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<tr>
<td>1</td>
<td>FY 2018 LINE ITEMS</td>
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<td>FY 2018 CAPITAL BUDGET REQUESTS</td>
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<td>3</td>
<td>INTERCOLLEGIATE ATHLETIC REPORTS</td>
<td>Information item</td>
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<td>NCAA Academic Progress Rate (APR) Scores</td>
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<td>IDAHO NATIONAL LABORATORY</td>
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<td>Board Sponsorship of Idaho National Laboratory Project</td>
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<td>5</td>
<td>BOISE STATE UNIVERSITY</td>
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<td>Oracle HCM Cloud Application Licensing Agreement</td>
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<td>6</td>
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<td>Land Use Swap between ISU and Idaho State University Federal Credit Union</td>
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<td>7</td>
<td>IDAHO STATE UNIVERSITY</td>
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<td>Disposal of Real Property - O’Neall Property in McCammon, Idaho</td>
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<td>Ground Lease – Idaho College of Osteopathic Medicine</td>
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<td>9</td>
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<td>Right of Way Agreement – City of Idaho Falls</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 _____
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
Attachment 2-Boise State University Six-year Plan
Attachment 3-Idaho State University Six-year Plan
Attachment 4-University of Idaho Six-year Plan
Attachment 5-Lewis-Clark State College Six-year Plan
Attachment 6-Eastern Idaho Technical College Six-year Plan
Attachment 7-Capital Project Summaries for agencies & institutions

**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)

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<th>Board Priority</th>
<th>Institution/Agency &amp; Project</th>
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<th>Perm. Building Fund</th>
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<td>University of Idaho</td>
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<td>Living and Learning Complex</td>
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<td>College of Southern Idaho</td>
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<td>Canyon Building Remodel and Modernization</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.
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.
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
Attachment 2 – Background info on Idaho State Building Authority

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____
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 _____
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.I.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 _____
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
Attachment 2 – Appraisal

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 _____
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_____
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 ______
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 ______