#### 2010 Population by Sex

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,678</td>
<td>2,779</td>
</tr>
<tr>
<td>0 - 4</td>
<td>26,372</td>
<td>27,594</td>
</tr>
<tr>
<td>5 - 9</td>
<td>74,050</td>
<td>76,459</td>
</tr>
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</table>

#### 2015 Population by Sex

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,913</td>
<td>3,010</td>
</tr>
<tr>
<td>0 - 4</td>
<td>28,730</td>
<td>29,972</td>
</tr>
<tr>
<td>5 - 9</td>
<td>81,338</td>
<td>83,990</td>
</tr>
</tbody>
</table>

#### 2020 Population by Sex

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3,245</td>
<td>3,357</td>
</tr>
<tr>
<td>0 - 4</td>
<td>31,265</td>
<td>32,583</td>
</tr>
<tr>
<td>5 - 9</td>
<td>86,873</td>
<td>91,648</td>
</tr>
</tbody>
</table>


March 23, 2016
### 2010 Population by Race/Ethnicity

<table>
<thead>
<tr>
<th></th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>5,456</td>
<td>53,966</td>
<td>150,510</td>
</tr>
<tr>
<td>White Alone</td>
<td>92.2%</td>
<td>91.6%</td>
<td>90.9%</td>
</tr>
<tr>
<td>Black Alone</td>
<td>0.9%</td>
<td>0.8%</td>
<td>0.9%</td>
</tr>
<tr>
<td>American Indian</td>
<td>0.5%</td>
<td>0.6%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Asian</td>
<td>1.8%</td>
<td>1.9%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Pacific Islander</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Some Other Race</td>
<td>1.9%</td>
<td>2.1%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>2.7%</td>
<td>2.9%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Hispanic Origin</td>
<td>6.1%</td>
<td>7.0%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Diversity Index</td>
<td>24.7</td>
<td>26.9</td>
<td>27.9</td>
</tr>
</tbody>
</table>

### 2015 Population by Race/Ethnicity

<table>
<thead>
<tr>
<th></th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>5,923</td>
<td>58,701</td>
<td>165,128</td>
</tr>
<tr>
<td>White Alone</td>
<td>91.2%</td>
<td>90.6%</td>
<td>89.8%</td>
</tr>
<tr>
<td>Black Alone</td>
<td>1.0%</td>
<td>0.9%</td>
<td>1.0%</td>
</tr>
<tr>
<td>American Indian</td>
<td>0.8%</td>
<td>0.6%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Asian</td>
<td>2.0%</td>
<td>2.1%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Pacific Islander</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Some Other Race</td>
<td>2.1%</td>
<td>2.3%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>3.1%</td>
<td>3.3%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Hispanic Origin</td>
<td>6.7%</td>
<td>7.6%</td>
<td>7.5%</td>
</tr>
<tr>
<td>Diversity Index</td>
<td>27.1</td>
<td>29.5</td>
<td>30.6</td>
</tr>
</tbody>
</table>

### 2020 Population by Race/Ethnicity

<table>
<thead>
<tr>
<th></th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>6,602</td>
<td>63,846</td>
<td>180,720</td>
</tr>
<tr>
<td>White Alone</td>
<td>90.2%</td>
<td>89.4%</td>
<td>88.5%</td>
</tr>
<tr>
<td>Black Alone</td>
<td>1.3%</td>
<td>1.1%</td>
<td>1.2%</td>
</tr>
<tr>
<td>American Indian</td>
<td>0.5%</td>
<td>0.6%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Asian</td>
<td>2.3%</td>
<td>2.4%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Pacific Islander</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Some Other Race</td>
<td>2.2%</td>
<td>2.6%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>3.5%</td>
<td>3.8%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Hispanic Origin</td>
<td>7.5%</td>
<td>8.6%</td>
<td>8.5%</td>
</tr>
<tr>
<td>Diversity Index</td>
<td>30.0</td>
<td>32.6</td>
<td>33.7</td>
</tr>
</tbody>
</table>

### 2020 Population by Relationship and Household Type

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Total</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>5,457</td>
<td>53,966</td>
<td>150,509</td>
<td></td>
</tr>
<tr>
<td>In Households</td>
<td>99.1%</td>
<td>99.4%</td>
<td>99.6%</td>
<td></td>
</tr>
<tr>
<td>In Family Households</td>
<td>90.1%</td>
<td>88.5%</td>
<td>89.1%</td>
<td></td>
</tr>
<tr>
<td>Householder</td>
<td>27.2%</td>
<td>26.8%</td>
<td>26.8%</td>
<td></td>
</tr>
<tr>
<td>Spouse</td>
<td>22.6%</td>
<td>21.2%</td>
<td>21.7%</td>
<td></td>
</tr>
<tr>
<td>Child</td>
<td>36.1%</td>
<td>35.7%</td>
<td>35.8%</td>
<td></td>
</tr>
<tr>
<td>Other relative</td>
<td>2.2%</td>
<td>2.5%</td>
<td>2.6%</td>
<td></td>
</tr>
<tr>
<td>Nonrelative</td>
<td>2.1%</td>
<td>2.3%</td>
<td>2.2%</td>
<td></td>
</tr>
<tr>
<td>In Nonfamily Households</td>
<td>9.0%</td>
<td>10.9%</td>
<td>10.6%</td>
<td></td>
</tr>
<tr>
<td>In Group Quarters</td>
<td>0.9%</td>
<td>0.6%</td>
<td>0.4%</td>
<td></td>
</tr>
<tr>
<td>Institutionalized Population</td>
<td>0.1%</td>
<td>0.3%</td>
<td>0.2%</td>
<td></td>
</tr>
<tr>
<td>Noninstitutionalized Population</td>
<td>0.8%</td>
<td>0.3%</td>
<td>0.2%</td>
<td></td>
</tr>
</tbody>
</table>

**Data Note:** Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.


March 23, 2016
### 2015 Population 25+ by Educational Attainment

<table>
<thead>
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<th>Attainment</th>
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<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3,644</td>
<td>36,227</td>
<td>102,932</td>
</tr>
<tr>
<td>Less than 9th Grade</td>
<td>3.1%</td>
<td>2.4%</td>
<td>1.7%</td>
</tr>
<tr>
<td>9th - 12th Grade, No Diploma</td>
<td>4.2%</td>
<td>4.4%</td>
<td>4.1%</td>
</tr>
<tr>
<td>High School Graduate</td>
<td>13.0%</td>
<td>17.2%</td>
<td>17.7%</td>
</tr>
<tr>
<td>GED/Alternative Credential</td>
<td>3.3%</td>
<td>4.5%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Some College, No Degree</td>
<td>29.7%</td>
<td>26.3%</td>
<td>27.9%</td>
</tr>
<tr>
<td>Associate Degree</td>
<td>8.6%</td>
<td>8.6%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Bachelor's Degree</td>
<td>25.9%</td>
<td>25.3%</td>
<td>25.6%</td>
</tr>
<tr>
<td>Graduate/Professional Degree</td>
<td>12.2%</td>
<td>9.4%</td>
<td>10.2%</td>
</tr>
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</table>

### 2015 Population 15+ by Marital Status

<table>
<thead>
<tr>
<th>Status</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>4,447</td>
<td>44,077</td>
<td>124,555</td>
</tr>
<tr>
<td>Never Married</td>
<td>19.5%</td>
<td>23.1%</td>
<td>23.8%</td>
</tr>
<tr>
<td>Married</td>
<td>67.2%</td>
<td>62.3%</td>
<td>61.5%</td>
</tr>
<tr>
<td>Widowed</td>
<td>4.6%</td>
<td>4.5%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Divorced</td>
<td>8.5%</td>
<td>10.2%</td>
<td>10.5%</td>
</tr>
</tbody>
</table>

### 2015 Civilian Population 16+ in Labor Force

<table>
<thead>
<tr>
<th>Occupational Group</th>
<th>Civilian Employed</th>
<th>Civilian Unemployed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civilian Employed</td>
<td>96.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Civilian Unemployed</td>
<td>94.9%</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

### 2015 Employed Population 16+ by Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,783</td>
<td>27,342</td>
<td>76,957</td>
</tr>
<tr>
<td>Agriculture/Mining</td>
<td>1.1%</td>
<td>1.4%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Construction</td>
<td>4.2%</td>
<td>4.9%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>9.4%</td>
<td>10.3%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>4.3%</td>
<td>2.9%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>10.9%</td>
<td>12.3%</td>
<td>12.1%</td>
</tr>
<tr>
<td>Transportation/Utilities</td>
<td>3.2%</td>
<td>4.6%</td>
<td>4.9%</td>
</tr>
<tr>
<td>Information</td>
<td>2.1%</td>
<td>2.8%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Finance/Insurance/Real Estate</td>
<td>10.9%</td>
<td>8.5%</td>
<td>7.3%</td>
</tr>
<tr>
<td>Services</td>
<td>48.0%</td>
<td>45.1%</td>
<td>46.2%</td>
</tr>
<tr>
<td>Public Administration</td>
<td>5.9%</td>
<td>7.1%</td>
<td>6.6%</td>
</tr>
</tbody>
</table>

### 2015 Employed Population 16+ by Occupation

<table>
<thead>
<tr>
<th>Occupational Classification</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,784</td>
<td>27,341</td>
<td>76,957</td>
</tr>
<tr>
<td>White Collar</td>
<td>72.9%</td>
<td>67.1%</td>
<td>67.4%</td>
</tr>
<tr>
<td>Management/Business/Financial</td>
<td>21.2%</td>
<td>17.2%</td>
<td>16.4%</td>
</tr>
<tr>
<td>Professional</td>
<td>25.9%</td>
<td>23.4%</td>
<td>24.6%</td>
</tr>
<tr>
<td>Sales</td>
<td>11.0%</td>
<td>11.8%</td>
<td>11.5%</td>
</tr>
<tr>
<td>Administrative Support</td>
<td>14.0%</td>
<td>14.7%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Services</td>
<td>13.5%</td>
<td>15.7%</td>
<td>16.0%</td>
</tr>
<tr>
<td>Blue Collar</td>
<td>13.6%</td>
<td>17.2%</td>
<td>16.6%</td>
</tr>
<tr>
<td>Farming/Forestry/Fishing</td>
<td>0.9%</td>
<td>0.7%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Construction/Extraction</td>
<td>2.1%</td>
<td>3.2%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Installation/Maintenance/Repair</td>
<td>3.2%</td>
<td>4.2%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Production</td>
<td>2.9%</td>
<td>3.8%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Transportation/Material Moving</td>
<td>4.6%</td>
<td>5.3%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>


March 23, 2016
### Market Profile

<table>
<thead>
<tr>
<th>2010 Households by Type</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,026</td>
<td>19,111</td>
<td>52,068</td>
</tr>
<tr>
<td>Households with 1 Person</td>
<td>15.6%</td>
<td>18.5%</td>
<td>17.5%</td>
</tr>
<tr>
<td>Households with 2+ People</td>
<td>84.4%</td>
<td>81.5%</td>
<td>82.5%</td>
</tr>
<tr>
<td>Family Households</td>
<td>79.8%</td>
<td>76.2%</td>
<td>77.0%</td>
</tr>
<tr>
<td>Husband-wive Families</td>
<td>66.4%</td>
<td>60.3%</td>
<td>52.5%</td>
</tr>
<tr>
<td>With Related Children</td>
<td>33.5%</td>
<td>31.3%</td>
<td>32.2%</td>
</tr>
<tr>
<td>Other Family (No Spouse Present)</td>
<td>13.4%</td>
<td>15.8%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Other Family with Male Householder</td>
<td>4.2%</td>
<td>4.9%</td>
<td>4.5%</td>
</tr>
<tr>
<td>With Related Children</td>
<td>3.3%</td>
<td>3.5%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Other Family with Female Householder</td>
<td>9.1%</td>
<td>11.0%</td>
<td>10.0%</td>
</tr>
<tr>
<td>With Related Children</td>
<td>6.6%</td>
<td>7.9%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Nonfamily Households</td>
<td>4.6%</td>
<td>5.3%</td>
<td>5.5%</td>
</tr>
<tr>
<td>All Households with Children</td>
<td>43.8%</td>
<td>43.3%</td>
<td>43.0%</td>
</tr>
<tr>
<td>Multigenerational Households</td>
<td>2.7%</td>
<td>3.2%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Unmarried Partner Households</td>
<td>5.1%</td>
<td>6.1%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Male-female</td>
<td>4.7%</td>
<td>5.5%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Same-sex</td>
<td>0.4%</td>
<td>0.5%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

### 2010 Households by Size

<table>
<thead>
<tr>
<th>2010 Households by Size</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,026</td>
<td>19,109</td>
<td>52,070</td>
</tr>
<tr>
<td>1 Person Household</td>
<td>15.6%</td>
<td>18.5%</td>
<td>17.5%</td>
</tr>
<tr>
<td>2 Person Household</td>
<td>34.3%</td>
<td>33.2%</td>
<td>33.6%</td>
</tr>
<tr>
<td>3 Person Household</td>
<td>17.4%</td>
<td>17.4%</td>
<td>17.3%</td>
</tr>
<tr>
<td>4 Person Household</td>
<td>18.5%</td>
<td>17.2%</td>
<td>17.2%</td>
</tr>
<tr>
<td>5 Person Household</td>
<td>6.3%</td>
<td>6.2%</td>
<td>6.4%</td>
</tr>
<tr>
<td>6 Person Household</td>
<td>3.7%</td>
<td>3.6%</td>
<td>3.8%</td>
</tr>
<tr>
<td>7 + Person Household</td>
<td>2.2%</td>
<td>1.9%</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

### 2010 Households by Tenure and Mortgage Status

<table>
<thead>
<tr>
<th>2010 Households by Tenure and Mortgage Status</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,026</td>
<td>19,111</td>
<td>52,069</td>
</tr>
<tr>
<td>Owner Occupied</td>
<td>80.1%</td>
<td>74.6%</td>
<td>77.1%</td>
</tr>
<tr>
<td>Owned with a Mortgage/Loan</td>
<td>65.2%</td>
<td>61.8%</td>
<td>63.3%</td>
</tr>
<tr>
<td>Owned Free and Clear</td>
<td>14.9%</td>
<td>12.8%</td>
<td>13.8%</td>
</tr>
<tr>
<td>Renter Occupied</td>
<td>19.9%</td>
<td>25.4%</td>
<td>22.9%</td>
</tr>
</tbody>
</table>

**Data Note:** Households with children include any households with people under age 18, related or not. Multigenerational households are families with 3 or more parent-child relationships. Unmarried partner households are usually classified as non-family households unless there is another member of the household related to the householder. Multigenerational and unmarried partner households are reported only to the tract level. Esri estimated block group data, which is used to estimate polygons or non-standard geography.


March 23, 2016
### 2015 Consumer Spending

<table>
<thead>
<tr>
<th>Category</th>
<th>1 mile</th>
<th>3 miles</th>
<th>5 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel &amp; Services: Total $</td>
<td>$6,034,096</td>
<td>$49,795,774</td>
<td>$140,850,751</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$2,725.43</td>
<td>$2,380.75</td>
<td>$2,453.33</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>110</td>
<td>103</td>
<td>106</td>
</tr>
<tr>
<td>Computers &amp; Accessories: Total $</td>
<td>$664,461</td>
<td>$5,656,001</td>
<td>$16,054,832</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$309.15</td>
<td>$270.42</td>
<td>$279.64</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>110</td>
<td>104</td>
<td>107</td>
</tr>
<tr>
<td>Education: Total $</td>
<td>$3,901,516</td>
<td>$31,876,083</td>
<td>$90,835,544</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$1,762.20</td>
<td>$1,524.00</td>
<td>$1,582.17</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>116</td>
<td>102</td>
<td>104</td>
</tr>
<tr>
<td>Entertainment/Recreation: Total $</td>
<td>$8,614,061</td>
<td>$70,772,276</td>
<td>$201,352,391</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$3,890.72</td>
<td>$3,383.64</td>
<td>$3,507.15</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>118</td>
<td>102</td>
<td>106</td>
</tr>
<tr>
<td>Food at Home: Total $</td>
<td>$13,125,496</td>
<td>$109,295,348</td>
<td>$308,805,633</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$5,928.41</td>
<td>$5,225.44</td>
<td>$5,378.77</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>113</td>
<td>100</td>
<td>103</td>
</tr>
<tr>
<td>Food Away from Home: Total $</td>
<td>$8,628,972</td>
<td>$71,130,371</td>
<td>$201,323,188</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$3,697.46</td>
<td>$3,400.76</td>
<td>$3,506.64</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>119</td>
<td>101</td>
<td>105</td>
</tr>
<tr>
<td>Health Care: Total $</td>
<td>$12,036,935</td>
<td>$99,416,650</td>
<td>$282,615,376</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$5,436.74</td>
<td>$4,753.14</td>
<td>$4,922.58</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>115</td>
<td>100</td>
<td>104</td>
</tr>
<tr>
<td>HH Furnishings &amp; Equipment: Total $</td>
<td>$4,902,631</td>
<td>$40,276,585</td>
<td>$114,349,284</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$2,214.35</td>
<td>$1,925.64</td>
<td>$1,991.73</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>120</td>
<td>102</td>
<td>104</td>
</tr>
<tr>
<td>Investments: Total $</td>
<td>$6,020,921</td>
<td>$49,996,392</td>
<td>$148,513,547</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$2,719.48</td>
<td>$2,390.34</td>
<td>$2,586.80</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>99</td>
<td>87</td>
<td>94</td>
</tr>
<tr>
<td>Retail Goods: Total $</td>
<td>$65,701,926</td>
<td>$542,591,217</td>
<td>$1,530,389,174</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$29,675.67</td>
<td>$25,941.45</td>
<td>$26,795.61</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>116</td>
<td>102</td>
<td>105</td>
</tr>
<tr>
<td>Shelter: Total $</td>
<td>$42,110,668</td>
<td>$349,479,251</td>
<td>$992,859,305</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$19,020.18</td>
<td>$16,708.70</td>
<td>$17,293.59</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>116</td>
<td>101</td>
<td>105</td>
</tr>
<tr>
<td>TV/Vide/Audio: Total $</td>
<td>$3,300,515</td>
<td>$27,546,713</td>
<td>$77,734,749</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$1,490.75</td>
<td>$1,317.02</td>
<td>$1,353.98</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>114</td>
<td>101</td>
<td>104</td>
</tr>
<tr>
<td>Travel: Total $</td>
<td>$5,249,608</td>
<td>$42,871,578</td>
<td>$122,019,725</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$2,371.10</td>
<td>$2,035.36</td>
<td>$2,125.33</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>123</td>
<td>101</td>
<td>105</td>
</tr>
<tr>
<td>Vehicle Maintenance &amp; Repairs: Total $</td>
<td>$2,903,668</td>
<td>$24,019,035</td>
<td>$66,216,909</td>
</tr>
<tr>
<td>Average Spent</td>
<td>$1,311.50</td>
<td>$1,148.36</td>
<td>$1,188.20</td>
</tr>
<tr>
<td>Spending Potential Index</td>
<td>118</td>
<td>103</td>
<td>106</td>
</tr>
</tbody>
</table>

**Data Note:** Consumer spending shows the amount spent on a variety of goods and services by households that reside in the area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue. Total and Average Amount Spent Per Household represent annual figures. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

**Source:** Consumer Spending data are derived from the 2011 and 2012 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.


March 23, 2016
Transportation
Primary ground transportation access is via U.S. Interstate 84, which traverses east-west through the Boise MSA. I-84 is a major east-west Interstate in the region and connects the area with Idaho Falls, Pocatello, and Salt Lake City, Utah to the east; and Portland, Oregon to the west. The Boise Airport is the nearest international airport.

Conclusion
The long-term economic outlook for the Boise MSA (and Meridian) appears positive. Boise, as well as the Treasure Valley in general, is continually recognized by numerous publications as one of the best places to live in the country. The Boise MSA is the 3rd largest MSA in the northwestern U.S., behind Seattle and Portland. Meridian has been one of the fastest growing cities in the state during the past two decades. The population of Meridian and the Boise MSA in general are anticipated to continue to increase for the foreseeable future, albeit at a slower rate compared to the previous decade.
Neighborhood Aerial

Overview
The neighborhood boundaries are reasonably defined by the major commercial real estate firms within the local market. Vacancy, absorption, and supply data is tracked for each submarket within Ada and Canyon counties.

Meridian Submarket
The subject is located in the Meridian submarket. The neighborhood boundaries are generally defined by Chinden Boulevard to the north, Eagle Road and Cloverdale Road to the east, Victory Road and Amity Road to the south, and Black Cat Road to the west. Interstate access is from the Eagle Road, Meridian Road, and Ten Mile Road Interchanges located in south-central Meridian. The nearest major airport is the Boise Airport, located approximately eight miles southeast. Meridian’s city center is located north of the Meridian Road/Interstate 84 Interchange. Boise’s central business district is located approximately ten miles east.
Three major north-south arterials in the neighborhood include Eagle Road, Meridian Road, and Ten Mile Road. Eagle Road connects Interstate 84 with east Meridian/west Boise and Eagle. Eagle Road has the highest traffic counts in the State. Meridian Road connects downtown Meridian to Interstate 84 and the city of Kuna to the south. The Ten Mile Road Interchange was completed in 2012. The Ten Mile Road corridor is projected to be the next area to experience strong commercial growth. Four major east-west arterials include Fairview Avenue, Overland Road, Franklin Road, and Chinden Boulevard. Fairview Avenue bisects Meridian and connects Meridian to west Boise. Overland Road is located south of Interstate 84 and connects south Meridian and southwest Boise. Franklin Road bisects Meridian's city center. Chinden Boulevard extends along the northern boundary of the neighborhood and connects north Meridian and west and north Boise.

Numerous shopping centers are located in Meridian. CenterPoint Marketplace, Ustick Marketplace, and Gateway Marketplace are all located at the intersection of Eagle Road and Ustick Road. The centers are anchored by Lowe’s, Kohl’s, and Rosauers. The Eagle Island Center, anchored by Fred Meyer, opened in 2012 at the northeast corner of Chinden Boulevard and Linder Road. Home Depot, WinCo, and numerous national chain restaurants and retailers are located at the northeast corner of the Meridian Road Interchange. Meridian Crossroads, anchored by ShopKo and Walmart, is located at the southeast corner of Fairview Avenue and Eagle Road. The Village at Meridian is a new lifestyle center at the northeast corner of Fairview Avenue and Eagle Road. When fully complete, this commercial development will be one of the largest power centers in the state. Big Al’s, Gordmans, Marshalls, and several national chain restaurants have recently opened in the center. The intersection of Eagle Road/Fairview Avenue has the highest traffic counts in the State.

Major employment centers are located throughout Meridian. North of Interstate 84 and Eagle Road is St. Luke’s Meridian Medical Center. Located adjacent north of St. Luke’s is Portico, a 24-acre mixed-use development. Construction within Portico began in 2008 and includes two 84,000 square foot medical office towers, one 134,000 professional office tower, and several retail and restaurant buildings. Located south of Interstate 84 along Overland Road are several quality commercial developments. Silverstone is a 160-acre business park developed in 2002. El Dorado is an 80-acre business park developed in 2003. Gramercy is a 70-acre commercial and residential development originally constructed in 2008. It is partially built-out. The 35-acre Scentsy campus was recently completed at the corner of Eagle Road and Pine Avenue.

The neighborhood includes a mix of approximately 70% residential, 15% commercial, and 15% undeveloped land. The commercial uses are further delineated as 55% office, 45% retail, and 5% industrial. Meridian is in a stage of growth, based on typical lifecycle stages of growth, stabilization, decline, and revitalization. Development within Meridian’s downtown core initially began in the 1950 to 1960’s. The core area has experienced development of infill parcels and renovation of many older properties during the past decade. Residential subdivision development was strong in the north and west portions of the neighborhood during the 1990’s through the mid 2000’s, as a result of strong population growth. Commercial development during the past two decades had also been strong along the neighborhood’s arterial streets, particularly along the Eagle Road corridor. However, from 2008 through mid-2010, both residential and commercial development slowed significantly, as a result of the economic downturn. Since mid-to-late 2010, the economy has strengthened and both commercial and residential markets in Meridian have resumed new development. Construction has increased significantly since the recession years. The Eagle Road corridor remains one of the most attractive areas for commercial development in the Boise MSA.
Immediate Neighborhood

The immediate neighborhood is generally bordered by Interstate-84 to the south, E. Franklin Road to the north, S. Meridian Road to the west, and S. Locust Grove Road to the east. Commercial development within the immediate neighborhood is primarily retail along the major arterial streets and a mix of office, office/flex, and office/warehouse uses throughout the neighborhood interior. A major retail center, anchored by Home Depot and Win-Co, is located at the northeast corner of Interstate 84 and Meridian Road. This retail center was constructed in the late 1990’s. Commercial development surrounding this center was strong during the past decade as evidenced by numerous retail and restaurant buildings recently constructed in the area.

The subject is located approximately ½ mile east of the Meridian Road/Interstate 84 Interchange. It has freeway exposure and is accessed from a secondary interior street. Located north of the subject are the Idaho State Police Headquarters and older single-family homes. South is Interstate 84. East is an older residential subdivision. West is a 500,000 square foot building containing the Idaho State University-Meridian Campus, Renaissance High School, and West Ada School District offices.
Site Description

Assessor’s Aerial Overlay
(Larger Parcel)
Assessor’s Parcel Map
(Larger Parcel)
Record of Survey
(Larger Parcel)
Record of Survey
(Larger Parcel - close-up)
Subdivision Plat
General Data
Location: 1303 and 1311 E. Central Drive, Meridian, Idaho
Assessor Parcel Number(s): Portion of R4704570100 and R4704570200

Adjacent Land Uses
North: Idaho State Police Headquarters and single-family homes
South: Interstate 84
East: Single-family residential subdivision
West: West is a 500,000 square foot building containing the Idaho State University-Meridian Campus, Renaissance High School, and West Ada School District offices (part of subject’s larger parcel).

Physical Characteristics
Site Area:
Actual: 122,000 square feet; 2.80 acres
Effective: 241,947 square feet; 5.55 acres

<table>
<thead>
<tr>
<th>Identification</th>
<th>Actual Lot Size (SF)</th>
<th>Actual Lot Size (AC)</th>
<th>Building Size (SF)</th>
<th>Building Bldg Ratio</th>
<th>Land to Building Ratio</th>
<th>Effective Land Area (SF)</th>
<th>Effective Land Area (AC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject Pad Site</td>
<td>122,000</td>
<td>2.80</td>
<td>100,000</td>
<td>1.22</td>
<td>2.42</td>
<td>241,947</td>
<td>5.55</td>
</tr>
<tr>
<td>Balance of Larger Parcel</td>
<td>1,329,681</td>
<td>30.53</td>
<td>500,000</td>
<td>2.66</td>
<td>2.42</td>
<td>1,209,734</td>
<td>27.77</td>
</tr>
<tr>
<td>Totals</td>
<td>1,451,681</td>
<td>33.33</td>
<td>600,000</td>
<td>2.42</td>
<td>2.42</td>
<td>1,451,681</td>
<td>33.33</td>
</tr>
</tbody>
</table>

Land Size Determination: The larger parcel has ingress/egress and shared parking easements which impact the subject. The easements result in effective lot sizes which are different than actual. According to the preliminary site plan, the existing building has a gross building area of 500,000 square feet. The proposed building has a gross building area of 100,000 square feet. The effective lots sizes were calculated based on the overall land to building ratio for the larger parcel of 2.42:1. Land to building ratios for similar 2-3 story suburban buildings in the Ada County market typically range from 2:1 to 3:1. At 2.42:1, the subject’s effective land to building ratio is within market norms for similar properties.

Usable Land Area: All of the land is usable.
Configuration: Nearly rectangular; overall functional
Topography: Generally level
Parcel Location: Interior siting with limited exposure from Interstate 84
Photographs of Subject: The photographs in the Addenda section provide additional clarification as to the “As Is” condition of the property.
Primary Access/Exposure
Street Name: Access is from E. Central Drive.
Street Type: Secondary, non-arterial street
At Signalized Intersection: No
Overall Visibility: The subject has limited Interstate 84 exposure. Interstate exposure is limited due to a high landscaping berm extending across the southern boundary of the subject. The Locust Grove Overpass further limits exposure from the westbound lanes.
Comments: Access is rated average, but circuitous.

Site Improvements
Off-Site Improvements: 2-way, 2-lane roadway with center turn lane improved with asphalt paving, concrete curbing and sidewalks.
Utilities: Standard utilities available to the property include municipal water and sewer services, electricity, natural gas, and telephone service.
On-Site Improvements: Site improvements include asphalt paved parking, access drives, concrete curbing, parking lot lighting, and sprinkler irrigated landscaping.

Flood Zone Data
Flood Map Panel: 16001C0231H; 2/19/2003
Flood Zone: The property is located within an "X" flood zone. The "X" flood zone is designated as outside a flood hazard area. Properties within an "X" flood zone are not required to carry flood insurance. The flood maps and definitions are located in the addenda of this report.

Other Site Conditions
Soils: Subsoil and drainage appear adequate to support the existing use.
Environmental Issues: During the property inspection, we did not observe any obvious environmental concerns. As real estate appraisers, we are not qualified to determine if any environmental hazards exist on the property, whether such hazards are obvious or not. Therefore, this appraisal assumes any environmental hazards to be nonexistent or minimal.
Easements & Restrictions: The property is subject to the following known atypical easements or restrictions which were obtained from the subdivision plat and/or record of survey:

1) The property is subject to an existing restricted building zone which prohibits buildings and structures within 20 feet, and billboards or other advertising signs (except signs pertaining to business on adjacent property) within 100 feet of the right of way of 1-84. This easement does not preclude typical commercial development; thus, is considered a neutral easement.

2) The bottom of building footings shall be a minimum of 12 inches above the established normal high ground water
3) The larger parcel is subject to a perpetual non-exclusive easement to use all streets and parking areas for ingress, egress, and access from E. Central Drive. This easement is a beneficial easement to the subject site as it facilitates access and provides additional parking.

A title report was not provided in connection with this assignment. Based on our own observations, no other adverse easements or restrictions exist. This appraisal assumes only standard utility easements and governmental restrictions exist, none of which are assumed to impact value. An A.L.T.A survey is recommended if further assurance is needed. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.

Earthquake Zone: The subject is located within Earthquake Zone 2B, considered a moderate zone with respect to seismic activity.

Zoning Designation
Zoning Code: C-G: General Retail and Service Commercial District
Zoning Jurisdiction: City of Meridian
Zoning Definition: According to Meridian City zoning, this zone is defined as “The purpose of the commercial districts is to provide for the retail and service needs of the community in accordance with the Meridian comprehensive plan. This district allows use on the largest scale and broadest mix of retail, office, service, and light industrial uses. Its designated location is for close proximity and/or access to interstate or arterial intersections.

Permitted Uses: This zoning allows for a wide range of office, flex, retail, and service commercial uses. Some light industrial uses are permitted via a conditional use permit.

Zoning Comments: The proposed education use is an allowable use.
Parking Requirements
Parking District: General
Zoning Required Parking: 1 space per 500 sf of gross floor area; 1,200 spaces
On-site Parking: 1,250 spaces
Parking Conclusions:
The subject meets zoning requirements. Note, the rentable building areas for the existing and proposed buildings are unknown or undetermined. Current parking meets market requirements for the existing building; however, it is undetermined if current parking would be suffice to meet market requirements as proposed.
Site Rating

Location: Good
Access: Average, but circuitous
Exposure: Limited Interstate 84 exposure
Functional Utility: Average
Overall Site: Average to good
Assessment & Tax Data

Assessed Value and Real Estate Taxes
The subject is exempt from county assessment and taxation.
**Highest & Best Use**

The highest and best use analysis prepares the foundation for valuing a property. It is a one-step process for valuing unimproved land and a two-step process for valuing an improved property. The first step is the same for valuing both unimproved property and an improved property. It involves determining the best use of the land as though vacant; whether the property should remain unimproved or be improved, and if improved, with what. The second step is only necessary for determining the highest and best use of an improved property. It involves determining if the improvements should remain in their present form or be altered. The definition of highest and best use is as follows:

> "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value". The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.  

**Highest and Best Use, As If Vacant /As Vacant**

**Legally Permissible:** The property’s C-G zoning allows for a wide range of office, flex, retail, and service commercial uses. Some light industrial uses are permitted via a conditional use permit. We are not aware of any other land use regulations that would limit the use of the property. There are no known easements, encroachments, covenants or other use restrictions that would unduly limit or impede development of a probable nature. Considering the larger parcel is developed with a University Campus and other educational uses, only educational or supporting office uses are given further consideration in determining highest and best use as if vacant.

**Physically Possible:** As evidenced by the physical characteristics of the property, including its size, configuration, accessibility and availability of public utilities, all of the legally permissible uses could be developed on the land. The site does not have any physical characteristics that would hinder typical development.

**Financially Feasible:** The next step determines if those legally permissible and physically possible uses are also financially feasible. Statistics indicate moderate and improving demand across all commercial markets, characterized by declining vacancy (at several year lows), significant positive net absorption, limited new construction, and increasing lease rates. Near-term, due to a shrinking supply and lack of new construction, vacancy is anticipated to continue to decline, and lease rates are anticipated to continue to moderately increase. In general, speculative development continues to be marginally financially feasible as market rents have yet to fully recover from recession levels. Market value, if built, may be less than the cost to construct plus current land value.

**Maximally Productive:** The final test of maximum productivity is now applied to the uses that have passed the first three tests. Of the financially feasible uses, the maximally productive use is the use that produces the highest residual land value. Considering the aforementioned factors, the maximally productive, and therefore highest and best use, as if vacant/as vacant, is for the development of an educational or supporting office use when market conditions warrant development. A feasibility analysis would be required to determine the ideal improvement to be developed on the land.

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Most Probable Buyer/User
The subject is a 2.80 acre pad site (5.55 acre effective site). The most-probable buyer is an owner-occupant.
Appraisal Methodology

Approaches to Value

There are three traditional approaches typically available to develop indications of real property value: the Cost, Sales Comparison, and Income Capitalization Approaches.

Cost Approach - The Cost Approach is based upon the principle of substitution, which states that a prudent purchaser would not pay more for a property than the amount required to purchase a similar site and construct similar improvements without undue delay, producing a property of equal desirability and utility. For proposed or new facilities that have suffered little or no depreciation, this approach is meaningful, though it is rarely used by investors.

Sales Comparison Approach – The Sales Comparison Approach involves the direct comparison of sales and listings of similar properties, adjusting for differences between the subject property and the comparable properties. It is based on the Principle of Substitution. This principle states that no one would pay more for the subject than the value of a similar property in the market. In active markets with a large number of physically similar comparables, this approach is generally considered to be a good indicator of value. However, the use of this approach is limited, because many properties have unique characteristics that cannot be accounted for in the adjustment process. In addition, market data is not always available. Both of these factors may reduce the validity of this approach. This is often a secondary approach for income-producing properties.

Income Capitalization Approach - The Income Capitalization Approach is based on the principle of anticipation, or the assumption that value is created by the expectation of benefits to be derived in the future, such as expected future income flows including the reversion, or future resale of the property appraised. Its premise is that a prudent investor will pay no more for the property than he or she would for another investment of similar risk and cash flow characteristics.

Subject Valuation

Market Value: As Is - The Sales Comparison Approach was employed to estimate market value for the subject. The Income Capitalization Approach and the Cost Approach were not completed; they are not applicable for land valuation in this market.

Market Rent: Our opinion of market rent for the subject site was estimated based on market comparables of ground leases in the local market.
Valuation - Market Value: As Is
Sales Comparison Approach

Methodology
This approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. In this approach, an indication of market value is developed by analyzing closed sales, listings, or pending sales of properties similar to the subject property, using the most relevant units of comparison. The primary unit of comparison selected depends on the appraisal problem and nature of the property. The primary unit of comparison in the market for properties similar to the subject is price per square foot. A systematic procedure for applying the Sales Comparison Approach includes the following steps:

1. Research and verify transactional data to produce an adequate, reliable data set.
2. Select a relevant unit of comparison.
3. Analyze and adjust the comparable sales for differences in various elements of comparison and physical/location characteristics.
4. Reconcile the sales into an indication of value for the subject.

Comparable Selection:
The subject site is 5.55 acres (effective size) of commercial land located in Meridian. A search was made for recent sales of reasonably similar sites in proximity to the subject, with an emphasis placed on location, size, and zoning/highest and best use. Eight comparables were selected for the analysis. Six are confirmed sales of competing properties; two are current listings of properties located near the subject. The comparables are located in Meridian, and nearby Boise and Nampa.

Elements of Comparison:
The land adjustment analysis uses market based data from paired-sales, construction costs for site improvements, or other market indicators. In instances where there is limited market data available, the adjustment is based on the appraiser’s estimate of market reaction.

**Real Property Rights Conveyed** - This adjustment considers real property rights relating to a property, such as a lease contract or deed restrictions

All of the sales were fee simple sales. Thus, no adjustments were warranted.

**Financing Terms** - This adjustment category considers payment terms. Favorable or unfavorable financing terms warrant adjustment versus cash or cash equivalent.

All of the sales were cash equivalent sales. Thus, no adjustments were warranted.

**Conditions of Sale** - This adjustment category considers the impact to a property’s sale price attributable to atypical buyer or seller motivation.

All of the sales were typically motivated, arms-length sales. Thus, no adjustments were warranted.
Expenditures After Purchase - This adjustment category considers significant expenditures made upon purchase; these costs affect the price or value of the property at sale.

Thus, no adjustments were warranted.

Non-Realty Components - This adjustment category considers personal property and trade fixtures which were included in the sale.

None of the sales included personal property. Thus, no adjustments were warranted.

Market Conditions - This adjustment category considers property sale price changes due to changing market conditions over time. If the market is stable, no adjustment is necessary. However, if the market has appreciated or depreciated, an adjustment is necessary.

Commercial development land sale prices throughout Ada County declined significantly from January 2008 through mid-2010. Market conditions began to stabilize in mid-2010 and remained generally flat through 2011. Since 2012, commercial market fundaments have improved moderately as evidenced by declining vacancies and capitalization rates and increasing rental rates. Demand for well-located commercial land has also increased as evidenced by an increase in transactions and new construction. Locations similar to the subject have exhibited moderate appreciation since 2012, estimated herein +3% per year from 2012 through 2013, and +5% per year beginning in 2014 to-date. The market conditions estimate was based on paired sales, although limited, and supported by several interviews with market participants.

Location - This category considers value differences as a function of location qualities, desirability, and accessibility. This category also considers primary arterial frontage locations versus secondary arterial or second tier non-frontage locations. This is typically measured by differences in land values via paired land sales, or differences in property values as a result of rent differences and/or capitalization rate differences.

Locational differences were applied by three separate adjustments: 1) Immediate neighborhood, 2) Arterial street or freeway exposure, and 3) Access. The subject’s immediate neighborhood is rated good. It is located in Meridian, adjacent to newer commercial development and a freeway interchange. The subject has limited Interstate 84 exposure. Interstate exposure is limited due to a high landscaping berm extending across the southern boundary of the subject. The Locust Grove Overpass further limits exposure from the west bound lanes. Access is circuitous from a secondary, non-arterial street.

Comparables 3 and 4 are inferior to the subject for immediate neighborhood influences. Comparable 3 is located in an inferior light industrial/commercial neighborhood. Comparable 4 is located further from development and services. Upward adjustments of 20% were applied. Comparables 1, 5, and 6 are superior to the subject. Comparable 1 is located adjacent to the Eagle Road corridor in a quality medical/office neighborhood. Comparables 5 and 6 are superior retail oriented locations adjacent to newer shopping centers. Downward adjustments ranging from -10% to -20% were applied. Comparables 1, 7, and 8 have interior locations with no arterial street exposure. Upward adjustments of 10% were applied. Comparables 2-6 have superior arterial street or freeway exposure. Downward adjustments of 5% were warranted. Comparables 1-6 and 8 are superior to the subject for access. Downward adjustments of 10% were applied.
**Zoning/Use** - This category considers value differences associated with variances in zoning designations or uses allowed.

Any perceived value differences attributable to zoning were considered as a part of the location adjustment. No additional adjustments were warranted.

**Size** - This category considers value differences resulting from variances in property size. In general, smaller parcels exhibit higher sale prices per square foot (or per acre) versus larger parcels.

Comparables 1, 7, and 8 are moderately smaller than the subject, warranting adjustment. Downward adjustments of 10% were applied.

**Configuration** - This category considers differences in land use or value associated with property configuration. Irregular parcels typically have lower price per square foot sales prices versus rectangular parcels due to less functional utility.

Comparables 4 and 5 have irregular configurations resulting in less functional utility versus the subject. Upward adjustments of 10% were applied.

**Topography** - This category considers differences in land use or value associated with property topography. Commercial parcels with uneven topographies typically have lower price per square foot sale prices because the cost to develop is greater versus a level parcel.

All of the comparables have generally level topographies similar to the subject. Thus, no adjustments were warranted.

**Utilities: Water and Sewer** - This category considers the availability of city water and sewer services to the property.

All of the comparables are similar to the subject for utilities. Thus, no adjustments were warranted.

**Site Improvements** - This adjustment category considers value differences as a result of site improvements located on a property.

None of the comparables had site improvements associated with the sale price. Thus, no adjustments were warranted.

**Other** - This category accounts for any atypical issues.

No adjustments were warranted.

**Presentation**

Presented on the following pages are the Land Sale Comparable Summation Table, Sale Comparable Map, the discussion and analysis of the comparables, and conclusion(s) of market value for the subject.
### Land Sale Comparable Summation Table

<table>
<thead>
<tr>
<th>Location</th>
<th>Parcel No.</th>
<th>Net adjustment</th>
<th>Expenditures after purchase</th>
<th>Price / usf</th>
<th>Sale description</th>
<th>Address</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>R1532240040</td>
<td>-30%</td>
<td>n/a</td>
<td>$11.14</td>
<td>Precedent</td>
<td>3015 E. Magic View Dr.</td>
<td>Former Cole Elementary Site</td>
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<td>n/a</td>
<td>$7.96</td>
<td>Precedent</td>
<td>7415 W. Fairview Ave &amp; 1487 N. Cole Rd.</td>
<td>J. V. Lawrence Radovich &amp; Associates</td>
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<td>2590 S. Eagle Road</td>
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<tr>
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<td>WHI More Company</td>
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### Adjusted Sale Price

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### As-Sold Value

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### Valuation - Market Value

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Land Sale Comparable Map
Land Sale Comparable Map
(Ada County)
Land Sale Comparable Map
(Nampa)
Land Sale Comparable Map
(Immediate Neighborhood)
Comparable Analysis

Prior to adjustment, the comparable prices ranged from $5.19 to $11.14 per square foot. The price differences are primarily attributable to date of sale, location, configuration, and size. Comparable 4 represents the lower-tier of the range. It is inferior to the subject for location and configuration. Comparable 1 represents the upper-tier of the range. It is a smaller site superior to the subject for location. After adjustment, the comparables bracket market value for the subject in a range of $6.49 to $8.09, with an average of $7.10 per square foot. Considering such factors as size, exposure, access, and immediate neighborhood, market value for the subject’s underlying land is concluded at $6.75 per square foot. The market value indication table is presented following, which ranks the comparable sales in relation to the subject.

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</tr>
<tr>
<td>Subject</td>
<td>Indicated Value</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$6.75</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>More than</td>
<td>$6.54</td>
</tr>
<tr>
<td>7</td>
<td>More than</td>
<td>$6.49</td>
</tr>
<tr>
<td>3</td>
<td>More than</td>
<td>$6.38</td>
</tr>
</tbody>
</table>

Contributory Value of the Site Improvements: The subject site (effective land area) is currently utilized as a parking lot. Site improvements include asphalt paved parking, access drives, concrete curbing, parking lot lighting, and sprinkler irrigated landscaping. The pad site area is 122,000 square feet. An estimated 50% or 61,000 square feet of the site improvements in this area will be razed upon development. The cost to raze the site improvements is estimated at $0.50 per square foot. The existing site improvements on the balance of the subject’s effective site area, or 180,947 square feet will remain in place to support the future building. The contributory value of the site improvements was determined by depreciated cost. Cost new of the site improvements is estimated at $4.00 per square foot. With an estimated 10 year effective age and an estimated 30 year useful life, depreciation is estimated at 33% (10/30). As a result, the contributory value of the site improvements is estimated at $2.67 per square foot of the improved area.
Market Value Conclusion
With considerations regarding land value, contributory value of the site improvements, and costs to ready the site for development, market value for the subject is calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Comparison Approach Conclusion, Land Value Conclusion, rounded</td>
<td>$1,635,000</td>
</tr>
<tr>
<td>Add: Contributory value of site improvements (180,947 sf x $2.67/sf)</td>
<td>$483,128</td>
</tr>
<tr>
<td>Less: Cost to raze site improvements on pad site (61,000 sf x $0.50/sf)</td>
<td>($30,500)</td>
</tr>
<tr>
<td>Total</td>
<td>$2,087,628</td>
</tr>
<tr>
<td><strong>Market Value: As Is, rounded</strong></td>
<td><strong>$2,090,000</strong></td>
</tr>
</tbody>
</table>
Final Value Conclusion – Market Value: As Is

Value Conclusion Summary
Our value conclusion is summarized in the table presented below.

<table>
<thead>
<tr>
<th>Value Conclusion(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Value</strong></td>
</tr>
<tr>
<td>Market Value</td>
</tr>
</tbody>
</table>

The Sales Comparison Approach resulted in a reliable conclusion of market value due to an adequate number of recent sales of similar commercial sites located within competing areas of the local market. The Sales Comparison Approach is an applicable approach for valuing land in this market and is the primarily analytical method used by market participants. The contributory value of the site improvements were added to the underlying land value, resulting in a reliable conclusions of “as is” market value.

The Income Capitalization Approach and the Cost Approach were not completed; they are not applicable for land valuation in this market.
Marketing Time: Marketing time is the time frame subsequent to the effective date of appraisal necessary to affect a sale of the property at the estimate of value(s) detailed herein. The estimate of value in this appraisal assumes the subject would experience a marketing time typical of the current market. Marketing time estimates can be supported by analyzing the actual time the comparable sales utilized in the valuation analysis were exposed to the market before they sold. Historically, development land transactions have been relatively stable within the regional market. Prior to 2008, the marketing time was typically 6 to 12 months. However, transactions were limited beginning in 2008 through mid-2010 as a result of the economic downturn and the tightening of lending guidelines, which has reduced both the amount of available capital and the number of potential buyers. Distressed sales were prevalent during this time for development land; however, these sales are not true indications of market value. Since mid-to-late 2010, both the national and local economies have strengthened and residential and commercial market conditions have improved. As a result, the commercial land market has stabilized, particularly for well-located properties, as evidenced by stable to appreciating land values and increasing transaction activity. Market conditions are anticipated to continue to improve near term. With this emphasis, and considering the subject market position, the marketing time pertaining to the market value conclusion(s) herein is estimated to be approximately 12 months.

Exposure Time: Exposure time is the length of time a property would have been offered on the market prior to consummation of sale at the estimate of market value on the effective date of the appraisal. Exposure time is a retrospective estimate based on the analysis of past events and market conditions. Locally, market conditions were weak from 2008 through mid-to-late 2010. Investors had been conservative due to 1) uncertainty and weakness in local market conditions, 2) uncertainty and weakness in local and national economies, and 3) reluctance in the mortgage lending community. Since 2011-2012, market and lending conditions have perceptively improved. Commercial land prices have strengthened and distressed transactions are no longer prevalent. With these considerations, the exposure time pertaining to the market value conclusion(s) for the subject is estimated to be approximately 12 months as of the effective date(s) of the appraisal.
Valuation and Conclusions – Market Rent

Comparative Analysis
To estimate market rent for the subject site (as a ground lease) numerous ground lease comparables in the local market were analyzed. A rent per square foot unit of comparison was employed. As presented in the following table, the ground lease comparables indicate a wide range from $0.37 to $3.35, with an average of $1.52 per square foot. The upper-tier of the range represents small pad sites in superior retail locations with significantly higher per square foot land values. Conversely, the lower-tier of the range represents larger sites in inferior commercial locations with lower per square foot land values. The best comparables are Comparables 14, 15, and 16, which exhibit a tighter range from $0.58 to $0.83, with an average of $0.71 per square foot. They are the most similar to the subject for size, location, and land/site improvements value. With primary emphasis given to Comparables 14, 15, and 16, and considering the site improvements on the subject site, market rent for the subject site is concluded to be $0.79 per square foot or $190,000 annually ($0.79/sf x 241,947 sf site, rounded).

<table>
<thead>
<tr>
<th>Comp</th>
<th>Location</th>
<th>Size (SF)</th>
<th>Size (AC)</th>
<th>Start</th>
<th>Term</th>
<th>Options</th>
<th>Rent/yr</th>
<th>Rent/sf/yr</th>
<th>Escalations</th>
<th>Type</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>330 S. Broadway, Boise</td>
<td>40,293</td>
<td>0.83</td>
<td>2012</td>
<td>20 yrs</td>
<td>Unk</td>
<td>$135,000</td>
<td>$3.35</td>
<td>2%/yr</td>
<td>NNN</td>
<td>Chick Fil-A restaurant</td>
</tr>
<tr>
<td>2</td>
<td>1415 &amp; 1423 W. State St, Boise</td>
<td>16,470</td>
<td>0.38</td>
<td>2015</td>
<td>20 yrs</td>
<td>2-5 yr</td>
<td>$42,000</td>
<td>$2.55</td>
<td>2%/yr</td>
<td>NNN</td>
<td>Dutch Bros Coffee kiosk</td>
</tr>
<tr>
<td>3</td>
<td>1181 N. Milwaukee St., Boise</td>
<td>23,610</td>
<td>0.54</td>
<td>2013</td>
<td>20 yrs</td>
<td>3-5 yr</td>
<td>$60,000</td>
<td>$2.54</td>
<td>10%/ 5 yrs</td>
<td>NNN</td>
<td>Dutch Bros Coffee kiosk</td>
</tr>
<tr>
<td>4</td>
<td>3270 N. Eagle Rd., Meridian</td>
<td>42,964</td>
<td>0.99</td>
<td>2009</td>
<td>20 yrs</td>
<td>4-5 yr</td>
<td>$95,000</td>
<td>$2.10</td>
<td>10%/ 5 yrs</td>
<td>NNN</td>
<td>Key Bank</td>
</tr>
<tr>
<td>5</td>
<td>16801 Marketplace Blvd., Nampa</td>
<td>41,244</td>
<td>0.95</td>
<td>2008</td>
<td>20 yrs</td>
<td>5-5 yr</td>
<td>$90,000</td>
<td>$2.18</td>
<td>12.5%/ 5 yrs</td>
<td>NNN</td>
<td>McDonald’s</td>
</tr>
<tr>
<td>6</td>
<td>1830 Caldwell Blvd., Nampa</td>
<td>50,530</td>
<td>1.16</td>
<td>2012</td>
<td>15 yrs</td>
<td>3-5 yr</td>
<td>$95,000</td>
<td>$1.88</td>
<td>10%/ 5 yrs</td>
<td>NNN</td>
<td>Texas Roadhouse</td>
</tr>
<tr>
<td>7</td>
<td>733 S. Pioneer Street, Boise</td>
<td>91,772</td>
<td>2.11</td>
<td>2015</td>
<td>20 yrs</td>
<td>3-5 yr</td>
<td>$172,550</td>
<td>$1.88</td>
<td>10%/ 5 yrs</td>
<td>NNN</td>
<td>Payette Brewery</td>
</tr>
<tr>
<td>8</td>
<td>1533 S. Five Mile Rd., Boise</td>
<td>47,489</td>
<td>1.09</td>
<td>2015</td>
<td>15 yrs</td>
<td>Unk</td>
<td>$77,000</td>
<td>$1.62</td>
<td>Unk</td>
<td>NNN</td>
<td>Key Bank</td>
</tr>
<tr>
<td>9</td>
<td>3251 E. Uddick Rd., Meridian</td>
<td>48,300</td>
<td>1.11</td>
<td>2010</td>
<td>20 yrs</td>
<td>6-5 yr</td>
<td>$74,000</td>
<td>$1.53</td>
<td>10%/ 5 yrs</td>
<td>NNN</td>
<td>McDonald’s</td>
</tr>
<tr>
<td>10</td>
<td>3144 E. State St., Eagle</td>
<td>48,438</td>
<td>1.11</td>
<td>2011</td>
<td>20 yrs</td>
<td>4-6 yr</td>
<td>$70,000</td>
<td>$1.45</td>
<td>10%/ 5 yrs</td>
<td>NNN</td>
<td>Key Bank</td>
</tr>
<tr>
<td>11</td>
<td>3550 W. State Street, Boise</td>
<td>43,411</td>
<td>1.00</td>
<td>2015</td>
<td>5 yrs</td>
<td>2-5 yr</td>
<td>$55,500</td>
<td>$1.28</td>
<td>Flat</td>
<td>NNN</td>
<td>Chase Bank</td>
</tr>
<tr>
<td>12</td>
<td>1072 Liberty St., Boise</td>
<td>27,414</td>
<td>0.63</td>
<td>2008</td>
<td>50 yrs</td>
<td>1-50 yr</td>
<td>$32,897</td>
<td>$1.20</td>
<td>2.5%/yr</td>
<td>NNN</td>
<td>Medical Office</td>
</tr>
<tr>
<td>13</td>
<td>305 W. Overland Rd., Meridian</td>
<td>965,191</td>
<td>12.98</td>
<td>2008</td>
<td>20 yrs</td>
<td>Yes</td>
<td>$479,000</td>
<td>$0.85</td>
<td>Flat until options</td>
<td>NNN</td>
<td>Lowes</td>
</tr>
<tr>
<td>14</td>
<td>10200-10548 W. Fairview Ave., Boise</td>
<td>144,619</td>
<td>3.32</td>
<td>1979/2007</td>
<td>50 yrs/10yrs</td>
<td>1-50 yr/1-10 yr</td>
<td>$120,492</td>
<td>$0.83</td>
<td>2%/5%/yr</td>
<td>NNN</td>
<td>Shopping Center (2 ground leases)</td>
</tr>
<tr>
<td>15</td>
<td>Aspen Creek Dev., Nampa</td>
<td>139,063</td>
<td>3.19</td>
<td>2011</td>
<td>10 yrs</td>
<td>1-5 yr</td>
<td>$83,258</td>
<td>$0.60</td>
<td>Flat</td>
<td>NNN</td>
<td>Office parking</td>
</tr>
<tr>
<td>16</td>
<td>7201 W. Fairview Ave., Boise</td>
<td>155,214</td>
<td>3.56</td>
<td>1981</td>
<td>38 yrs</td>
<td>7-5 yr</td>
<td>$90,000</td>
<td>$0.58</td>
<td>Flat</td>
<td>NNN</td>
<td>Albertson’s</td>
</tr>
<tr>
<td>17</td>
<td>5752 S. Federal Way, Boise</td>
<td>269,288</td>
<td>6.18</td>
<td>2010</td>
<td>8 yrs</td>
<td>3-5 yr</td>
<td>$132,000</td>
<td>$0.49</td>
<td>$0.49</td>
<td>NNN</td>
<td>Modular home manufacturing &amp; models</td>
</tr>
<tr>
<td>18</td>
<td>1607-1611 Caldwell Blvd., Nampa</td>
<td>174,240</td>
<td>4.00</td>
<td>2013</td>
<td>20 yrs</td>
<td>6-5 yr</td>
<td>$65,000</td>
<td>$0.37</td>
<td>Set Bumps</td>
<td>NNN</td>
<td>Big Lots, Dollar Tree</td>
</tr>
</tbody>
</table>

Average $1.52
Minimum $0.37
Maximum $3.35

Rent as a Percentage of Value Crosscheck:
Rental rates for ground leases in the local market are typically predicated on an 8% to 10% return on fee simple land value and site improvement costs. At $190,000, our conclusion of market rent is 9.1% of our fee simple value conclusion of $2,090,000, lending further support to our conclusion of market rent for the subject. The analysis is summarized in the following table.

<table>
<thead>
<tr>
<th>Market Value</th>
<th>Rate of Return</th>
<th>Implied Annual Rent</th>
<th>Rent/SF/YR</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,090,000</td>
<td>8.0%</td>
<td>$167,200</td>
<td>$0.69</td>
</tr>
<tr>
<td></td>
<td>9.1%</td>
<td>$190,000</td>
<td>$0.79</td>
</tr>
<tr>
<td>Effective Land Size</td>
<td>10.0%</td>
<td>$209,000</td>
<td>$0.86</td>
</tr>
</tbody>
</table>

241,947
Market Lease Terms:
Market lease terms associated with our conclusion of market rent include:

**Lease Type:** Absolute Net – Tenant pays or reimburses all operating expenses including property taxes, insurance, common maintenance/repairs/replacement, and management. Expenses are typically based on the subject’s prorated share of the larger parcel.

**Lease Term:** 20 year initial lease term with 4-5 year options to extend.

**Escalations:** Base rent escalations of 10% every 6th year or 2% annually.
General Assumptions & Limiting Conditions

This appraisal is subject to the following limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.

2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.

3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc. will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.

4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.

5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.

6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.

7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc. is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser’s then current hourly rate plus reimbursement of expenses.

8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.

9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.
10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.

11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.

12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.

13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.

14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc. and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.

15. Distribution of this report is at the sole discretion of the client, but no third-parties not listed as an intended user on the face of the appraisal or the engagement letter may rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.

16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc.

17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.

18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our “Income & Expense Projection” are anticipated.

20. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

21. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

22. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

23. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or “as-built” plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.

24. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.
25. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.

26. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.

27. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.

28. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.

29. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.

30. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

31. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.

32. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
33. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

34. You and Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc. both agree that any dispute over matters in excess of $5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc. and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Mountain States Appraisal & Consulting, Inc. or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by Valbridge Property Adv

35. visors | Mountain States Appraisal & Consulting, Inc. for this assignment, and under no circumstances shall any claim for consequential damages be made.

36. Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc. shall have no obligation, liability, or accountability to any third party. Any party who is not the “client” or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc. “Client” shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc. and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc. harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc. in such action, regardless of its outcome.

37. The value opinion(s) provided herein is subject to any and all predications set forth in this report.

38. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Mountain States Appraisal & Consulting, Inc. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
39. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.

40. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

41. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.
Certification

I, Jeff Vance, MAI, certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I have performed no services as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the a cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have made a current personal inspection of the property that is the subject of this report.
- The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan, and the appraiser's state registration/certification has not been revoked, suspended, cancelled, or restricted.
- This is to acknowledge the assistance of Joe Corlett, MAI, SRA, in preparation of this appraisal.
- As of the date of this report, I, Jeff Vance, MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.
- Effective July 1, 1992, the State of Idaho implemented a mandatory program of licensing/certification of real estate appraisers. I have met the qualifications to appraise all types of real estate and am currently certified. My certification number is CGA-2828.

Jeff Vance, MAI
Senior Appraiser
State of Idaho Certification No. CGA-2828
Certification

I, Joe Corlett, MAI, SRA, certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I have performed no services as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the a cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have made a current personal inspection of the property that is the subject of this report.
- The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan, and the appraiser's state registration/certification has not been revoked, suspended, cancelled, or restricted.
- This is to acknowledge the assistance of Jeff Vance, MAI, in preparation of this appraisal.
- As of the date of this report, I, Joe Corlett, MAI, SRA have completed the continuing education program for Designated Members of the Appraisal Institute.
- Effective July 1, 1992, the State of Idaho implemented a mandatory program of licensing/certification of real estate appraisers. I have met the qualifications to appraise all types of real estate and am currently certified. My certification number is CGA-7.

Joe Corlett, MAI, SRA
Senior Managing Director
State of Idaho Certification No. CGA-7
QUALIFICATIONS OF JEFF VANCE, MAI

Education:
Bachelor of Science, Business-Marketing
University of Idaho, Moscow, Idaho; 1994

Appraisal Institute Courses:
- USPAP- National Uniform Standards and Professional Appraisal Practice Course, 2006
- Course I-110, Appraisal Principles, 2006
- Course I-120, Appraisal Procedures, 2006
- Real Estate Financing, Statistics, & Valuation Modeling, 2007
- General Appraiser Income Approach Part 1, 2007
- General Market Analysis and Highest and Best Use, 2008
- General Sales Comparison Approach, 2008
- General Site Valuation and Cost Approach, 2008
- General Report Writing & Case Studies, 2009
- General Appraiser Income Approach Part 2, 2009
- Advanced Sales Comparison & Cost Approaches, 2009
- Foreclosure, Short Sale, Auction Price Seminar, 2010
- Subdivision Valuation, 2010
- Advanced Concepts and Case Studies, 2011
- Advanced Income Capitalization, 2012
- General Demonstration Report-Capstone Program, 2013

Accreditation:
Effective July 1, 1991, the State of Idaho implemented a mandatory program of licensing/certification of real estate appraisers; the program became mandatory July 1, 1992. I am currently qualified as a Certified General Appraiser. My CGA number is 2828.

Memberships/Affiliations:
- MAI – Member, Appraisal Institute
- Member, Southern Idaho Chapter, Appraisal Institute

Experience:
- MAI, Senior Appraiser, Mountain States Appraisal and Consulting, Inc.; Boise, Idaho; August 2013 to present
- Certified General Appraiser, Mountain States Appraisal and Consulting, Inc.; Boise, Idaho; January 2010 to August 2013
- Registered Trainee, Haxton & Company; January 2008 to January 2010
- Registered Trainee, Mountain States Appraisal and Consulting, Inc., Boise, Idaho; May 2007 to December 2007
- Process Supervisor, Product Engineering Failure Analysis Laboratory Micron Technology, Boise, Idaho; 1994 to 2006

Scope of Appraisal Experience:
- Apartment, industrial, office, medical office, retail, service commercial, mixed-use commercial, shopping center, commercial subdivision, residential subdivision, residential to office conversion, mini-storage, mobile home park, church, ground leases, and vacant land.
Major Clients Served:

QUALIFICATIONS OF G. JOSEPH CORLETT, MAI, SRA

Biographic Data
Born in Nampa, Idaho; raised in Boise, Idaho. Summer employment as farm laborer, data processing assistant, and supply clerk for Bank of Idaho. After graduation from University of Idaho, full-time fee appraiser.

Education
Elementary School - Boise, Idaho
High School - San Rafael Military Academy, San Rafael, California
College - University of Idaho (Bachelor of Science Degree in Business, Major in Finance) - 1973
AIREA Appraisal Courses Passed (Since 1973) (Appraisal Institute):
I-A Basic Appraisal Principles, Methods & Techniques - 2 weeks
I-B Capitalization Theory & Techniques - 2 weeks
II Urban Properties - 2 weeks
VII Industrial Properties - 1 week
VIII Single-Family Residential Appraisal - 1 week
Cap. III Capitalization Theory & Techniques, Part 3 - 1 week - 1980
VI Investment Analysis - 1984
X Market Analysis - 1987
301 Basic Capitalization - 1993
530 Advanced Sales Comparison and the Cost Approach – 1997
Valuation of Conservation Easements (33 hrs. classroom) – 2007
Appraisal Curriculum Overview (15 hrs.) - 2010
University Courses:
Principles of Real Estate
The Appraisal of Real Estate
Seminars:
Graduate Realtors Institute Course 100
Regulatory Compliance and Idaho Law (1998)
SREA Narrative Report Seminar on Income Producing Property Condominium Seminar
R-2 Examination and Math Stat Finance - SREA
AIREA Capitalization Workshop
AIREA Feasibility Seminar
SREA Instructor's Clinic, Course 101 - Purdue University
Leasehold Seminar
Hotel/Motel Seminar
Money Markets
Financial Institution Review Considerations (1998)
FHLBB R-41B/C Seminars - 1986, 1987
Real Estate and Taxation
Market Analysis Seminar - 1987
Professional Practice Seminar - 1986, 1991
SREA - Professional Practice - 1988
AIREA - Cash Equivalent Seminar - 1988
AIREA - Litigation Valuation - 1988
AIREA - Investment Analysis - 1989
AIREA - Applied Sales Comparison Approach - 1989
AIREA - Rates, Ratios and Reasonableness – 1989
PSI, Inc. - Asbestos and Other Environmental Concerns - 1990
Environmental Law Issues, 1991
Appraisal Institute - Appraising Contaminated Properties - 1992
Appraisal Institute - Appraisal Review Seminar – 1992

Qualifications
J. Corlett
ADDENDA PG. 3

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TAB 8 Page 279
Qualifications of G. Joseph Corlett, MAI, SRA, Cont’d.

Education, Cont’d.

- Appraisal Institute - ADA Seminar - 1993
- Appraisal Institute - Report Writing Seminar - 1993
- Appraisal Institute - DCF Analysis - 1993
- Appraisal Institute - Understanding Limited Appraisals and Reporting Options - 1994
- Appraisal Institute - Specialized Appraisal Issues - 1994
- Appraisal Institute - Fair Lending and the Appraiser - 1996
- The Signage Foundation for Communication Excellence, Inc. - Retail and Commercial Valuation and Evaluation Research and Techniques - 1996
- Lincoln Institute - Valuing Land Affected by Conservation Easements - 1998
- Appraisal Institute - Appraisal of Local Retail Properties - 1999
- Appraisal Institute - The Electronic Appraisal Office - 1999
- Appraisal Institute - Special Purpose Properties - 1999
- Appraisal Institute - Attacking and Defending the Appraisal in Litigation - 2000
- Appraisal Institute - Appraisals in Eminent Domain – 2001
- Appraisal Institute - Real Estate Fraud Seminar - 2001
- Appraisal Institute - Privacy Seminar – 2001
- NBI - Real Estate Exchanges- 2001
- American Arbitration Association- Commercial Arbitrator II- 2002
- Academy for Real Estate Careers – Core Continuing Education – 2003
- University of Idaho - Proximity Damages - 2003
- McKissock - Fair Housing – 2004
- NAR- Realtor Ethics – 2004
- Pioneer Real Estate School- Real Estate Law – 2004
- Pioneer Real Estate School- Brokerage Management – 2004
- IREC Core Commission Requirement – 2006
- Appraisal Institute UASFLA (Yellow Book) Seminar – 2007
- Evaluating Commercial Construction – 2007
- Business Practices and Ethics - 2008
- Appraisal Challenges: Declining Markets and Sales Concessions – 2009
- Wind Powered Electrical Generators – 2010
- Understanding Conservation Easements – 2010
- Loss Prevention for Real Estate Appraisers – 2011
- Valuing Commercial Green Buildings – 2012
- McKissock – Dirty Dozen, Development & Reporting – 2014
- Prior Adjunct Appraisal Instructor – Boise State University
- Appraisal Institute – Advanced Computer Applications for Appraisers and Fractional Interest Valuation – 2014
- Idaho Coalition of Land Trusts – Conservation Easements – 2015
- Appraisal Institute – Data Verification Methods & Techniques - 2016
Business Activities and Positions

Fee appraiser and an owner of Valbridge Property Advisors | Mountain States Appraisal and Consulting, Inc., March 1976 to date.* Narrative report experience consists of appraising numerous commercial, industrial, and special-purpose properties. Currently appraising commercial, industrial, special use, subdivision properties, and income properties. Qualified expert witness in district and federal courts. Past Senior instructor for SREA Course 101.

Affiliations and Memberships

Appraisal Institute - Professional Designations, MAI, SRA
Appraisal Institute, Southern Idaho Chapter - Vice President (1998) - President (1999)
AIREA Chapter No. 55 President (1986); various local, regional, and national committees (1976-1991)
Society of Real Estate Appraisers Chapter No. 157 Vice President (1976-1977 and 1978-1979); 1st Vice President (1980-1981); President (1981-1982)
National Association of Realtors®
Licensed Real Estate Broker - State of Idaho (DB-1660)
Society of Real Estate Appraisers - National Young Advisory Council (1977 and 1979)
Certified Appraiser - State of Oregon #C-000294
Appraisal Institute Director (1994-96)
Appraisal Institute National Government Relations Committee (1998-2001)
Commercial Pilot Multi & Single Engine/ Land- Instruments
Director - Emeritus Idaho Aviation Association-Treasure Valley Chapter
President - Idaho Aviation Hall of Fame (2016)
Building Contractor's Association of Southwestern Idaho - Associate Council Chairman (1978)
Vice President – Communications – Idaho Aviation Association
Director - Idaho Aviation Foundation

Accreditation

As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.

Effective July 1, 1991, the State of Idaho implemented a mandatory program of licensing/certification of real estate appraisers. I have met the qualifications to appraise all types of real estate. My certification number is CGA-7.


Major Clients Served

| U.S. Forest Service | SeaFirst Bank |
| Wells Fargo Bank    | The Conservation Fund |
| US Bank            | Bank of America |
| Key Bank of Idaho  | Western Union |
| Home Federal Bank  | State of Idaho |
| Washington Federal Savings and Loan | Federal National Mortgage Association |
| D.L. Evans Bank    | City of Boise |
| Bank of the Cascades | Ada County |
| Meridian Gold      | Textron Financial |
| PERSI              | The Nature Conservancy |
| Numerous private clients and corporations | Comerica Bank |
| Federal Aviation Administration | Cal National Bank |
| Mountain West Bank | Bank of the West |
Appraisal Emphasis

Income-producing properties, including commercial, industrial, offices, shopping centers, and shop buildings; special-use properties, including subdivisions, factories, golf courses, wilderness ranches, and processing plants.

Areas of Previous Experience

Idaho - majority of counties
Oregon - Eastern and Central counties
Washington - Eastern Washington
Nevada - Northern Nevada and Reno areas

California - Los Altos area
Colorado - Grand Junction area
Montana - Great Falls area
Wyoming - Jackson area

Areas of Current Practice

Idaho
Oregon
March 14, 2016

Dr. Bessie Katsiometes, AVP, ISU-Meridian
Via: Email

RE: Proposal & Engagement
122,000 +/- S.F of Land,
Meridian Campus, Meridian, Idaho, 83646

Dear Dr. Katsiometes:

Pursuant to our phone conversation with Mr. Ray Kaufman, I submit our fee estimate for an appraisal of the above captioned property for the purpose of estimating its as is market value, as well as a fair market rental estimate. We have performed no services, as an appraiser or in any other capacity, regarding the subject property within the three-year period immediately preceding the date of this letter.

The appraisal I propose will be a narrative report with summary support for its value conclusions. Also, we will detail typical land rental terms and amounts. It will be made in conformity with, and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice.

The fee to complete this assignment is $3,500 and is due in full at the time of delivery. Unless otherwise instructed, we will furnish you 3 copies of the report in addition to an electronic copy. The estimated completion date is 30 days from our receipt of your authorization to proceed and receipt of the requested information. In order to complete the appraisal we ask that you provide us relevant information needed for its preparation listed on the attached page.

The client of this appraisal shall be Idaho State University-Meridian and is for its sole and exclusive use. We request that you seek our written authorization before releasing the report to any other party.
The appraisal will not take into consideration the possibility that the property may be contaminated with PCB’s, or any other hazardous, or radioactive substances. The value reported will be exclusive of the costs to discover, remove, or render harmless such environmental impairments. If you have any concern such substances may exist in the property, you should hire a qualified independent engineer or contractor to investigate. We cannot assume any responsibility for the discovery, analysis, or treatment of such substances on the subject or its surroundings.

I trust the above is satisfactory to your needs. Attached to and incorporated in this engagement letter are Valbridge Property Advisors | Mountain States Appraisal and Consulting Terms and Conditions of Agreement. These Terms and Conditions are a substantive part of our engagement and govern the work to be performed for you. The appraisal will be completed in a timely fashion.

Respectfully submitted,
Valbridge Property Advisors |
Mountain States Appraisal and Consulting

Joe Corlett, MAI, SRA
Senior Managing Director
Valbridge Property Advisors|Mountain States Appraisal & Consulting, Inc.
Jcorlett@valbridge.com
208 336-1097

AGREE AND ACCEPTED

[Signature]
[Date: 3/17/16]
MATERIALS & INFORMATION REQUESTED
FOR APPRAISAL ASSIGNMENT (IF AVAILABLE)

RE: 122,000 +/- S.F. of Land
ISU-Meridian Campus
Meridian, ID

1. Latest Real Estate Tax Bill
2. Latest Real Estate Assessment Notice
3. Site Plans
4. Descriptive Information
5. Disclosure of hazardous/potentially hazardous materials or underground storage tanks
6. Contract of Sale/Recent Purchase Information - listing of all sales and prices
7. Legal Description
8. Name and telephone number of contact person
9. Prior appraisal reports, market studies or descriptive information
10. Property Condition or Engineering reports, if available
11. Environmental reports, if available
12. Any other information you deem pertinent
TERMS AND CONDITIONS OF AGREEMENT
APPRaisal

1. These Terms and Conditions, when attached to any agreement for appraisal services between Client and Appraiser ("Agreement"), shall be deemed a part of such Agreement as though set forth in full therein.

2. Appraiser shall exercise independent judgment and complete the appraisal assignment called for by the Agreement ("Assignment") in accordance with sound appraisal practice and the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute.

3. All statements of fact in the appraisal report which are used as the basis of Appraiser's analyses, opinions, and conclusions will be true and correct to the best of Appraiser's knowledge and belief. Appraiser may rely upon the accuracy of information and material furnished to Appraiser by Client.

4. Appraiser shall have no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The appraisal report will not constitute a survey of the property assessed.

5. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Connie Smith and Client. Distribution of the report is at the sole discretion of the client. We assume no responsibility for unauthorized use of the appraisal by a third-party.

6. Client shall, in a timely manner, provide Appraiser with such materials with respect to the Assignment as are requested by Appraiser and in the possession or under the control of Client. Client shall provide Appraiser with sufficient access to the real property to be appraised, and hereby grants permission for entry, at reasonable times during business hours. A delay in receipt of information may delay completion of the assignment.

7. To the extent allowed by law, each of the parties will indemnify and hold the other party harmless from and against any liability, cost or expense (including attorney fees) arising out of any claim or legal proceedings brought by a third party where such claim or legal proceedings is based on the negligent act or omission, or misconduct of the party against whom indemnification is sought.

8. Unless expressly specified in the Agreement, the fee quoted does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors or Mountain States Appraisal & Consulting Inc. is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, Client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
9. In the event Client requests additional consultation or work beyond the scope of this assignment or following completion of the initial assignment or in the event that the appraiser is deposed or called as a witness to testify at a trial or other proceeding, Client shall pay an additional charge for this work, at the Appraiser’s standard hourly rate, whether or not the completed appraisal report has been delivered to Client at the time of the request. Often the Appraiser will be called upon as a witness to testify about the appraisal report or the Appraiser’s conclusions or methodology. Any additional work for this purpose will be charged at Appraiser’s standard hourly rate.

10. Client agrees that the appraisal report shall not be quoted or referred to in any financial statement of Client or in any documents filed with any governmental agency, if it is anticipated that such statement or documents will be relied upon by a member of the public in making an investment in property that is the subject of the appraisal, without the prior written consent of Appraiser. Neither all nor any part of the content of the appraisal report including, without limitation, the conclusions as to value, the identity of Appraiser, references to the Appraisal Institute or references to the MAI or SRA designations shall be disseminated to the public through advertising or other mass media without the prior written consent of Appraiser.

11. The data gathered in the course of the Assignment (except data furnished by Client) shall remain the property of the Appraiser. The appraisal report prepared pursuant to the Agreement shall remain the property of Client. With respect to data provided by Client, Appraiser shall not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to Appraiser. Notwithstanding the foregoing, Appraiser is authorized by Client to disclose all or any portion of the appraisal report and the related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable Appraiser to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.

12. The fee for this appraisal is not contingent upon the valuation of the property, the funding of any loan, or the outcome of litigation. Should the assignment be terminated prior to completion, Client agrees to pay for time and costs incurred prior to our receipt of written notice of cancellation.

13. In the event Client fails to make payment when due and payable, then from that date until payment in full is received, the amount due and payable shall bear interest at the rate of 18% per annum. If collection of any past due amounts are sent to a lawyer, regardless of whether a lawsuit is filed, the Client is responsible for all costs of collection, including attorneys’ fees.

14. Valbridge Property Advisors | Mountain States Consulting & Appraisal Inc. reserves the right to approve or disapprove (the approval not to be unreasonably withheld), in writing and in advance of any filing with the SEC or other governmental agency, all uses of Valbridge Property Advisors and/or Mountain States Consulting & Appraisal Inc. name or references to the services provided hereunder by Valbridge Property Advisors and/or Mountain States Consulting & Appraisal Inc. provided however that such approval shall not be necessary in the event the appraisal report, the appraisers name, or the services provided hereunder are required to be disclosed as part of any SEC or other governmental filing.
15. (Reserved)

16. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Mountain States Consulting & Appraisal Inc. Valbridge Property Advisors, Inc. has not been engaged to provide this report, does not provide valuation services, and has taken no part in the preparation of this report.

17. If any claim is filed against any of Valbridge Property Advisors, Inc. a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.

18. This report and any associated work files are subject to evaluation by Valbridge Property Advisors, Inc. for quality control purposes. If Client is unwilling to waive confidentiality for this purpose, client must inform Mountain States Consulting & Appraisal Inc. upon acceptance of this assignment.

19. All disputes shall be settled by binding arbitration in accordance with then-existing commercial arbitration rules of the American Arbitration Association (the "AAA").

20. This document contains the entire agreement of the parties. No other agreement, statement or promise made on or before the effective date of this agreement will be binding on the parties. This agreement may only be modified by subsequent written agreement of the parties.
Subject Photographs (Taken 4/7/2016)

Subject viewing south

Viewing north

Viewing west

Adjacent Idaho State University – Meridian Building

E. Central Dr., viewing west, subject on left

E. Central Dr., viewing east, subject on right
What do the different flood zones mean?
The following table gives an explanation of the flood zone designations used by First American Flood Data Services:

<table>
<thead>
<tr>
<th>Zone</th>
<th>Zone Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>Area in SFHA</td>
<td>This is an area inundated by 100-year flooding for which BFEs or velocity may have been determined. No distinctions are made between the different flood hazard zones that may be included within the SFHA.</td>
</tr>
<tr>
<td>100IC</td>
<td>100-year Flood Discharge Contained in Channel</td>
<td>An area where the 100-year flooding is contained within the channel banks and the channel is too narrow to show to scale. An arbitrary channel width of 3 meters is shown.</td>
</tr>
<tr>
<td>A</td>
<td>Zone A</td>
<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
</tr>
<tr>
<td>A99</td>
<td>Zone A99</td>
<td>An area inundated by 100-year flooding, for which no BFEs have been determined. This is an area to be protected from the 100-year flood by a Federal flood protection system under construction.</td>
</tr>
<tr>
<td>AE</td>
<td>Zone AE</td>
<td>An area inundated by 100-year flooding, for which BFEs have been determined.</td>
</tr>
<tr>
<td>AH</td>
<td>Zone AH</td>
<td>An area inundated by 100-year flooding (usually an area of ponding), for which BFEs have been determined; flood depths range from 1 to 3 feet.</td>
</tr>
<tr>
<td>ANI</td>
<td>Area Not Included</td>
<td>An area that is located within a community or county that is not mapped on any published FIRM.</td>
</tr>
<tr>
<td>AO</td>
<td>Zone AO</td>
<td>An area inundated by 100-year flooding (usually sheet flow on sloping terrain), for which average depths have been determined; flood depths range from 1 to 3 feet.</td>
</tr>
<tr>
<td>AR</td>
<td>Zone AR</td>
<td>An area inundated by flooding, for which BFEs or average depths have been determined.</td>
</tr>
<tr>
<td>B</td>
<td>Zone B</td>
<td>An area inundated by 500-year flooding; an area inundated by 100-year flooding with average depths of less than 1 foot or with drainage areas less than 1 square mile; or an area protected by levees from 100-year flooding.</td>
</tr>
<tr>
<td>BE</td>
<td>Zone BE</td>
<td>An area inundated by 500-year flooding; an area inundated by 100-year flooding with average depths of less than 1 foot or with drainage areas less than 1 square mile; or an area protected by levees from 100-year flooding.</td>
</tr>
<tr>
<td>BL</td>
<td>Zone B Protected By Levee</td>
<td>Areas protected from the 1% annual chance flood by levees. No Base Flood Elevations or depths are shown within this zone.</td>
</tr>
<tr>
<td>BX</td>
<td>Zone BX</td>
<td>An area inundated by 500-year flooding; an area inundated by 100-year flooding with average depths of less than 1 foot or with drainage areas less than 1 square mile; or an area protected by levees from 100-year flooding.</td>
</tr>
<tr>
<td>C</td>
<td>Zone C</td>
<td>An area that is determined to be outside the 100- and 500-year floodplains.</td>
</tr>
<tr>
<td>CE</td>
<td>Zone CE</td>
<td>An area that is determined to be outside the 100- and 500-year floodplains.</td>
</tr>
<tr>
<td>CX</td>
<td>Zone CX</td>
<td>An area that is determined to be outside the 100- and 500-year floodplains.</td>
</tr>
<tr>
<td>D</td>
<td>Zone D</td>
<td>An area of undetermined but possible flood hazards.</td>
</tr>
<tr>
<td>FW</td>
<td>Floodway</td>
<td>An area that includes the channel of a river or other watercourse (Usually adjacent to Zone AE).</td>
</tr>
<tr>
<td>FWIC</td>
<td>Floodway Contained in Channel</td>
<td>An area where the floodway is contained within the channel banks and the channel is too narrow to show to scale. An arbitrary channel width of 3 meters is shown. BFEs are not shown in this area, although they may be reflected on the corresponding profile.</td>
</tr>
<tr>
<td>IN</td>
<td>Area In SFHA</td>
<td>This is an area inundated by 100-year flooding for which BFEs or velocity may have been determined. No distinctions are made between the different flood hazard zones that may be included within the SFHA.</td>
</tr>
<tr>
<td>NM</td>
<td>Area Not Mapped</td>
<td>An area that is located within a community or county that is not mapped on any published FIRM.</td>
</tr>
<tr>
<td>OUT</td>
<td>Area Not Mapped</td>
<td>An area designated as outside a “Special Flood Hazard Area” (or SFHA) on a FIRM. This is an area inundated by 500-year flooding; an area inundated by 100-year flooding with average depths of less than 1 foot or with drainage areas less than 1 square mile</td>
</tr>
<tr>
<td>OW</td>
<td>Open Water</td>
<td>A body of open water, such as a large pond, lake, bay, ocean, etc., located within a community’s jurisdictional limits, that has no defined flood hazard.</td>
</tr>
<tr>
<td>UNDES</td>
<td>Area of Undesignated Flood Hazard</td>
<td>A body of open water, such as a pond, lake ocean, etc., located within a community’s jurisdictional limits, that has no defined flood hazard.</td>
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<tr>
<td>Zone</td>
<td>Description</td>
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<tr>
<td>V</td>
<td>An area inundated by 100-year flooding with velocity hazard (wave action); no Base Flood Elevations (BFEs) have been determined.</td>
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<tr>
<td>VE</td>
<td>An area inundated by 100-year flooding with velocity hazard (wave action); BFEs have been determined.</td>
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<tr>
<td>X</td>
<td>An area that is determined to be outside the 100- and 500-year floodplains.</td>
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<tr>
<td>X5</td>
<td>An area inundated by 500-year flooding; an area inundated by 100-year flooding with average depths of less than 1 foot or with drainage areas less than 1 square mile; or an area protected by levees from 100-year flooding.</td>
<td></td>
</tr>
<tr>
<td>X500</td>
<td>An area inundated by 500-year flooding; an area inundated by 100-year flooding with average depths of less than 1 foot or with drainage areas less than 1 square mile; or an area protected by levees from 100-year flooding.</td>
<td></td>
</tr>
<tr>
<td>X500IC</td>
<td>500-year Flood Discharge Contained in Channel. An area where the 500-year flooding is contained within the channel banks and the channel is too narrow to show to scale. An arbitrary channel width of 3 meters is shown.</td>
<td></td>
</tr>
<tr>
<td>X500L</td>
<td>Areas protected from the 1% annual chance flood by levees. No Base Flood Elevations or depths are shown within this zone.</td>
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<td>A1</td>
<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>A2</td>
<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<td>A25</td>
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<td>A26</td>
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<td>A27</td>
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<td>A29</td>
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<td>A30</td>
<td>An area inundated by 100-year flooding, for which no BFEs have been established.</td>
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<tr>
<td>Zone</td>
<td>V0</td>
<td>An area inundated by 100-year flooding with velocity hazard (wave action); no BFEs have been determined.</td>
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<td>Zone</td>
<td>V1</td>
<td>An area inundated by 100-year flooding with velocity hazard (wave action); no BFEs have been determined.</td>
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<td>Zone</td>
<td>V2</td>
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<td>V26</td>
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<td></td>
</tr>
<tr>
<td>V30</td>
<td>An area inundated by 100-year flooding with velocity hazard (wave action); no BFEs have been determined.</td>
<td></td>
</tr>
<tr>
<td>Z</td>
<td>Area of Unknown Flood Hazard An area of Data Discrepancy or an Unclaimed Area. Internal TFHC designation.</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>Area Not Mapped An area that is located within a community or county that is not mapped on any published FIRM (Usually a community not participating in NFIP). Internal TFHC designation.</td>
<td></td>
</tr>
<tr>
<td>AR/A</td>
<td>Zone AR/A An area inundated by flooding, for which BFEs or average depths have not been determined.</td>
<td></td>
</tr>
<tr>
<td>AR/AE</td>
<td>Zone AR/AE An area inundated by flooding, for which BFEs or average depths have been determined.</td>
<td></td>
</tr>
<tr>
<td>AR/AH</td>
<td>Zone AR/AH An area inundated by flooding, for which BFEs or average depths have been determined.</td>
<td></td>
</tr>
</tbody>
</table>

Any Questions or comments about our website, please contact webmaster@cdsys.com

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Addenda

Glossary

Definitions are taken from the Dictionary of Real Estate Appraisal, 5th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP) and Building Owners and Managers Association International (BOMA).

Absolute Net Lease
A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

Additional Rent
Any amounts due under a lease that is in addition to base rent. Most common form is operating expense increases. (Dictionary)

Amortization
The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

As Is Market Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Dictionary)

Base (Shell) Building
The existing shell condition of a building prior to the installation of tenant improvements. This condition varies from building to building, landlord to landlord, and generally involves the level of finish above the ceiling grid. (Dictionary)

Base Rent
The minimum rent stipulated in a lease. (Dictionary)

Base Year
The year on which escalation clauses in a lease are based. (Dictionary)

Building Common Area
The areas of the building that provide services to building tenants but which are not included in the rentable area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common areas are: floor common areas, parking spaces, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

Building Rentable Area
The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

Certificate of Occupancy (COO)
A statement issued by a local government verifying that a newly constructed building is in compliance with all codes and may be occupied.

Common Area (Public) Factor
In a lease, the common area (public) factor is the multiplier to a tenant’s useable space that accounts for the tenant’s proportionate share of the common area (restrooms, elevator lobby, mechanical rooms, etc.). The public factor is usually expressed as a percentage and ranges from a low of 5 percent for a full tenant to as high as 15 percent or more for a multi-tenant floor. Subtracting one (1) from the quotient of the rentable area divided by the useable area yields the load (public) factor. At times confused with the “loss factor” which is the total rentable area of the full floor less the useable area divided by the rentable area. (BOMA)

Common Area Maintenance (CAM)
The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property.

CAM can be a line-item expense for a group of items that can include maintenance of the parking lot and landscaped areas and sometimes the exterior walls of the buildings. CAM can refer to all operating expenses.
CAM can refer to the reimbursement by the tenant to the landlord for all expenses reimbursable under the lease. Sometimes reimbursements have what is called an administrative load. An example would be a 15 percent addition to total operating expenses, which are then prorated among tenants. The administrative load, also called an administrative and marketing fee, can be a substitute for or an addition to a management fee. (Dictionary)

Condominium
A form of ownership in which each owner possesses the exclusive right to use and occupy an allotted unit plus an undivided interest in common areas.

A multiunit structure, or a unit within such a structure, with a condominium form of ownership. (Dictionary)

Conservation Easement
An interest in real property restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature to continue, subject to the easement. In some locations, a conservation easement may be referred to as a conservation restriction. (Dictionary)

Contributory Value
The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprivial value in some countries. (Dictionary)

Debt Coverage Ratio (DCR)
The ratio of net operating income to annual debt service (DCR = NOI/Im), which measures the relative ability to a property to meet its debt service out of net operating income. Also called Debt Service Coverage Ratio (DSCR). A larger DCR indicates a greater ability for a property to withstand a downturn in revenue, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction
A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation
1) In appraising, the loss in a property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. 2) In accounting, an allowance made against the loss in value of an asset for a defined purpose and computed using a specified method. (Dictionary)

Disposition Value
The most probable price that a specified interest in real property is likely to bring under the following conditions:

- Consummation of a sale within a exposure time specified by the client;
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time specified by the client;
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

Easement
The right to use another's land for a stated purpose. (Dictionary)

EIFS
Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date
1) The date at which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. 2) In a lease document, the date upon which the lease goes into effect. (Dictionary)

Effective Rent
The rental rate net of financial concessions such as periods of no rent during the lease term and above-or below-market tenant improvements (TIs). (Dictionary)

EPDM
Ethylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings. (Dictionary)
Escalation Clause
A clause in an agreement that provides for the adjustment of a price or rent based on some event or index. e.g., a provision to increase rent if operating expenses increase; also called an expense recovery clause or stop clause. (Dictionary)

Estoppel Certificate
A statement of material factors or conditions of which another person can rely because it cannot be denied at a later date. In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an estoppel letter. (Dictionary)

Excess Land
Land that is not needed to serve or support the existing improvement. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land may have the potential to be sold separately and is valued separately. (Dictionary)

Expense Stop
A clause in a lease that limits the landlord’s expense obligation, which results in the lessee paying any operating expenses above a stated level or amount. (Dictionary)

Exposure Time
1) The time a property remains on the market. 2) The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. (Dictionary)

Extraordinary Assumption
An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary)

Fair Market Value
The price at which the property should change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts. [Treas. Reg. 20.2031-1(b); Rev. Rul. 59-60. 1959-1 C.B. 237]

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area
Areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)

Full Service (Gross) Lease
A lease in which the landlord receives stipulated rent and is obligated to pay all of the property’s operating and fixed expenses; also called a full service lease. (Dictionary)

Going Concern Value
- The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern.
- The value of an operating business enterprise. Goodwill may be separately measured but is an integral component of going-concern value when it exists and is recognizable. (Dictionary)

Gross Building Area
The total constructed area of a building. It is generally not used for leasing purposes (BOMA)

Gross Measured Area
The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of the same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

Gross Up Method
A method of calculating variable operating expense in income-producing properties when less than 100
percent occupancy is assumed. The gross up method approximates the actual expense of providing services to the rentable area of a building given a specified rate of occupancy. (Dictionary)

Ground Lease
A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent
The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

HVAC
Heating, ventilation, air conditioning. A general term encompassing any system designed to heat and cool a building in its entirety.

Highest & Best Use
The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are 1) legal permissibility, 2) physical possibility, 3) financial feasibility, and 4) maximally profitability. Alternatively, the probable use of land or improved –specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. (Dictionary)

Hypothetical Condition
That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary)

Industrial Gross Lease
A lease of industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real estate taxes as specified in the lease. There are significant regional and local differences in the use of this term. (Dictionary)

Insurable Value
A type of value for insurance purposes. (Dictionary) Typically this includes replacement cost less basement excavation, foundation, underground piping and architect’s fees).

Investment Value
The value of a property interest to a particular investor or class of investors based on the investor’s specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)

Just Compensation
In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position as he or she would be if the property had not been taken. (Dictionary)

Leased Fee Interest
A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease). (Dictionary)

Leasehold Interest
The tenant’s possessory interest created by a lease. (Dictionary)

Lessee (Tenant)
One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)
One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value
The most probable price that a specified interest in real property should bring under the following conditions:

- Consummation of a sale within a short period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
A normal marketing effort is not possible due to the brief exposure time.
Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

Loan to Value Ratio (LTV)
The amount of money borrowed in relation to the total market value of a property. Expressed as a percentage of the loan amount divided by the property value. (Dictionary)

Major Vertical Penetrations
Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent
The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement including permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs). (Dictionary)

Market Value
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
a. Buyer and seller are typically motivated;
b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
c. A reasonable time is allowed for exposure in the open market;
d. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Market Value As If Complete
Market value as if complete means the market value of the property with all proposed construction, conversion or rehabilitation hypothetically completed or under other specified hypothetical conditions as of the date of the appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate of value shall reflect the market value of the property as if complete and prepared for occupancy by tenants.

Market Value As If Stabilized
Market value as if stabilized means the market value of the property at a current point and time when all improvements have been physically constructed and the property has been leased to its optimum level of long term occupancy.

Marketing Time
An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, “Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions” address the determination of reasonable exposure and marketing time). (Dictionary)

Master Lease
A lease in which the fee owner leases a part or the entire property to a single entity (the master lease) in return for a stipulated rent. The master lessee then leases the property to multiple tenants. (Dictionary)

Modified Gross Lease
A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property’s operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease
may be called a double net lease, net net lease, partial net lease, or semi-gross lease. (Dictionary)

Option
A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the optionee) to buy, sell, or lease real property for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest
Divided or undivided rights in real estate that represent less than the whole (a fractional interest). (Dictionary)

Pass Through
A tenant’s portion of operating expenses that may be composed of common area maintenance (CAM), real estate taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Prospective Future Value Upon Completion
Market value “upon completion” is a prospective future value estimate of a property at a point in time when all of its improvements are fully completed. It assumes all proposed construction, conversion, or rehabilitation is hypothetically complete as of a future date when such effort is projected to occur. The projected completion date and the value estimate must reflect the market value of the property in its projected condition, i.e., completely vacant or partially occupied. The cash flow must reflect lease-up costs, required tenant improvements and leasing commissions on all areas not leased and occupied.

Prospective Future Value Upon Stabilization
Market value “upon stabilization” is a prospective future value estimate of a property at a point in time when stabilized occupancy has been achieved. The projected stabilization date and the value estimate must reflect the absorption period required to achieve stabilization. In addition, the cash flows must reflect lease-up costs, required tenant improvements and leasing commissions on all unleased areas.

Replacement Cost
The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout. (Dictionary)

Reproduction Cost
The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, super-adequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion
A value opinion effective as of a specified historical date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., “retrospective market value opinion.” (Dictionary)

Sandwich Leasehold Estate
The interest held by the original lessee when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease
An agreement in which the lessee (i.e., the tenant) leases part or all of the property to another party and thereby becomes a lessor. (Dictionary)

Subordination
A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party. (Dictionary)

Substantial Completion
Generally used in reference to the construction of tenant improvements (TIs). The tenant’s premises are typically deemed to be substantially completed when all of the TIs for the premises have been completed in accordance with the plans and specifications previously approved by the tenant. Sometimes used to define the commencement date of a lease.

Surplus Land
Land that is not currently needed to support the existing improvement but cannot be separated from the property and sold off. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)
Triple Net (Net Net Net) Lease
A lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called NNN, triple net leases, or fully net lease. (Dictionary)

(The market definition of a triple net leases varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area
The measured area of an office area, store area or building common area on a floor. The total of all the usable areas or a floor shall equal floor usable area of that same floor. The amount of floor usable area can vary over the life of a building as corridors expand and contract and as floors are remodeled. (BOMA)

Value-in-Use
The value of a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Dictionary)
Valuation and Advisory Services for All Types of Property and Land

- Office
- Industrial
- Retail
- Apartments/multifamily/senior living
- Lodging/hospitality/recreational
- Other special-purpose properties

SPECIALTY SERVICES
- Portfolio valuation
- REO/foreclosure evaluation
- Real estate market and feasibility analysis
- Property and lease comparables, including lease review
- Due diligence
- Property tax assessment and appeal-support services
- Valuations and analysis of property under eminent domain proceedings
- Valuations of property for financial reporting, including goodwill impairment, impairment or disposal of long-lived assets, fair value and leasehold valuations
- Valuation of property for insurance, estate planning and trusteeship, including fractional interest valuation for gifting and IRS purposes
- Litigation support, including expert witness testimony
- Business and partnership valuation and advisory services, including partial interests
IDAHO STATE UNIVERSITY

SUBJECT
Establishment of an online program fee for the Community Paramedic academic certificate program

REFERENCE
April 2016 The Idaho State Board of Education (Board) approved institutions' student tuition and fees for FY2017

APPLICABLE STATUTE, RULE, OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.R.3.a.x.

BACKGROUND/DISCUSSION
Subsequent to the approval of student tuition and fees by the Board in April 2016, Idaho State University (ISU) has determined that an online program fee (in lieu of tuition and all other Board-approved fees) would be appropriate for the Community Paramedic academic certificate program. The program is fully online, with all courses offered and delivered via distance learning modalities. This is the first request for an on-line program fee by ISU.

IMPACT
The proposed online program fee for this program is $3,300. Currently, with no online program fee in place, a student in this program would pay $3,547 for the courses leading to the certificate.

ATTACHMENTS
Attachment 1 – Community Paramedic Online Program Fee Proposal Page 3
Attachment 2 – Community Paramedic Budget 7-8-2016 Page 5

STAFF COMMENTS AND RECOMMENDATIONS
The proposed online program fee for the Community Paramedic certificate program meets the criteria specified in Board Policy V.R., lowers the cost of the program to students, and enhances the affordability and marketability of the program. Staff recommends approval.

BOARD ACTION
I move to approve the request by Idaho State University to establish a $3,300.00 online program fee for the Community Paramedic certificate program.

Moved by __________ Seconded by __________ Carried Yes _____ No _____
The Emergency Services Department (ESD) is proposing an online program fee for the Community Paramedic Academic Certificate Program of $3,300.00 per student.

The Community Paramedic Academic Certificate Program consists of nine academic credits made up of four classes and the clinical practicum offered over three semesters. All classes are taught online by paramedics and healthcare experts who have training and field experience in/with community paramedicine.

**Budget Narrative – Community Paramedic Academic Certificate**

**Salaries and Wages**

- Mike Mikitish, Program Director/Dept Chair, will devote 2% per year, towards the program. His primary responsibility is overall project management including contract development.
- Ellen Jones, Course Coordinator, will devote 2% per year towards the program. Her responsibilities include student first point of contact post acceptance to program, program marketing and advising.
- Suzanne Shemwell, Administrative Assistant, will devote 2% per year towards the program. Her main focus is class scheduling and liaison to the registrar’s office, course material sourcing.
- Karen Carson, Financial Technician, will devote 2% per year towards the program. Her primary responsibility is reconciling actual expenses to the budget, first point of contact for contractor compensation and payments, tracking discrepancies and problem resolution, as well as, contract compliance and development support.

**Fringe**

- In years 2-5 of the budget presentation, a 3% incremental increase was included each year to salary expenses. Fringe benefits were applied at a standard rate of 20.96% for professional staff (Mike and Ellen) and 21.27% on staff salaries for all 5 years of the budget presentation. Medical insurance was included in year 1 at an annual rate of $12,240.00. Years 2-5 include a 9% incremental increase year over year.

**Course Development**

- Salaries and benefits also include an estimate of $1,200.00 per year for use in paying instructors for course materials development. Course development includes curriculum updates, tests, newly identified resource materials, class presentations and cds amended, created or revised to current standards.

**Travel**

- A travel allowance has been budgeted to cover Program Director and/or staff expenses related to attendance of course/topic specific conferences/seminars, such as the International Roundtable on Community Paramedicine. Additionally, a factor for periodic travel to main campus as may be required for meetings or discussion is included. The request is lower in the first year of the budget @$750.00/year with an increase to $1000.00/annually in years 2-5, aligned with expected program growth.

**Other Direct Costs**

- Professional Services - $50/student for FISDAP registration. FISDAP is an online scheduling tool for use in the clinical phase of the program.
• Contractual Services – budgeted payments to Ada County Paramedics for program instruction is calculated using an agreed upon sliding scale based on the total number of students participating in the program per semester. The contract includes expenses for the compensation of the Paramedic Director, Paramedic Instructor and Paramedic Agency Coordinator. Each consultant’s roles, responsibilities, deliverables and compensation are based on the signed addendum agreement #11425-1-16.

Materials and Supplies –

• An average of $500/year is requested for needed material and supplies to support the program.

Capital –

• $1,800.00 for the first year and $3,500 in years 2-5 will be needed to for technology upgrades and/or repair.

Honoraria –

• An average of $2,150/annually is included for 3 subject matter expert guest speakers.

Other –

• Communications/Postage - A total of $500/year is requested for phone, postage, fax, etc. costs. Because this is a live-online program, many of the students are out of our local area resulting in small increases to long distance phone charges, increased fax use, etc.
• Specific costs associated with each student include:
  o $45.00 background check required for acceptance into clinical sites.
  o $20.00 malpractice insurance also applicable to clinical training.
# Community Paramedic Track (SHIP Grant) - 15% OH Rate

### IDAHO STATE UNIVERSITY

#### Resource Allocation and Impact Summary

#### BUDGET SUMMARY

*To add a BS in Emergency Management (on-line)*

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EASTERN IDAHO TECHNICAL COLLEGE

SUBJECT
Request to provide right of way and permanent easement to City of Idaho Falls

REFERENCE
February 2012 Board approved public right of way and permanent easement with the City of Idaho Falls

APPLICABLE STATUTE, RULE, OR POLICY
Idaho State Board of Education Governing Policies & Procedures, Section V.I.5.b.

BACKGROUND/DISCUSSION
Eastern Idaho Technical College (EITC) is located at the eastern edge of Idaho Falls and is bounded on the southeast corner by the intersection of Hitt Road on the east and South 17th Street on the south. This area and the City of Ammon to the east of Idaho Falls have seen major growth since the intersection was last modified. During peak hours, traffic backs up on Hitt Road beyond the southern entrance to the campus, blocking vehicle access to the campus. To ease traffic congestion the City of Idaho Falls (City) proposes to install a right turn lane from Hitt Road onto 17th Street and sufficient additional roadway on 17th Street to allow traffic turning right to merge safely with westbound traffic on 17th Street. This project includes conveyance of property owned by EITC, thus requiring State Board of Education (Board) approval. Details and supporting documentation for the project are provided in the attachments.

IMPACT
The subject property on the southern end of EITC campus is not currently used by the College and there are no future plans for its development. Current and future impact of the property transfer is negligible. The City’s proposed road improvement project will ease congestion, promote safety, and improve access to the EITC campus during peak use hours.

ATTACHMENTS
Attachment 1 – Right-Of-Way Agreement Page 3
Attachment 2 – Maps Exhibit A & B Page 5
Attachment 3 – Grant Deed Page 7
Attachment 4 – Deed of Easement Page 9
Attachment 5 – February 2012 SBOE Minutes Excerpt Page 11

STAFF COMMENTS AND RECOMMENDATIONS
This proposal was presented to and approved by the Board in February 2012 (minutes reflecting the Board’s earlier decision are provided at Attachment 5). The project was subsequently shelved when the City of Idaho Falls diverted funding for the project to other higher priority actions. The request is being re-submitted to
the Board for approval because it has been well over one year since the original property transfer was authorized. Staff recommends approval.

BOARD ACTION
I move to approve the request by Eastern Idaho Technical College to grant the City of Idaho Falls 0.226 acres of permanent easement and 0.186 acres of right of way corresponding with the documents submitted to the Board as Attachments 1 through 4, and to authorize the College’s President to execute all necessary related documents.

Moved by __________ Seconded by __________ Carried Yes _____ No _____
RIGHT-OF-WAY AGREEMENT

AGREEMENT, made this day of , 2016 , by and between the City of Idaho Falls, a municipal corporation, whose address is P.O. Box 50220, Idaho Falls, Idaho 83405, hereinafter referred to as “City”, and the State of Idaho, acting by and through the Eastern Idaho Technical College, whose address is 1600 South 25th East, Idaho Falls, Idaho 83404, hereinafter referred to as “EITC.”

WITNESSETH:

WHEREAS, the City needs to acquire certain property adjacent to the rights-of-way of 17th Street and S 25th E, at the intersection of said streets, for the purpose of widening such rights-of-way and streets, and making modifications to the signalization and traffic control equipment located at such intersection;

WHEREAS, EITC is willing to donate and convey such right-of-way to the City for such purposes, subject to the terms and conditions set forth herein;

NOW, THEREFORE, it is hereby agreed as follows:

1. Conveyance of Property. EITC agrees to grant and convey to the City that certain real property, more particularly described in the Right-of-way Plat (Exhibit A) as Parcel 2A attached hereto and by this reference made a part hereof. Such conveyance shall be by Grant Deed. EITC further agrees to grant and convey to City a perpetual easement for the purpose of constructing, operating and maintaining a public road right-of-way, pedestrian walkway and public utilities therein, all as more particularly described in the Right-of-way Plat (Exhibit A) as Parcel 2E attached hereto and by this reference made a part hereof. Such easement shall be in substantially the same form as the Easement Deed.

2. Consideration. Conveyance of the property and easement described respectfully in the Right-of-way Plat attached hereto, shall be made without monetary consideration and the sole consideration for such conveyances shall be the City’s obligations to make the landscaping and property renovation as described below.

3. Tree Removal and Location. City agrees to trim that certain willow tree located north of the easement parallel to 17th Street, all as shown in Exhibit “B” attached hereto. The City further agrees to relocate the four (4) conifers located in Easement 2E to a new location between S 25th East and EITC’s south parking lot at the location more particularly shown on Exhibit “B” attached hereto. In the event that such Conifers are too large to be conveniently moved or cannot be removed without jeopardizing the health of such trees, the City agrees to purchase and replace such trees with other trees of similar caliper, height, character and/or species as may be solely determined by EITC. In the event of such relocation, City agrees it will replace, at its own cost and expense, any trees that die or show signs of dying within one (1) year after the date of such relocation. Such
replacement will also be with trees of similar species, caliper, height and character as may be determined at the sole discretion of EITC.

4. **Relocation of Sign.** City agrees to forthwith relocate and move the EITC sign as shown on Exhibit "B" and to relocate the same to a new location as shown on Exhibit "B".

5. **Delivery of Deeds.** EITC agrees to execute and deliver the Grant Deed reflected in the Right-of-way plat attached hereto within thirty (30) days of notification of the recording of the Right-of-way plat.

6. **Repair of Sprinkler System.** City agrees to repair any and all damage to EITC’s sprinkler system caused by the City or necessitated in conjunction with the widening of 17th Street and S 25th East rights-of-way and to otherwise ensure that EITC’s sprinkler system is promptly restored to a good, sound working condition.

7. **Notices.** Service of any notice permitted or required under the terms of this Agreement shall be deemed complete upon the deposit of the same in the United States Mail, by Certified or Registered Mail, addressed to EITC at 1600 South East 25th Street, Idaho Falls, Idaho, 83404; or addressed to the City at P.O. Box 50220, Idaho Falls, Idaho 83402, as the case may be, or such other address as either shall hereafter in writing to the other designate, or by causing said notice to be served personally upon EITC or on the City as the case may be. For the purposes hereof, personal service shall be complete when served in the manner provided for service of process under the Idaho Rules of Civil Procedure.

8. **Costs.** All costs associated with the construction of the sidewalk, curb, pavement, traffic signs and related facilities located within the deeded right-of-way and easement shall be borne exclusively by the City.

9. **Complete Agreement.** This writing evidences the complete and final agreement of the parties and no prior statement, representation or understanding shall be binding except as expressly set forth herein.

10. **Binding Effect.** This Agreement shall be binding upon the heirs, successors and assigns of the parties hereto.

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CITY OF IDAHO FALLS

By: ____________________________
Rebecca L. Noah Casper
Mayor

EASTERN IDAHO TECHNICAL COLLEGE

By: ____________________________
Rick Aman
President
SURVEYOR'S CERTIFICATE

I, KENNETH BALDWIN ROBERTS, a registered professional land surveyor in the State of Idaho, do hereby certify that this survey was made under my direction, and that said survey is truly and correctly staked as provided by law and in accordance with the accompanying plat as described hereon.

KENNETH BALDWIN ROBERTS, P.L.S. 9755

STATE OF IDAHO

ACQUISITION

CITY OF IDAHO FALLS
ENGINEERING DEPARTMENT

PARCEL 2A
LANDS DESCRIBED IN DEEDS # ______ ________ _

SENW. SEC 2 T. N. R. M.E., B.M.
SCALE: 1:20 PLOT NO. 30007
DRAWN: JUNE 2016
CONTRACTOR: BAHR}

TAB 10 Page 5
GRANT DEED

THIS INDENTURE is made this ______ day of _____________, 2016, between the State of Idaho, acting by and through the Eastern Idaho Technical College, whose address is 1600 South 25th East, Idaho Falls, Idaho 83404, hereinafter referred to as “GRANTOR”, and the City of Idaho Falls, a municipal corporation of the State of Idaho, whose address is P.O. Box 50220, Idaho Falls, Idaho 83405, hereinafter referred to as “GRANTEE”.

WITNESSETH, that the GRANTOR, for and in consideration of the sum of Ten Dollars ($10.00) lawful money of the United States of America, and other good and valuable consideration, to the GRANTOR in hand paid by the GRANTEE, the receipt whereof is hereby acknowledged, has granted, and by these presents does grant and confirm unto the GRANTEE, and to GRANTEE’s heirs and assigns forever, all of the following described property in the County of Bonneville, State of Idaho, to-wit:

SEE PARCEL 2A ON RIGHT-OF-WAY PLAT INSTRUMENT NO. ______________

TOGETHER with the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and any reversions, any remainders, and rents, issues and profits therefrom; and all estate, right, title and interest in and to said property, as well in law as in equity, of the GRANTOR.

TO HAVE AND TO HOLD, the premises and the appurtenances unto the GRANTEE, and to GRANTEE’s heirs and assigns forever.

In construing this deed and where the context so requires, the singular includes the plural.

IN WITNESS WHEREOF, the GRANTOR has executed the within instrument the day and year first above written.
EASTERN IDAHO TECHNICAL COLLEGE

By: ______________________________

Rick Aman
President

STATE OF IDAHO )
) ss.
County of Bonneville )

On this ______ day of __________________, 2016, before me, the undersigned Notary Public in and for said state, personally appeared Rick Aman, known or identified to me to be the person whose name is subscribed to the within instrument as President of Eastern Idaho Technical College, and acknowledged to me he executed the same as such President of Eastern Idaho Technical College.

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
Residing at _________________________
My commission expires ________________

( Seal )
DEED OF EASEMENT

THIS INDENTURE, made this ______ day of ____________, 2016, between the State of Idaho, acting by and through the Eastern Idaho Technical College whose address is 1600 South 25th East, Idaho Falls, Idaho, 83404, hereinafter referred to as "GRANTOR", and the CITY OF IDAHO FALLS, a municipal corporation, P.O. Box 50220, Idaho Falls, Idaho 83405, County of Bonneville, hereinafter referred to as "GRANTEE".

WITNESSETH

For and in consideration of the sum of One and No/100 Dollars ($1.00) and other good and valuable consideration paid by GRANTEE, the receipt of which is hereby acknowledged, GRANTOR hereby grants, bargains and conveys unto GRANTEE, and its successors and assigns forever, an irrevocable permanent public utility easement over, across and under the following described real estate, situated in the County of Bonneville, State of Idaho, to-wit:

See Parcel 2E on Right-of-way Plat Instrument No. ________________

This easement may be used for the construction, maintenance, and repair of any public utility lines, equipment and appurtenant improvements placed on the premises hereunder, and GRANTEE shall have the right, at GRANTORS' expense, to remove, cut, trim any trees, brush, ornamental shrubbery or plants, or other obstructions on said premises which may injure or interfere with the use thereof by the GRANTEE for such purposes. Such right may be exercised without prior notice to GRANTOR or its heirs, successors or assigns.

GRANTOR further agrees they will construct no permanent structures upon the premises described, including but not limited to buildings constructed on permanent foundations, light posts, sign posts or other structures which are not readily movable with nominal expense.

To have and to hold unto GRANTEE and its successors and assigns forever.

GRANTOR and GRANTORS' heirs shall warrant and defend the premises in the quiet and peaceful possession of GRANTEE and GRANTEE'S successors and assigns, against the GRANTOR and GRANTORS' heirs, and against every person whomsoever who lawfully holds or claims to hold rights in the premises as of the date hereof.

IN WITNESS WHEREOF, GRANTOR has hereunto subscribed their hand and seal on this day and year first above written.

__________________________
RICK AMAN – PRESIDENT EITC
STATE OF IDAHO

County of ____________

On this ____________ day of ____________, 2016, before me, the undersigned, a notary public, in and for said State, personally appeared RICK AMAN, known or identified to me to be the President of Eastern Idaho Technical College, and whose name is subscribed to the within instrument and acknowledged to me that he is authorized to execute the same for and on behalf of said Eastern Idaho Technical College.

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 of Idaho
Residing at: ________________________________
My Commission Expires: ____________________

(Seal)
A regularly scheduled meeting of the State Board of Education was held February 15-16, 2012 at Boise State University in Boise, Idaho.

Present:
Richard Westerberg, President
Don Soltsman, Secretary
Ken Edmunds, Vice President
Rod Lewis
Milford Terrell
Bill Goesling
Emma Atchley
Tom Luna, State Superintendent

Wednesday, February 15, 2012

The Board met in the Simplot Ballroom of the Student Union Building at Boise State University in Boise, Idaho. Board President Richard Westerberg called the meeting to order at 1:00 pm.

BOARDWORK

1. Agenda Review

BOARD ACTION

M/S (Edmunds/Goesling): By unanimous consent the Board agreed to approve the agenda as amended. There were no objections.

President Westerberg requested unanimous consent to amend the order of the agenda and set the Department of Education section to a time certain of 10:15 a.m. to accommodate Superintendent Luna's travel schedule. President Westerberg reminded those present that the Boise State University bond item, BAHR Tab 6, was already set to a time certain at 2:00 p.m. Thursday. There were no objections.

2. Minutes Review

BOARD ACTION

STATE BOARD OF EDUCATION

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

APPROVED MINUTES

STATE BOARD OF EDUCATION
February 15-16, 2012
Boise State University
Student Union Building
Boise, Idaho
Mr. Terrell introduced the item while Mr. Freeman provided a handout to the Board. Mr. Terrell turned the time over to Chet Herbst from LCSC for a summary. Mr. Herbst summarized that Lewis-Clark State College has identified an opportunity to take advantage of historically low interest rates by refinancing the balance of its current revenue bonds. The college stands to reduce both the debt principal and interest through this refinancing.


BOARD ACTION

M/S (Terrell/Soltman): To approve the request by Eastern Idaho Technical College to grant the City of Idaho Falls a public right of way of 0.25 acres and permanent easement of 0.18 acres in substantial conformance with the documents submitted to the Board as Attachments 1 and 2, to authorize the College’s Vice President for Finance and Administration to execute all necessary related documents, subject to prior review by Board counsel. The motion passed unanimously. Board members Luna and Atchley were absent from voting.

Mr. Terrell introduced the item and commented this is a request by EITC for the approval of a right of way and permanent easement to the City of Idaho Falls. This is a friendly and mutually beneficial agreement to help ease traffic congestion on a major arterial roadway fronting the campus. Staff recommends approval.

INSTRUCTION, RESEARCH, AND STUDENT AFFAIRS

College and Institutions Mission Statements

The work session discussion for this item occurred on Wednesday, February 15, 2012. Board member Edmunds confirmed that the Board members had all received and reviewed the revisions to the Mission Statements before considering the motions before them today.

BOARD ACTION

M/S (Edmunds/Soltman): To approve Boise State University’s Mission Statement and Core Themes as amended. The motion passed unanimously. Board members Luna and Atchley were absent from voting.

There was no discussion.

M/S (Edmunds/Soltman): To approve Idaho State University’s Mission Statement and Core Themes as amended. The motion passed unanimously. Board members Luna and Atchley were absent from voting.

There was no discussion.

M/S (Edmunds/Soltman): To approve the University of Idaho’s Mission Statement and Core Themes as amended. The motion passed unanimously. Board members Luna and Atchley were absent from voting.