

**BUSINESS AFFAIRS AND HUMAN RESOURCES
FEBRUARY 15, 2017**

TAB	DESCRIPTION	ACTION
1	PROPERTY ACQUISITION	Motion to approve
2	BOISE STATE UNIVERSITY Online Program Fee Request – MS Accountancy	Motion to approve
3	IDAHO STATE UNIVERSITY Cost Estimate to Move College of Technology Academic Programs to the RISE Building	Motion to approve
4	IDAHO STATE UNIVERSITY Anatomy and Physiology Lab Building Addition – Meridian Health Science Center	Motion to approve
5	UNIVERSITY of IDAHO Funding Increase – Athletics Program	Motion to approve
6	UNIVERSITY of IDAHO Idaho Arena Project – Planning, Programming and Design Phases	Motion to approve

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BUSINESS AFFAIRS AND HUMAN RESOURCES
FEBRUARY 15, 2017

SUBJECT

Consider and Act Upon Items Discussed in Executive Session Related to the Acquisition of Real Property

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.I. Real and Personal Property and Services

BACKGROUND/DISCUSSION

Executive Session items may be discussed and acted upon, if appropriate, in open session.

IMPACT

Approval by the Board will allow the Board President and Executive Director to negotiate within the terms discussed in Executive Session to acquire the specified property.

BOARD ACTION

I move to authorize the Board President and Executive Director of the State Board of Education to execute any requisite documents to acquire the property within the terms discussed in Executive Session.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

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BUSINESS AFFAIRS AND HUMAN RESOURCES
FEBRUARY 15, 2017

BOISE STATE UNIVERSITY

SUBJECT

Online Program Fee Request, Master of Science in Accountancy

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.R.

BACKGROUND/DISCUSSION

Boise State University (BSU) proposes to establish an online program fee for the fully online version of its Master of Science (M.S.) in Accountancy program. The online Accountancy program will operate under the guidelines of Idaho State Board of Education (Board) Policy V.R. as it pertains to fully online programs. The online program will serve the needs of people unable to attend in-person classes at the BSU campus due to work schedule or location.

The 30-credit online program will utilize the existing curriculum currently offered in-person for BSU's Association of Advance Collegiate Schools of Business (AACSB) accredited program.

The program is designed for people who want to advance their knowledge in accounting and prepare for careers in the accounting profession. Graduates will be prepared to pursue professional credentials such as the Certified Public Accountant (CPA) and the Certified Management Accountant (CMA). The program covers a variety of advanced topics including financial reporting, audit, tax, data analytics, accounting information systems, managerial accounting, and research methodology.

The U.S. Bureau of Labor Statistics' Occupational Outlook Handbook indicates there were 1,332,700 accountants and auditors employed in the U.S. in 2014. That number is expected to jump to 1,475,100 by 2024. "Employment of accountants and auditors is projected to grow 11 percent from 2014 to 2024, faster than the average for all occupations. In general, employment growth of accountants and auditors is expected to be closely tied to the health of the overall economy. As the economy grows, more workers should be needed to prepare and examine financial records."

Both Idaho State University and the University of Idaho offer in-person Master of Accountancy degrees; neither offers an online program.

The BSU program is expected to grow to an enrollment of approximately 100 students by its fifth year and graduate approximately 60 per year once fully up and running.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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IMPACT

This request will enable BSU to set a price-point appropriate for the program; students will pay an online program fee in lieu of tuition. BSU will charge \$450 per credit hour. This is a competitive rate in the current online market. Based on a review of 10 institutions offering a similar online degree, the lowest per credit rate was \$442 and the highest was \$1,088.

The total cost to the student of the 30 credits required for completion of the proposed program would be \$13,500.

The program will not require the use of any new state appropriated funds.

ATTACHMENTS

Attachment 1 – M.S. in Accountancy online program details

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STAFF COMMENTS AND RECOMMENDATIONS

BSU's proposal to create a fully online version of its M.S. in Accountancy program was coordinated through the Board's established program review process and recommended for approval by the Council on Academic Affairs and Programs (CAAP) on January 19, 2017; and by the Instruction, Research, and Student Affairs (IRSA) Committee on February 2, 2017.

The proposed online program fee complies with Board Policy V.R.3.x. and should not, as described, reduce access to an M.S. in Accountancy degree for Idaho resident students enrolled in "brick and mortar" courses on campus. The market will determine whether this delivery mode is sustainable at the proposed rate of \$450 per credit hour (in lieu of normal tuition and any special course fees). [Note: the normal per credit hour fee for a full-time, resident BSU graduate student taking 9-15 credits ranges from \$281/credit hour (for a student taking 15 credits) to \$469/credit hour (for a student taking 9 credits); or \$382/credit for a part-time (1-8 credits) graduate student.]

Staff recommends approval.

BOARD ACTION

I move to approve the request by Boise State University to designate an online program fee for the M.S., in Accountancy program in the amount of \$450 per credit hour in conformance with the program budget submitted to the Board in Attachment 1.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

Vice President

Idaho State Board of Education

Proposal for Undergraduate/Graduate Degree Program

DEC 12 2016

Date of Proposal Submission:	December 16, 2016	Finance and Administration
Institution Submitting Proposal:	Boise State University	
Name of College, School, or Division:	College of Business & Economics	
Name of Department(s) or Area(s):	Accountancy	

Program Identification for Proposed New or Modified Program:

Program Title:	Master of Science in Accountancy		
Degree:		Degree Designation	Undergraduate <input checked="" type="checkbox"/> Graduate
Indicate if Online Program:	<input checked="" type="checkbox"/> Yes (using Online Fee Model)	<input type="checkbox"/> No	
CIP code (consult IR /Registrar):	52.0301 Accounting		
Proposed Starting Date:	FALL 2017		
Geographical Delivery:	Location(s)	Region(s)	
Indicate (X) if the program is/has:	<input checked="" type="checkbox"/> Self-Support Online fee model	<input type="checkbox"/> Professional Fee	
Indicate (X) if the program is:	<input checked="" type="checkbox"/> Regional Responsibility	<input type="checkbox"/> Statewide Responsibility	

Indicate whether this request is either of the following:

- | | |
|---|---|
| <input type="checkbox"/> New Degree Program | <input type="checkbox"/> Consolidation of Existing Program |
| <input type="checkbox"/> Undergraduate/Graduate Certificates (30 credits or more) | <input type="checkbox"/> New Off-Campus Instructional Program |
| <input checked="" type="checkbox"/> Expansion of Existing Program | <input checked="" type="checkbox"/> Other (i.e., Contract Program/Collaborative Expand existing program to wholly online) |

[Signature] 11/30/16
College Dean (Institution) Date

[Signature] 12/30/16
College Dean (Institution) Date

[Signature] 12/12/16
Graduate Dean or other official (Institution; as applicable) Date

Academic Affairs Program Manager, OSBE Date

[Signature] 12/14/16
FVP/Chief Fiscal Officer (Institution) Date

Chief Academic Officer, OSBE Date

[Signature] 12/10/16
Provost/VP for Instruction (Institution) Date

SBOE/Executive Director Approval Date

[Signature] 12/16/16
President Date

Before completing this form, refer to Board Policy Section III.G., Postsecondary Program Approval and Discontinuance. This proposal form must be completed for the creation of each new program. All questions must be answered.

Rationale for Creation or Modification of the Program

1. **Describe the request and give an overview of the changes that will result.** Will this program be related or tied to other programs on campus? Identify any existing program that this program will replace.

The College of Business and Economics at Boise State University proposes the creation of a completely online Master of Science in Accountancy program. The proposed program will serve the needs of people wanting to sit for the Certified Public Accountant (CPA) exam, but who do not have the required number of academic credits to sit for the exam (which requires having 150 credit hours) and also are unable to attend in-person classes at the Boise State campus due to work schedule or location. Offering the master's program both in-person and online will help the university meet a core theme of providing "students of all backgrounds with access to graduate educational opportunities in formats that are appropriate, flexible, accessible, and affordable."

The new online accountancy program will operate under the guidelines of the newly revised SBOE Policy V.R. as it pertains to wholly online programs. The proposed 30 credit program will utilize the existing curriculum currently offered in-person for our Association to Advance Collegiate Schools of Business (AACSB) accredited program (see Appendix A). The program is designed for people who want to advance their knowledge in accounting and prepare for careers in the accounting profession. Graduates will be prepared to pursue professional credentials such as the Certified Public Accountant (CPA) and the Certified Management Accountant (CMA). The program covers a variety of advanced topics including financial reporting, audit, tax, data analytics, accounting information systems, managerial accounting, and research methodology.

Finally, we examined online accounting program options for people residing in the Northwest. The majority of top program providers are located in California, but there is still room for competition in California due to high population numbers. There is a small percentage of providers offering an online degree option, which tells us that online delivery will be a differentiating program feature that will benefit Boise State recruitment efforts.

2. **Need for the Program.** Describe the student, regional, and statewide needs that will be addressed by this proposal and address the ways in which the proposed program will meet those needs.
 - a. **Workforce need:** Provide verification of state workforce needs that will be met by this program. Include State and National Department of Labor research on employment potential. Using the chart below, indicate the total projected annual job openings (including growth and replacement demands in your regional area, the state, and nation. Job openings should represent positions which require graduation from a program such as the one proposed. Data should be derived from a source that can be validated and must be no more than two years old.

The following statements prompted Boise State to develop an online master's degree program in Accountancy.

In 2009, Forbes ran an article titled *Where The Jobs Are: Accounting* in which Bill Demario, chief operating officer of Ajilon Professional Staffing said "By 2016 there will be a dramatic need for more accountants. Over the last six months the nation has lost at least 500,000 jobs a month—but when you look at

accounting, the profession has added 3,000 jobs a month."

In 2015, ThinkAdvisor.com (associated with Investment Advisor Group) presented *15 Best Paying Jobs for College Business Majors: 2015*. In this article, a data analytics company PayScale (database of 54 million individual salary profiles) examined popular careers and expected salaries. Based on this data, "The most common area of study among the jobs is accounting. And according to a survey of alumni, accounting was the ninth most recommended major."

In 2016, the *Journal of Accountancy* offered an article titled *Raises of 3% forecasted for accountants in 2016*. The article states, "The job market is more favorable for finance and accounting job seekers in 2016 than at any other time in the past four years, according to Logan Dubois, Randstad's vice president for the Southeast region. He said unemployment is extremely low for degreed finance and accounting professionals, whom he expects to remain in high demand for the rest of the year and into 2017."

The US Bureau of Labor Statistics' Occupational Outlook Handbook indicates there were 1,332,700 accountants and auditors employed in the US in 2014. That number is expected to jump to 1,475,100 by 2024. "Employment of accountants and auditors is projected to grow 11 percent from 2014 to 2024, faster than the average for all occupations. In general, employment growth of accountants and auditors is expected to be closely tied to the health of the overall economy. As the economy grows, more workers should be needed to prepare and examine financial records."

As of August 2016, the Idaho Department of Labor shows Accountants and Auditors in the number four spot for Top 20 Hot Jobs because of the 28% total expected job growth between 2014 and 2024.

Through the US Department of Labor and Idaho Department of Labor employment projection data, we examined these job titles for which this degree is relevant:

1. Accountants and auditors, SOC 13-2011
2. Financial analysts, SOC 13-2051
3. Financial managers, SOC 11-3031

	State DOL data	Federal DOL data	Other
Local (Service Area) (calculated as 50% of statewide)	169		
State	338		
Nation		75,670	

	2014 National Employment Matrix title and code	Employment (1000's)		Job openings due to growth and replacement needs, 2014-24 (1000's; over 10 yr)
		2014	2024	
11-3031	Financial managers	555.9	593.5	169.3
13-2011	Accountants and auditors	1,332.7	1,475.1	498.0
13-2051	Financial analysts	277.6	310.0	89.4
Totals		2,166.2	2,378.6	756.7

Idaho Statewide					
Area	Occupation	Occupation Title	2014 Base Employment	2024 Projected Employment	Total Annual Openings
Idaho	11-3031	Financial Managers	2,003	2,438	91
Idaho	13-2011	Accountants and Auditors	4,222	5,385	229
Idaho	13-2051	Financial Analysts	387	489	18
Totals			6,612	8,312	338

- b. Student need.** What is the most likely source of students who will be expected to enroll (full-time, part-time, outreach, etc.). Document student demand by providing information you have about student interest in the proposed program from inside and outside the institution.

Students attracted by the online-modality of the proposed program will be those for whom a face-to-face program would pose difficulties because of time and/or geographical constraints.

In order to sit for the CPA exam and become a licensed CPA, 150 college credits must be completed. Students enrolled in this program will earn the additional 30 college credits needed for the CPA exam.

Integrated Postsecondary Education Data System (IPEDS) shows degree conferrals for master's programs in accounting has grown steadily since 2010, on average 9% per year, indicating increasing student demand for this program.

In June of 2016, Burning Glass Technologies, a Boston-based leader in human capital data analytics, was asked to examine employer demand for master's-level accountancy professionals. The company reviewed online job postings during January 2012 to June 2015 from employers in Idaho, Montana, Nevada, Oregon, Utah, Washington, Wyoming, and California. They found a 67% increase in demand occurred from July 2014 to June 2015. An online delivery format will allow Boise State University to reach prospective students in metropolitan areas with high employer demand.

- c. Economic Need:** Describe how the proposed program will act to stimulate the state economy by advancing the field, providing research results, etc.

The online master's degree program in Accountancy will benefit the Idaho economy by keeping residents in the state while they participate in the program and maintain their current job(s). Revenue from the program will stay in Idaho to pay for additional faculty and staff needed to facilitate program delivery. After completing the degree, residents will be eligible for new job openings. Between May 2015-April 2016, there were 140 job postings in Boise for people with a master's-level accounting degree.

d. **Societal Need:** Describe additional societal benefits and cultural benefits of the program.
N/A

e. **If Associate's degree, transferability:** N/A

3. **Similar Programs.** Identify similar programs offered within Idaho and in the region by other in-state or bordering state colleges/universities.

Similar Programs offered <u>by Idaho public institutions</u> (list the proposed program as well)		
Institution Name	Degree name and Level	Program Name and brief description if warranted
Boise State University	Master of Science in Accountancy	<p>The Master of Science in Accountancy at Boise State University is designed to prepare candidates for a career within the broader framework of business decision making. The primary role of the program is to prepare students for careers in public accounting as Certified Public Accountants (CPAs). The program focuses on the audit and attest functions of public accounting and the related skills required of public accountants due to the complexity of today's business environment, including expertise in accounting principles and procedures and a solid understanding of the financial, managerial, legal, and tax ramifications of business transactions.</p> <p>Offered in-person. <i>To be offered online as well.</i></p>
University of Idaho	Master of Accountancy	<p>Master of Accountancy degree program has primary emphasis areas or tracks that include auditing and financial accounting, corporate accounting management and controllership, government and not-for-profit fiscal management, international accounting, accounting information systems analysis and design, and taxation.</p> <p>Offered in-person.</p>
Idaho State University	Master of Accountancy	<p>MAcc is designed to prepare students for the accounting profession and specifically for a public accounting career track. Moreover, it provides students with the 150 credit hours required by most states to become a Certified Public Accountant (CPA)</p> <p>Offered in-person.</p>

Similar Programs offered <u>by other Idaho institutions and by institutions in nearby states</u>		
Institution Name	Degree name and Level	Program Name and brief description if warranted
Southern Utah University	Master of Accountancy	<u>Offered online</u>
Brigham Young University	Master of Accountancy	Offered in-person
University of Utah	Master of Accounting	Offered in-person
University of Oregon	Master of Accounting	Offered in-person
Washington State University	Master of Accounting	Offered in-person
University of Washington	Master of Professional Accounting	Offered in-person

University of Nevada, Las Vegas	Master of Science in Accounting	Offered in-person
University of Nevada, Reno	Master of Accountancy	Offered in-person
University of Montana	Master of Accountancy	Offered in-person
Montana State University	Master of Professional Accountancy	Offered in-person
University of Wyoming	Master of Science in Accounting	Offered in-person

4. **Justification for Duplication with another institution listed above.** (if applicable). If the proposed program is similar to another program offered by an Idaho public institution, provide a rationale as to why any resulting duplication is a net benefit to the state and its citizens. Describe why it is not feasible for existing programs at other institutions to fulfill the need for the proposed program.

Not applicable: Online program

5. **Describe how this request supports the institution's vision and/or strategic plan.**

Goals of Institution Strategic Plan	Proposed Program Plans to Achieve the Goal
Goal 1: Create a signature, high-quality educational experience for all students	Boise State's online program development process allows us to create a cohesive, consistent, rigorous, and outcome-driven educational experience.
Goal 2: Facilitate the timely attainment of educational goals of our diverse student population	The online delivery of this program will enable students with work, life, or other adult responsibilities to complete their degree requirements with minimal interruption to personal or professional responsibilities. Students can start the program every semester and complete all courses in 2 years attending part-time.
Goal 4: Align university program and activities with community needs	The proposed program is designed to meet the needs both of non-traditional students who want to advance their careers and local employers who want a more professionally qualified employment base.

6. **Assurance of Quality.** Describe how the institution will ensure the quality of the program. Describe the institutional process of program review. Where appropriate, describe applicable specialized accreditation and explain why you do or do not plan to seek accreditation.

The following measures will ensure the high quality of the new program:

Regional Institutional Accreditation: Boise State University is regionally accredited by the Northwest Commission on Colleges and Universities (NWCCU). Regional accreditation of the university has been continuous since initial accreditation was conferred in 1941. Boise State University is currently accredited at all degree levels (A, B, M, D).

Program Review: Internal program evaluations will take place every five years as part of the normal departmental review process conducted by the Office of the Provost. This process requires self-evaluation and a comprehensive strategic plan. A site visit by external evaluators will be encouraged.

Specialized Accreditation: The program will continue to follow AACSB International “Eligibility Procedures and Accreditation Standards for Accounting Accreditation”

Program Development Support: The online Master of Science in Accountancy is one of several programs that are being created via the eCampus Expansion Initiative at Boise State University. Boise State’s online program development process uses a facilitated 10-step program design process to assist program faculty members in the creation of an intentional, cohesive course progression with tightly aligned course and program outcomes. A multi-expert development team, which includes an instructional designer, multimedia specialist, graphic designer, and web designer, works collaboratively with the faculty member. One master version of each course is developed for consistent look and feel of courses across the program; the master course utilizes a professionally created common template aligned with nationally used Quality Matters course design standards.

Student Authentication: Because the proposed program will be offered entirely online, it is important to include mechanisms by which we authenticate the identity of students enrolled in the program. We will use the following mechanisms:

- During the admissions process, the university will confirm required official transcripts and other documentation required for admission into the program.
- During student orientation programs, academic integrity will be addressed.
- At the beginning of each course, the instructor will communicate expectations regarding academic integrity to students verbally and in the syllabus.
- Associated with access to and use of our Learning Management System, a secure log-in environment will be provided and students will be required to use strong student passwords and to change them every 90 days.
- During the design of the curriculum and assessment of each course, instructors will apply training and principles from the Quality Instruction Program offered by Boise State’s eCampus Center - which includes Quality Matters best practices and WCET’s Best Practice Strategies to Promote Academic Integrity in Online Education (Version 2.0, June 2009).
- Faculty members will utilize Blackboard’s Safe Assignment plagiarism detection program when appropriate. Faculty members are expected to be informed of and aware of the importance of academic integrity and student identity authentication, and to report and act upon suspected violations.

7. **In accordance with Board Policy III.G., an external peer review is required for any new doctoral program.** Attach the peer review report as **Appendix B**.

Not applicable

8. **Teacher Education/Certification Programs** All Educator Preparation programs that lead to certification require review and recommendation from the Professional Standards Commission (PSC) and approval from the Board.

Will this program lead to certification?

Yes _____ No X _____

If yes, on what date was the Program Approval for Certification Request submitted to the Professional Standards Commission?

9. **Five-Year Plan: Is the proposed program on your institution’s approved 5-year plan? Indicate below.**

Yes X No _____

Proposed programs submitted to OSBE that are not on the five-year plan must respond to the following questions and meet at least one criterion listed below.

a. Describe why the proposed program is not on the institution's five year plan.

When did consideration of and planning for the new program begin?

b. Describe the immediacy of need for the program. What would be lost were the institution to delay the proposal for implementation of the new program until it fits within the five-year planning cycle? What would be gained by an early consideration?

Criteria. As appropriate, discuss the following:

- i. How important is the program in meeting your institution's regional or statewide program responsibilities? Describe whether the proposed program is in response to a specific industry need or workforce opportunity.
- ii. Explain if the proposed program is reliant on external funding (grants, donations) with a deadline for acceptance of funding.
- iii. Is there a contractual obligation or partnership opportunity to justify the program?
- iv. Is the program request or program change in response to accreditation requirements or recommendations?
- v. Is the program request or program change in response to recent changes to teacher certification/endorsement requirements?

Curriculum, Intended Learning Outcomes, and Assessment Plan

10. Curriculum for the proposed program and its delivery.

a. Summary of requirements. Provide a summary of program requirements using the following table.

See Appendix A: CURRICULUM

Credit hours in required courses offered by the department (s) offering the program.	30
Credit hours in required courses offered by other departments:	0
Credit hours in institutional general education curriculum	0
Credit hours in free electives	0
Total credit hours required for degree program:	30

b. Additional requirements. Describe additional requirements such as comprehensive examination, senior thesis or other capstone experience, practicum, or internship, some of which may carry credit hours included in the list above.

No other requirements.

11. Program Intended Learning Outcomes and Connection to Curriculum.

a. Intended Learning Outcomes. List the Intended Learning Outcomes for the proposed program, using learner-centered statements that indicate what will students know, be able to do, and value or appreciate as a result of completing the program.

Master of Science in Accountancy Student Learning Goals:

1. Graduates will demonstrate analytical and critical thinking by researching current accounting issues using the appropriate professional literature.
2. Graduates will demonstrate their knowledge of professional and ethical responsibilities as members of the accounting profession.
3. Graduates will demonstrate well-developed written and verbal communication skills.
4. Graduates will demonstrate effective information technology and data analytic skills.

12. Assessment plans

- a. Assessment Process.** Describe the assessment process that will be used to evaluate how well students are achieving the intended learning outcomes of the program.

The Department of Accountancy will review qualitative information and quantitative data provided by program graduates and active students. The department faculty will use this information to make adjustments to key courses and overall program curriculum.

- b. Closing the loop.** How will you ensure that the assessment findings will be used to improve the program

Results/information gathered from assessments will be presented to department faculty during planned meetings the semester after data is gathered. Changes will be made to course and program curriculum as warranted.

- c. Measures used.** What direct and indirect measures will be used to assess student learning?

Assessment Measures:

- Complete a graduate/alumni survey approximately every three years that will be used assess all four learning goals
- Review ACCT 505 results, student work will be reviewed to assess goals 1, 2, 3 (written), and 4
- Review ACCT 530 results, student work will be reviewed to assess goal 3 (verbal)
- Review ACCT 550 results, student work will be reviewed to assess goal 4

- d. Timing and frequency.** When will assessment activities occur and at what frequency?

The department will review course related data every other academic year.

The department will send out alumni survey approximately every three years.

The department will annually monitor how many graduates go on to pass the CPA exam after their first attempt.

Enrollments and Graduates

- 13. Existing similar programs at Idaho Public Institutions.** Using the chart below, provide enrollments and numbers of graduates for similar existing programs at your institution and other Idaho public institutions.

Existing Similar Programs: Historical enrollments and graduate numbers								
Institution and Program Name	Fall Headcount Enrollment in Program				Number of Graduates From Program (Summer, Fall, Spring)			
	FY14	FY15	FY16	FY17 (most recent)	FY13	FY14	FY15	FY16 (most recent)
BSU (MS Accountancy)	25	19	23	24	16	14	14	16
(MS in Accountancy, Taxation)	27	31	24	15	9	5	13	13
ISU (Master of Accountancy)	33	35	42	40	14	21	21	31
UI (Master of Accountancy)	32	29	37	26	29	31	21	25

- 14. Projections for proposed program:** Using the chart below, provide projected enrollments and number of graduates for the proposed program:

Proposed Program: Projected Enrollments and Graduates First Five Years											
Program Name: Master of Science in Accountancy (ONLINE)											
Projected Fall Term Headcount Enrollment in Program						Projected Annual Number of Graduates From Program					
FY17 (first year)	FY18	FY19	FY20	FY21	FY22	FY17 (first year)	FY18	FY19	FY20	FY21	FY22
22	90	106	106	106	106	0	8	68	63	63	63

- 15. Describe the methodology for determining enrollment and graduation projections.**
Refer to information provided in Question #2 "Need" above. What is the capacity for the program? Describe your recruitment efforts? How did you determine the projected numbers above?

Enrollment projections based on fall semester headcount numbers from current in-person program. The numbers shown in table above will be in addition to the in-person program. Since the online program and the in-person program will have same admission requirements and curriculum, we expect to double the overall headcount experienced by the department and find a few more students attracted to the online delivery method.

During the first year of the program, students will only be able to attend part-time leading to a longer

time needed to graduate for the first group of students. After year one, graduation numbers are based on 45% of the students graduating in one year (at full-time status), 50% of the students graduating in two years (at part-time status) and 5% of the students needing 2-3 years before graduating. A 20% attrition rate was factored in. The online program will offer courses during summer session so students can attend year round.

Marketing and recruitment efforts will include a digital marketing campaign, a web landing page, request for information form and a full program website with details regarding the key program assets, curriculum plan and costs. In addition, a comprehensive communication plan will be implemented to attract and nurture interested students. Strategic, personalized communications will engage and support students throughout the recruitment lifecycle. Our coaching approach to student services will support online students and maintain their connection to Boise State through graduation.

- 16. Minimum Enrollments and Graduates.** Have you determined minimums that the program will need to meet in order to be continued? What are those minimums, what is the logical basis for those minimums, what is the time frame, and what is the action that would result?

Because the program will be utilizing the online fee model, it is best to put minimum enrollment in terms of course registrations, which are what translate to revenue. Based on estimated expenses for instruction and for support personnel expenses, the estimated minimum number of course registrations to achieve breakeven is:

- Year 1: Annual credits 189, Annual FTEs 7.9
- Year 2: Annual credits 1,234, Annual FTEs 46.3
- Year 3: Annual credits 1,608, Annual FTEs 60.3
- Year 4: Annual credits 1,608, Annual FTEs 60.3
- Year 5: Annual credits 1,608, Annual FTEs 60.3

If enrollments do not meet expectations, expenses will adjust to reflect actual activity. The Program's financial sustainability will be evaluated at least annually.

Resources Required for Implementation – fiscal impact and budget

17. Physical Resources.

- a. Existing resources.** Describe equipment, space, laboratory instruments, computer(s), or other physical equipment presently available to support the successful implementation of the program.

The available space and equipment is currently acceptable to operate a successful program.

- b. Impact of new program.** What will be the impact on existing programs of increased use of physical resources by the proposed program? How will the increased use be accommodated?

No impact.

- c. Needed resources.** List equipment, space, laboratory instruments, etc., that must be obtained to support the proposed program. Enter the costs of those physical resources into the budget sheet.

Operating expenses associated with program support staff and new faculty is reflected in the budget.

18. Library resources

- a. Existing resources and impact of new program.** Evaluate library resources,

including personnel and space. Are they adequate for the operation of the present program? Will there be an impact on existing programs of increased library usage caused by the proposed program? For off-campus programs, clearly indicate how the library resources are to be provided.

Library resources are sufficient.

- b. Needed resources.** What new library resources will be required to ensure successful implementation of the program? Enter the costs of those library resources into the budget sheet.

None.

19. Personnel resources

- a. Needed resources.** Give an overview of the personnel resources that will be needed to implement the program. How many additional sections of existing courses will be needed? Referring to the list of new courses to be created, what instructional capacity will be needed to offer the necessary number of sections?
- b. Existing resources.** Describe the existing instructional, support, and administrative resources that can be brought to bear to support the successful implementation of the program.
- c. Needed resources.** List the new personnel that must be hired to support the proposed program. Enter the costs of those personnel resources into the budget sheet.

Schedule of Classes Offered for Online MS in Accountancy: First three years.										
		Credits	Fall 2017	Spring 2018	Summer 2018	Fall 2018	Spring 2019	Summer 2019	Fall 2019	Spring 2020
Acct 505	Advanced Auditing	3	X			X				
Acct 516	Financial Analysis and Valuation	3	X			X				
Acct 579	Personal Financial Planning	3		X			X			
Acct 512	Financial Reporting Theory	3		X			X			
Acct 530	Corporate Tax Law	3			X			X		
Acct 510	Advanced Financial Reporting	3			X			X		
Acct 520	Tax and Accounting Research	3				X			X	
Acct 514	Advanced Managerial Accounting	3				X			X	
Acct 518	International Financial Reporting	3					X			X
Acct 550	Advanced AIS and IT Audit	3					X			X
Total		30								

The above table depicts the schedule of class offerings for the first three years of the program. The instructional staff devoted to each course offering will be scaled according to the enrollment in the course. The first 30 enrollments will be covered by a tenure-track faculty member or lecturer, who will also serve as the overseer for the class should it grow to more than 30 enrollments. For each 30 additional enrollments of a course offering above the initial 30, an adjunct instructor will be added. Thus, the instructional capacity is easily scalable to demand. We project that by year 5 of the program, the program will require 3.55 FTEs of faculty.

During the fall and spring semesters of the first year of the program, a total of four new 3-credit courses will be developed and then taught by tenure-track faculty members. That instructional capacity is costed in the budget at the adjunct rate of \$3,696 per course because the tenure-track faculty members doing the teaching will either be backfilled in their other courses by adjuncts or will be paid to teach on overload. In subsequent years, because revenue scales with increased student enrollment, the

model we have developed will enable us to completely cover instructional costs with revenue from student fees.

A Program Coordinator will be hired in Spring 2017 prior to launch in Fall 2017, and 0.20 FTE will be devoted to the proposed program.

Finally, 0.1 FTE of a combined advisor/administrative assistant position will be devoted to the program. All personnel costs will be covered by program revenue.

- d. Impact on existing programs.** What will be the impact on existing programs of increased use of existing personnel resources by the proposed program? How will quality and productivity of existing programs be maintained?

There are two programs that could potentially be affected by the creation of an online MS in Accountancy: the existing face-to-face MS in Accountancy and the existing BBA in Accountancy.

We are confident that neither program will be negatively affected by the creation of the new online MS in Accountancy. As noted above, the personnel required by the online program will be funded completely by revenue from that program. Because of the scalable nature of the program, we will be able to maintain sufficient staffing (advising, administrative, instructional) to ensure that the quality and productivity of the existing face-to-face program is maintained.

20. Revenue Sources

- a) **Reallocation of funds:** If funding is to come from the reallocation of existing state appropriated funds, please indicate the sources of the reallocation. What impact will the reallocation of funds in support of the program have on other programs?

N/A

- b) **New appropriation.** If an above Maintenance of Current Operations (MCO) appropriation is required to fund the program, indicate when the institution plans to include the program in the legislative budget request.

No new appropriation will be required.

- c) **Non-ongoing sources:**
- i. If the funding is to come from one-time sources such as a donation, indicate the sources of other funding. What are the institution's plans for sustaining the program when that funding ends?

N/A

- ii. Describe the federal grant, other grant(s), special fee arrangements, or contract(s) that will be valid to fund the program. What does the institution propose to do with the program upon termination of those funds?

N/A

- d) **Student Fees:**
- i. If the proposed program is intended to levy any institutional local fees, explain how doing so meets the requirements of Board Policy V.R., 3.b.

The student fee will be in accordance with the Online Program Fee as defined in the Board Policy V.R.,

3.a.x. We will charge \$450 per credit hour. This is considered a very competitive rate in the current online market. Based on a review of 10 institutions offering a similar online degree, the lowest per credit rate was \$442 and the highest was \$1,088. Boise State would like to remain an affordable education option for people residing in Idaho which is another reason for starting out below the \$500 per credit mark.

- ii. Provide estimated cost to students and total revenue for self-support programs and for professional fees and other fees anticipated to be requested under Board Policy V.R., if applicable.

For the 30 credits required for completion of the proposed completely online Master of Science in Accountancy program, students will pay an online program fee of \$450 per credit. The total cost of those 30 credits would be \$13,500.

We project that by the fourth year of the program, it will generate 2,109 SCH, which will yield a total revenue of \$905,306.

21. Using the budget template provided by the Office of the State Board of Education, provide the following information:

- Indicate all resources needed including the planned FTE enrollment, projected revenues, and estimated expenditures for the first **four** fiscal years of the program.
- Include reallocation of existing personnel and resources and anticipated or requested new resources.
- Second and third year estimates should be in constant dollars.
- Amounts should reconcile subsequent pages where budget explanations are provided.
- If the program is contract related, explain the fiscal sources and the year-to-year commitment from the contracting agency(ies) or party(ies).
- Provide an explanation of the fiscal impact of any proposed discontinuance to include impacts to faculty (i.e., salary savings, re-assignments).

I. PLANNED STUDENT ENROLLMENT												
			FY	2018	FY	2019	FY	2020	FY	2021	FY	2022
			FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount
A. New enrollments			7.1	19	56.1	81	75.4	95	79.1	95	77.5	95
B. Shifting enrollments			0.8	2	6.2	9	8.4	11	8.8	11	8.6	11
Total Enrollment			7.9	22	62.3	90	83.8	106	87.9	106	86.2	106
Student Credit Hours Generated			189		1,496		2,012		2,109		2,068	
II. REVENUE												
			FY	2018	FY	2019	FY	2020	FY	2021	FY	2022
			On-going	One-time	On-going	One-time	On-going	One-time	On-going	One-time	On-going	One-time
1. New Appropriated Funding Request												
2. Institution Funds												
3. Federal												
4. New Tuition Revenues from Increased Enrollments												
5. Student Fees				\$85,200		\$673,265		\$905,306		\$949,044		\$930,554
6. Other (i.e., Gifts)												
Total Revenue			\$0	\$85,200	\$0	\$673,265	\$0	\$905,306	\$0	\$949,044	\$0	\$930,554
Ongoing is defined as ongoing operating budget for the program which will become part of the base.												
One-time is defined as one-time funding in a fiscal year and not part of the base.												
Budget Notes:												
I.A, B.	Calculation of FTE and headcount as follows:											
	>1 FTE = 24 credits											
	>Headcount determined as the distinct number of students in the program that year.											
	>Assume that 90% of the enrollments will be new enrollments and 10% will be shifting enrollments.											
	>Assume 5%-10% attrition from one semester to the next.											
II.5.	>Student Fee revenue calculated as Student Credit Hours * \$450 per credit.											

III. EXPENDITURES												
			FY	2018	FY	2019	FY	2020	FY	2021	FY	2022
			On-going	One-time	On-going	One-time	On-going	One-time	On-going	One-time	On-going	One-time
A. Personnel Costs												
1. FTE				0.70		2.65		3.28		3.45		3.55
2. Faculty				\$0		\$143,925		\$159,226		\$143,925		\$143,925
3. Adjunct Faculty				\$13,559		\$33,616		\$48,896		\$58,064		\$61,120
4. Graduate/Undergrad Assistants												
5. Research Personnel												
6. Directors/Administrators				\$16,720		\$12,540		\$12,540		\$12,540		\$12,540
7. Administrative Support Personnel				\$2,100		\$2,100		\$2,100		\$2,100		\$2,100
8. Fringe Benefits				\$10,146		\$56,342		\$62,522		\$58,543		\$58,818
9. Other:	Academic Advisors/Coordinators			\$2,100		\$2,100		\$2,100		\$2,100		\$2,100
Total Personnel and Costs												
			\$0	\$44,625	\$0	\$250,624	\$0	\$287,384	\$0	\$277,272	\$0	\$280,603
Budget Notes (continued)												
III.A.2	Faculty FTE: Professor FTE calculated using (Credit hour load)/24, Lecturer FTE calculated using (Credit hour load)/24											
III.A.3	Adjunct FTE: Calculated using (Credit hour load)/30											
III.A.6	Administrator: Program Coordinator starting January 2017 before program's anticipated launch in Fall 2017. Spring 2017 wage included in FY 2018 (Summer 2017-Spring 2018). 0.2FTE											
III.A.7	Support Personnel (Administrative Assistant): 0.05 FTE. (Shared position with Academic Advisor)											
III.A.8	Benefits calculated at professional \$12,240+(annual wage*21.28%), classified \$12,240+(annual wage*21.58%)											
III.A.9	Other - Academic Advisors: .05 FTE. (Shared position with Administrative Assistant)											

		FY	2018	FY	2019	FY	2020	FY	2021	FY	2022
		On-going	One-time	On-going	One-time	On-going	One-time	On-going	One-time	On-going	One-time
B. Operating Expenditures											
1. Travel			\$1,103		\$2,506		\$2,874		\$2,773		\$2,806
2. Professional Services											
3. Other Services											
4. Communications											
5. Materials and Supplies			\$1,654		\$3,759		\$4,311		\$4,159		\$4,209
6. Rentals											
7. Materials & Goods for Manufacture & Resale											
8. Miscellaneous - Computer Hardware/Software			\$2,757		\$6,266		\$7,185		\$6,932		\$7,015
Total Operating Expenditures		\$0	\$5,513	\$0	\$12,531	\$0	\$14,369	\$0	\$13,864	\$0	\$14,030
Budget Notes (continued):											
III.B.1	Travel to Boise State University main campus and training										
III.B.5	Materials & Supplies: Office supplies and materials										
III.B.8	Miscellaneous: Computer hardware/software										
		FY	2018	FY	2019	FY	2020	FY	2021	FY	2022
		On-going	One-time	On-going	One-time	On-going	One-time	On-going	One-time	On-going	One-time
C. Capital Outlay											
1. Library Resources											
2. Equipment											
Total Capital Outlay		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		FY	2018	FY	2019	FY	2020	FY	2021	FY	2022
		On-going	One-time	On-going	One-time	On-going	One-time	On-going	One-time	On-going	One-time
D. Capital Facilities Construction or Major Renovation											

E. Other Costs											
1. Boise State Central		\$8,520		\$67,327		\$90,531		\$94,904		\$93,055	
2. Boise State eCampus Center		\$6,816		\$53,861		\$72,425		\$75,923		\$74,444	
3. Boise State Online Innovation Fund		\$3,067		\$24,238		\$32,591		\$34,166		\$33,500	
4. Boise State Online Marketing, Recruitment, Enrollment & Retention		\$32,717		\$258,534		\$347,638		\$364,433		\$357,333	
5. Credit card fees		\$682		\$5,386		\$7,242		\$7,592		\$7,444	
Utilities											
Maintenance & Repairs											
Other											
Total Other Costs	\$0	\$51,802	\$0	\$409,345	\$0	\$550,426	\$0	\$577,019	\$0	\$565,777	
TOTAL EXPENDITURES:	\$0	\$101,940	\$0	\$672,500	\$0	\$852,180	\$0	\$868,154	\$0	\$860,410	
Net Income (Deficit)	\$0	-\$16,740	\$0	\$765	\$0	\$53,127	\$0	\$80,889	\$0	\$70,144	
Budget Notes (specify row and add explanation where needed; e.g., "I.A.,B. FTE is calculated using..."):											
III.E.1	Boise State Central Services: A fund dedicated to funding support services for online students (10% of revenue)										
III.E.2	Boise State eCampus Center: Provide funding for initiative management, online course/program development and other support services (11% of revenue)										
III.E.3	Boise State Online Innovation Fund: Seed funding for academic programs, initiative infrastructure, and eventually innovation grants (5% of revenue)										
III.E.4	Boise State Online Marketing, Recruitment, Enrollment and Retention Fund: A fund dedicated to marketing the program, recruiting students, enrolling qualified students and retaining students throughout the life of the program (34% of revenue)										

Appendix A: CURRICULUM

Master of Science in Accountancy	
<i>Course Number and Title</i>	<i>Credits</i>
ACCT 505 ADVANCED AUDITING	3
ACCT 510 ADVANCED FINANCIAL REPORTING	3
ACCT 512 FINANCIAL REPORTING THEORY	3
ACCT 514 ADVANCED MANAGERIAL ACCOUNTING	3
ACCT 516 FINANCIAL ANALYSIS AND VALUATION	3
ACCT 518 INTERNATIONAL FINANCIAL REPORTING	3
ACCT 520 TAX AND ACCOUNTING RESEARCH	3
ACCT 530 CORPORATE TAX LAW	3
ACCT 550 ADVANCED AIS AND IT AUDIT	3
ACCT 579 PERSONAL FINANCIAL PLANNING	3
Total	30

Boise State University
College of Business and Economics
Department of Accountancy
MS - Accountancy



BOISE STATE
UNIVERSITY

- Possess a Bachelor's degree from a regionally accredited institution. The degree must either be in accounting or in a different major that included the required undergraduate accounting and business courses.
- Undergraduate GPA ≥ 3.00
- GMAT exam score ≥ 500 OR GRE exam score of at least 152 for both verbal reasoning and quantitative reasoning sections

Accountancy Vision Statement

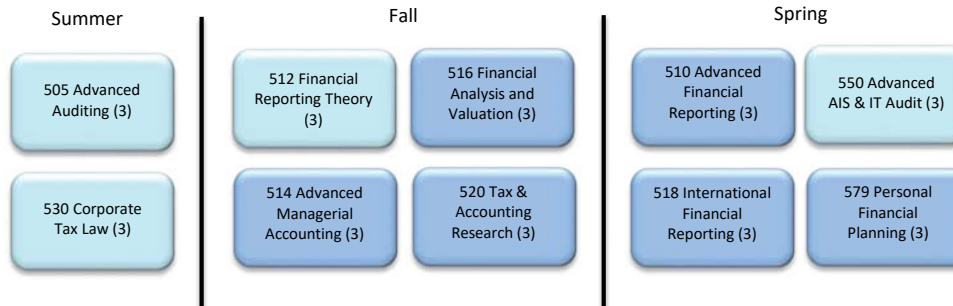
To be the first choice online Accounting program for people residing in Northwest states.

Accountancy Mission Statement

To provide a high-quality educational experience through student-centered teaching, impactful research, and meaningful service that benefits and challenges students, the accounting profession, the business community, and the community at large.

Graduate will be able to:

- Demonstrate analytical and critical thinking by researching current accounting issues using the appropriate professional literature.
- Demonstrate their knowledge of professional and ethical responsibilities as members of the accounting profession.
- Demonstrate well-developed written and verbal communication skills.
- Demonstrate effective information technology and data analytic skills.





NOTE: An internship can be used to substitute for one of the elective courses

Stakeholders

- AACSB Accreditation
- Advisory Council

Licensure

- Individual State Boards of Accountancy or appropriate offices

 Required courses
 'Elective' courses

IDAHO STATE UNIVERSITY

SUBJECT

Engineering and cost estimation for collocation of Research and College of Technology programs in Research and Innovation in Science and Engineering (RISE) building

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.K.1.

BACKGROUND/DISCUSSION

As part of Idaho State University's (ISU's) program prioritization process, the Institutional Effectiveness and Assessment Council recommended to the President to collocate College of Technology programs with Research at the RISE building. Collocation would support alignment of resources and programs and create additional efficiencies across campus. Pursuant to Board Policy V.K.1., ISU is required to obtain Idaho State Board of Education (Board) approval for projects that exceed \$1,000,000. ISU would like to begin engineering and cost estimations to evaluate moving College of Technology programs to the RISE building, to be collocated with Research. Most immediately, ISU believes it can better utilize the high bay spaces in the RISE building by housing College of Technology programs such as:

- Machining Technology
- Diesel Technology
- On-site Power Generation
- Automotive Technology
- Computer Machining Technology
- Welding

In addition, ISU intends to conduct further analysis for additional areas within RISE that may be developed for other College of Technology programs that may include:

- Energy Systems Technology and Education Center (ESTEC)
- Civil Engineering Technology

IMPACT

In addition to aligning resources and enhancing program support, collocating College of Technology Programs with Research in the RISE building will support additional efficiencies. ISU is nearing the end of a lease agreement for space in the Continuing Education Building, which currently houses multiple College of Technology programs. ISU has determined that there is physical capacity for collocation of additional programs at the RISE building. These programs will be able to move into the vacated spaces in buildings on campus that will be created when programs are relocated in RISE. This will enable ISU to ultimately dispose of aging off-campus facilities and consolidate programs that are now located in those buildings into one facility. Programs can share spaces and collaborate,

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operating costs will be reduced, and the institution will generate funds from the sale of the vacated buildings and properties. ISU will also be able to discontinue leasing space off campus in Pocatello and better utilize spaces on campus.

ATTACHMENTS

Attachment 1 – RISE Building Blue Print

Page 3

STAFF COMMENTS AND RECOMMENDATIONS

ISU anticipates that the cost for the proposed relocation of programs into the RISE building could exceed \$1,000,000—thus the project cost could reach the threshold at which Board approval is required. Further Board approval will be required at the completion of the engineering/cost estimation work prior to implementing the move-associated actions. Changing the mix of programs housed within RISE complex will likely have an impact on the net revenues originally projected for RISE when it was planned as a dedicated research facility.

Staff recommends approval.

BOARD ACTION

I move to approve the request by Idaho State University to begin engineering and cost estimating to move College of Technology programs into the RISE building.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

96 RISE COMPLEX

1999 Alvin Ricken Drive

REVISION:	DATE
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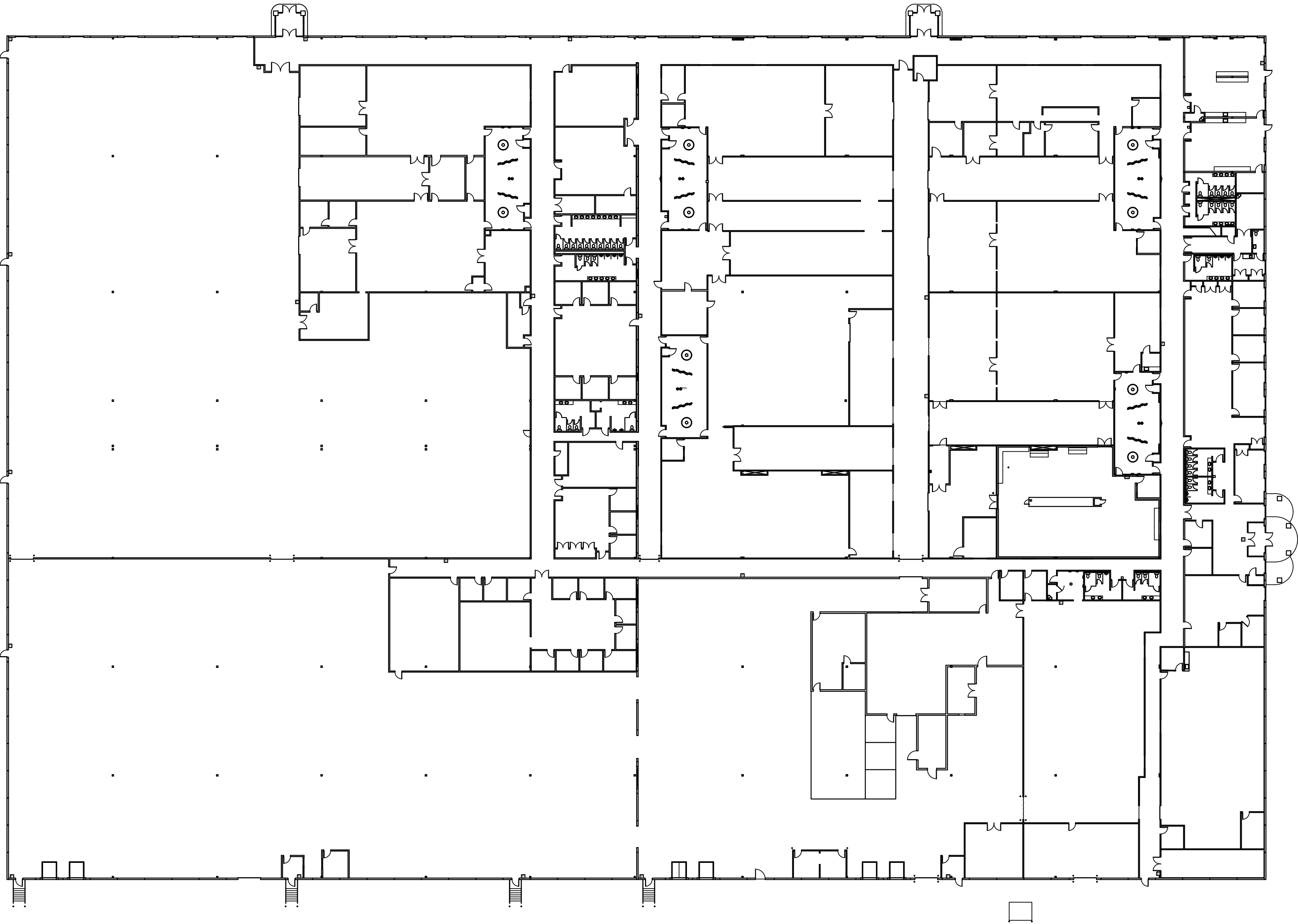
DRAWN BY:
TRM

SHEET #:

JOB NUMBER:

PROJECT DATE:
12/15/2016

Attachment 1



MAIN LEVEL

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BUSINESS AFFAIRS AND HUMAN RESOURCES
FEBRUARY 15, 2017

IDAHO STATE UNIVERSITY

SUBJECT

Anatomy and Physiology Lab Building Addition at Idaho State University (ISU)
Meridian Health Science Center

REFERENCE

February 2016	Idaho State Board of Education (Board) approved execution of affiliation agreement between ISU and proposed Idaho College of Osteopathic Medicine (ICOM)
August 2016	Board approved execution of ground lease for ICOM to build medical education building on ISU Meridian campus

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.K.1.

BACKGROUND/DISCUSSION

ISU would like to begin engineering and cost estimating to provide for expanding the anatomy and physiology lab in Meridian to accommodate 12 more cadaver stations and accompanying support systems. The current anatomy and physiology lab consists of 12 stations. This expansion will enable ISU and partners to utilize a total lab space of 24 stations. This expansion will create future capability and use of existing facilities to further intra-professional education and research possibilities. ISU anticipates that physician assistant, physical therapy, occupational therapy, pharmacy, dental training programs, and other ISU entities will utilize the additional space. External partners in the medical community and secondary schools will also have access to the lab. In addition, the proposed Idaho College of Osteopathic Medicine (ICOM) will be provided use of the space for training medical students. An agreement with ICOM is under development to specify usage and the associated fees. This draft (usage and fee) agreement will be presented to the Board at a subsequent meeting.

IMPACT

ICOM will be paying for the entire project, which consists of a building addition of 3,700 square feet adjacent to the existing lab. The total cost of this project is currently estimated at between \$2-\$3M. Under this proposal, ICOM will pre-pay for their lease of the space in an amount that covers the final cost of the lab construction. For the initial planning, engineering, and cost estimating the Division of Public Works (DPW) requests a 10% fee (\$250,000). ICOM will reimburse ISU for this initial expense as outlined in the attached Memorandum of Understanding.

BUSINESS AFFAIRS AND HUMAN RESOURCES
FEBRUARY 15, 2017

ATTACHMENTS

Attachment 1 – ISU & ICOM MOU

Page 3

Attachment 2 – Revised ISU six-year Capital Projects plan

Page 5

STAFF COMMENTS AND RECOMMENDATIONS

As described above, the new anatomy and physiology (A&P) lab extension would benefit future ISU students as well as ICOM students. It appears that ICOM's plans for its new medical education facility (on ground leased from ISU) did not fully anticipate the likely future demands for A&P lab support/cadaver stations. ICOM has offered to fully fund the new \$2-\$3M facility adjacent to ISU's Meridian facility.

There is no indication that ISU solicited funding support from ICOM prior to bringing this proposal to the Board—the proposal appears to have originated with ICOM. In accordance with Board Policy V.K., ISU needs to add this proposed project to its six-year capital projects list (a step which normally proceeds fund-raising). A revised six-year capital plan is presented at Attachment 2 for Board approval.

According to the attached, executed MOU, ISU has already agreed to provide \$250,000 to DPW for initial design work for the project, and ICOM has already agreed to reimburse ISU for the expenses incurred by DPW. While the scope (\$250K) of the proposed design work falls within the approval authority of the institution's chief executive, the projected scope of the entire project (over \$1M) will require Board approval for the financing plan and construction phase of the project. It would have been preferable for the university to present this package to the Board prior to execution of the attached MOU. [Note: the timing for the Board's subsequent approval of a "new agreement" (February Board meeting) is not attainable, and Board approval of construction/financing would not normally precede completion of the design phase.]

BOARD ACTION

I move to approve the request by Idaho State University to amend its previously approved six-year capital plan, as presented in Attachment 2, and to authorize the university to begin engineering and cost estimating for an anatomy and physiology lab expansion of the Meridian Health Science Center building.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) by and between Idaho State University (ISU) and the Idaho College of Osteopathic Medicine, LLC (ICOM), is effective December 28, 2016 (Effective Date).

WHEREAS, the parties entered into a Collaborative Affiliation Agreement on February 26, 2016 and a Ground Lease on September 15, 2016; and

WHEREAS, the parties are in discussions to expand ISU's Anatomy and Physiology Lab (A&P Lab) located on its Meridian campus for ICOM student use; and

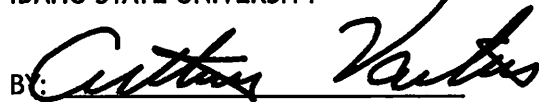
WHEREAS, the parties would like to begin preliminary work on the A&P Lab to ensure its completion by August 2018.

NOW, THEREFORE, ISU and ICOM hereby agree as follows:

1. ISU will pay up to two hundred and fifty thousand dollars (\$250,000) to the Division of Public Works (DPW) for the purpose of starting the project process, including the Request for Qualifications to find a design and construction team;
2. All monies paid by ISU pursuant to a DPW invoice is nonrefundable.
3. ICOM agrees to reimburse ISU for the reasonable and documented costs paid by ISU to DPW pursuant to the terms of this MOU.
4. If the parties come to an agreement concerning the expansion of the A&P Lab and ICOM's lease of such space, a new agreement will be negotiated and presented to the State Board of Education at the February Board Meeting.
5. This MOU embodies the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior understandings related thereto. This MOU shall not be modified except in writing signed by the parties.

IN WITNESS WHEREOF, ISU and ICOM have executed this MOU as of the Effective Date.

IDAHO STATE UNIVERSITY

BY: 

NAME: Arthur C. Vailas, President

DATE: 1-4-17

IDAHO COLLEGE OF OSTEOPATHIC
MEDICINE, LLC

BY: 

NAME: Robert Hast, DO, FACOI, FACP, CAO

DATE: December 28, 2016

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Six Year Capital Improvement Budget

Description	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Gale Life Science Remodel Building Infrastructure and 3rd and 4th Floor	\$5,000,000	\$5,000,000				
Anatomy and Physiology Lab Building Addition at ISU Meridian Health Science Center	\$3,000,000					
Oboler Library - replace HVAC/duct work, ceiling, seismic compliance		\$6,000,000				
Graveley Hall - Upgrade the heating and cooling system		\$2,875,000				
Beckley Nursing – Asbestos mitigation, ceiling system and lights		\$1,700,000				
Expansion of Dental Health Program and Physical and Occupational Therapy - Meridian			\$2,791,770			
Vocarts - Replace, HVAC , Elevators, Fire Alarm & ADA restrooms			\$1,745,842			
Complete renovation ISU-Meridian build out*			\$4,000,000			
Remodel LEL second floor for additional labs *			\$1,050,000			
Campus Housing Renovations & Remodeling*			\$10,000,000			
New Museum of Natural History*			\$22,444,000			
College of Business - Modernization*				\$25,000,000		
Engineering Research Complex Renovation - Phase 3*				\$2,036,000		
Renovation/Addition of Life Sciences*				\$40,885,920		
Reroute campus traffic*					\$8,000,000	
Addition to Beckley Nursing*						\$14,208,000
Addition to College of Engineering*						\$12,000,000
Renovation of College of Business – front entry*						\$1,300,000
\$169,036,532	\$8,000,000	\$15,575,000	\$42,031,612	\$67,921,920	\$8,000,000	\$27,508,000
6 year outlay total						

*Some Projects with no F.F.E. money

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UNIVERSITY OF IDAHO

SUBJECT

Request for waiver of institutional funds cap for Athletics

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education (Board) Governing Policies & Procedures, Section V.X.3.b.

BACKGROUND/ DISCUSSION

The University of Idaho (UI) Athletics Department (Athletics) is projecting an operating deficit for the current fiscal year (FY2017). Initial estimates developed before the beginning of the fiscal year put the deficit at \$1,093,000. Recent revenue shortfalls have been covered by Athletics reserves which were exhausted prior to this budget year.

While athletics expenditures are tracking very closely with initial budget estimates, the projected deficit is being driven primarily by shortfalls in three categories of revenue. During FY2015 and FY2016, the football team played two guarantee games against the University of Southern California and Auburn University. These two games generated guarantee revenue of \$2,100,000. During the current fiscal year, the football team again played two guarantee games against the University of Washington and Washington State University. These two games generated guarantee revenue of \$1,575,000. This scheduling change, designed to play a more regional schedule, created a \$525,000 decrease in game guarantee revenue, and accounts for almost half of the projected current fiscal year operating deficit. While the football program always has the option to plan a more aggressive guarantee game schedule, starting a season with a difficult and potentially losing record is unattractive from a competitive and student athlete welfare perspective.

In addition to the swing in game guarantee revenue, student fees are projected to drop significantly from FY2015 and FY2016 levels. While UI reported encouraging enrollment statistics for the current fiscal year, that trend has not yet resulted in increases in student fee revenue for the Athletics Department. Accordingly, estimates of FY2017 student fee revenue were set at \$1,886,100. This represents a decrease of \$315,750 compared to prior fiscal year student fee collections. This shortfall accounts for about a third of the projected current fiscal year operating deficit.

Related to student fee revenue, it should be noted that the ability to increase athletics fees is limited by Board policy. Accordingly, athletics student fee collections have not kept pace with the growth in tuition rates. Over the years, increases in tuition have increased scholarship costs within the Athletics Department. Without corresponding increases in student athletic fee collections, the revenue available to fund scholarships has not kept pace with rising costs.

BUSINESS AFFAIRS AND HUMAN RESOURCES
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Finally, athletics donations are anticipated to be slightly down for FY2017. Athletics Department personnel project that contributions to the Vandal Scholarship Fund (VSF) will be down \$150,000 from prior fiscal year levels. In addition, non-VSF donations are projected to be down \$200,000 from prior fiscal year levels. This decrease is partially attributed to the decision to move the football program from the Football Bowl Subdivision (FBS) to the Football Championship Subdivision (FCS). This \$350,000 decrease in donations accounts for about a third of the projected current fiscal year operating deficit.

Fortunately, within the last few months, two key football events have generated additional revenue that will reduce the projected deficit. In November 2016, the Vandals were invited to compete in the Famous Idaho Potato Bowl. Participation in this game has generated additional net revenue to help offset the projected operating deficit. In addition, the Sun Belt Conference finished in 3rd place overall (within the Group of 5), while the Athletics Department had budgeted revenue associated with a 5th place finish. This improved conference standing has also generated additional revenue for the Athletics Department. Taking into consideration both the Famous Idaho Potato Bowl and an improved conference finish, the current fiscal year athletics deficit will be below original projections.

The current fiscal year athletics caps for UI are \$2,973,100 for General Funds, \$1,266,100 for Gender Equity, and \$949,500 for Institutional Support. The grand total of all athletics caps is \$5,188,700.

As noted above, the announced move to the FCS created financial challenges in the current fiscal year because of reduced donations. UI expects this trend to continue for the next few years, as the football program begins to compete in the new subdivision. In addition, the move to the FCS will result in loss of conference revenues. Accordingly, to ensure a successful transition from the FBS to the FCS, UI is requesting approval to invest additional institutional funds into the athletics program in a manner consistent with the spirit of Idaho State Board of Education philosophy and policy (up to \$1,000,000 per year for the next four years).

IMPACT

Additional investment of institutional funds in the amount of up to \$1,000,000 per year (in addition to the Board-computed institutional fund limit) for each of the next four years would provide Athletics with increased operating resources and aid in the FBS to FCS transition. The UI has available financial resources to support Athletics through this transition.

STAFF COMMENTS AND RECOMMENDATIONS

The UI request (see first paragraph in “Background/Discussion” section, above) suggests that there is no longer a positive fund balance for the total Athletics budget, with prior reserves having been exhausted. Board Policy V.X.2.d. requires that a positive fund balance be maintained, and if a deficit occurs, the institution

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“shall submit a plan for Board approval that eliminates the deficit within two fiscal years.”

The UI has indicated that, contingent upon the Board’s approval of a waiver to the current Institutional Funds cap (which, for FY2017 would increase the current limit of \$949,500 to \$1,949,500), it will have sufficient Institutional Funds on hand to cover the current and projected future Athletic deficits. Note that, under Board policy, Institutional Funds *“include, but are not limited to, auxiliaries, investment income, interest income, vending, indirect cost recovery funds on federal grants and contracts, and administrative overhead charged to revenue-generating accounts across campus. Institutional Funds do not include tuition and fee revenue.”* Institutional reserves which accumulate from unexpended tuition and fees cannot be used within the Institutional Fund category for Athletics.

The UI request also suggests that its Student Athletic Fee cap is too low (no mention made of the appropriateness of the General Fund cap). Presumably, a balanced recovery plan would take all categories of capped expenditures (General Fund, Student Athletic Fee, Gender Equity, and Institutional Funds) into account, along with Program fees (for which there is no cap).

Staff recommends that the Board consider limiting the length of the waiver on the Institutional Funds cap to one year (FY2017), while awaiting an Athletic Deficit reduction plan from the UI, prior to making a determination on possible waiver action for FY2018 and beyond.

BOARD ACTION

I move to waive Board policy V.X.3.b. and to approve the request by the University of Idaho to temporarily increase its institutional funds limit by an amount not to exceed \$1,000,000 above the Board-computed institutional funds limit each year for a period of four years (fiscal years 2017 – 2020) in support of its athletics program.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

Or

I move to waive Board policy V.X.3.b. and allow the University of Idaho to temporarily increase its institutional funds limit for FY2017 by an amount not to exceed \$1,000,000 (\$1,949,500 total); and that the university provide a plan for Board approval to eliminate its athletics deficit by the end of FY2019.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

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UNIVERSITY OF IDAHO

SUBJECT

Request for authorization of planning and design phase of Idaho Arena project

REFERENCE

December 2016	State Board of Education (Board) approved University of Idaho (UI) request to add Idaho Arena project to the university's six-year Capital Plan
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APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedure, Section V.K.1 and Section V.K.3.a

BACKGROUND/DISCUSSION

This item is a request for Board authorization for the UI to commence planning and design of a new, multi-event and court sports facility to be known as the Idaho Arena, to be located adjacent to the Kibbie Activity Center on the Moscow, Idaho campus.

Planning Background

A multi-event and court sports facility with a seating capacity above that of the 1928 Memorial Gymnasium (capacity 1,500) is a long standing desire of the UI. A 1955 document, commissioned by President Donald Theophilus and prepared by Victor Jones & Associates Architects, entitled "*Long Range Campus Plan for the University of Idaho*," features a large events facility fronting on 6th Street across from the present-day Shoup Hall, and described as a "Coliseum."

In the late 1960s and early 1970s, the UI embarked on planning for a multi-facility athletics complex. This effort included a large, combined facility housing both a multi-event arena, offices for the Department of Athletics, and a new football stadium that eventually became the Associated Students of the University of Idaho (ASUI) Kibbie Activity Center. Planning and design progressed to the point that the combined Events Arena and Athletics Offices Facility, sited to the north of the proposed new football stadium, was included in a 1971 campus master plan. In 1972, design of this proposed facility was carried through the construction documents phase by Cline Smull Hamill Associates Architects. In the end, however, only the Kibbie Dome was constructed, and the combined Events Arena and Athletics Offices Facility was shelved.

In 2005, the UI engaged Opsi Architects to develop initial planning studies for improvements to the athletics facilities of the UI. Published in 2006, these studies once again proposed an events facility to the immediate north of the ASUI Kibbie Dome. The proposed seat count was 8,000, and the facility also was intended to support Fine Arts Musical performances. This drove the projected costs beyond

the limits of affordability. Therefore, the university elected to concentrate efforts at the time on improving the life safety characteristics and the guest experience within the ASUI Kibbie Activity Center, implementing a three phase capital project effort 2009–2011.

In 2013, then-President Duane Nellis initiated an events arena task force charged with revisiting the proposed multi-event and court sports facility. Upon his arrival in 2014, President Chuck Staben affirmed his commitment to the continuation of this work and to study and develop a vision for a more sustainable, “right-sized” facility better suited to campus needs, a facility that could be planned and constructed within the means of the UI.

Proposed Project Description

As a result of the continued work over the past two years, the UI now proposes to construct a multi-event and court sports facility to be known as the Idaho Arena. The vision is that the Idaho Arena will not only be a home for Vandal court sports, but also a gathering space for a variety of campus and community events to enhance student life on UI’s residential campus.

The Idaho Arena will feature 4,000 to 5,000 seats arranged around a performance court suitable for varsity basketball and volleyball. The Idaho Arena will be located adjacent to the existing ASUI Kibbie Activity Center where it can leverage existing parking and other related resources. In addition to its role supporting student activities and the mission of the Department of Athletics, the Idaho Arena will serve as the host facility for campus and community events with expected guest attendance figures greater than 1,500, but which are not large enough to justify the operational expenses associated with the 15,000 seat Kibbie Dome.

In addition to the new performance court and seating, the Idaho Arena will feature a practice court facility, offices, locker rooms, conference facilities, and associated support facilities such as concourses, restrooms and concessions spaces. The vision is that the Idaho Arena will make use of engineered timber and wood materials sourced from Idaho’s timber industry. It is also the intent that the Idaho Arena will be constructed to meet Leadership in Energy and Environmental Design (LEED) certification at the Silver Level, or higher.

Authorization Request

This request is for Board authorization to begin planning and design for a multi-event and court sports facility of approximately 70,000 square feet and seating 4,000 to 5,000 guests, adjacent to the ASUI Kibbie Activity Center, to be known as the Idaho Arena. The total project cost is currently estimated at \$30,000,000, to include design and construction costs and contingency allowances. Funding for this project would be provided through the use of facility fees, bond proceeds, private gifts, and institutional funds.

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The project is consistent with the UI's strategic plan, specifically, Goal One, Engage, and Goal 2, Transform, as the Idaho Arena is to be a facility that supports events and activities which engage the community and which enrich the collegiate experiences and careers of the students of the UI. The Idaho Arena is also consistent with the UI's Long Range Capital Development Plan (LRCDP), an arena having been featured in the UI's campus plans since the 1950s.

IMPACT

Below is an early estimation of project costs and potential funding sources.

Overall Project

Funding

State	\$	0
Federal (Grant):		0
Other (UI)		
Central University	2,000,000	
Gifted Funds	20,000,000	
Facility Fees	5,000,000	
Bond proceeds (IRIC)	<u>3,000,000</u>	
Total		\$30,000,000

Estimate Budget

A/E & Consultant Fees	\$	2,766,500
Construction		20,750,000
Construction Cont.		2,075,000
Owner Costs		1,419,900
FFE		287,500
Project Cont.		<u>2,701,100</u>
Total	\$	30,000,000

Planning, Programming and Design Phase

Funding

State	\$	0
Federal (Grant):		0
Other (UI)		
Central University	2,000,000	
Gifted Funds	\$	<u>1,000,000</u>
Total		\$ 3,000,000

Estimate Budget

A/E & Consultant Fees	\$	2,766,500
Construction		0
Construction Cont.		0
Owner Costs		0
FFE (includes Technology)		0
Project Cont. (Design Ph.)	\$	<u>223,500</u>
Total	\$	3,000,000

ATTACHMENTS

Attachment 1 – Capital Project Tracking Sheet

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STAFF COMMENTS AND RECOMMENDATIONS

Upon successful completion of the planning and design phase, the UI will return to the Board for approval to proceed with the construction phase of the project and for approval of the financing plan for the project, in accordance with Board Policy V.K.3.b.

Staff recommends approval.

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BOARD ACTION

I move to approve the request by the University of Idaho to implement the planning and design phase of the Idaho Arena capital project, with an estimated cost for this phase not to exceed \$3,000,000. Authorization includes the authority to execute all necessary consulting and vendor contracts to implement the planning and design phases of the project.

Moved by_____ Seconded by_____ Carried Yes_____ No_____

Office of the Idaho State Board of Education
Capital Project Tracking Sheet
As of February, 2017

History Narrative

- 1 **Institution/Agency:** University of Idaho **Project:** Capital Project Authorization Request, Planning, Programming and Design Phases Authorization, University of Idaho Arena, University of Idaho, Moscow, Idaho.
- 2 **Project Description:** A project effort to plan, program and design a Capital Project to provide for a new, multi-event and court sports facility to be known as the Idaho Arena to be located on the main campus of the University of Idaho, Moscow, Idaho.
- 3 **Project Use:** 4,000 to 5,000 seat arena featuring a performance court suitable for varsity Basketball and Volleyball. The vision and intention is that the Idaho Arena will not only be a home for Vandal court sports, but also a gathering space for a variety of campus and community events to enhance student life on UI's residential campus. The Idaho Arena will serve as the host facility for campus and community events with expected guest attendance figures greater than 1,500, but which are not large enough to justify the operational expenses associated with the 15,000 seat Kibbie Dome.
- 4 **Project Size:** Initial estimates are 70,000 GSF +/- To be verified through the Design Phase

Project Cost History:	Sources of Funds				Use of Funds*			
	PBF	ISBA	Other	Total Sources	Planning	Use of Funds Const	Other**	Total Uses
Initial Cost of Project. Planning, Programming and Design Phase Only. February 2017	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000	\$ 2,776,500	\$ -	\$ 223,500	\$ 3,000,000
History of Revisions:								
Total Project Costs	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000	\$ 2,776,500	\$ -	\$ 223,500	\$ 3,000,000

* The University intent is that any unused funding is carried forward to a future construction phase at the time such future construction phase may be approved by the Board of Regents.

** Design Phase Contingency, Any carry forward amounts are to be used in future phases which may be approved by the Board of Regents.

History of Funding:	PBF	ISBA	Other Sources of Funds-----			Total Other	Total Funding
			Institutional Funds (Gifts/Grants)	Student Revenue	Other***		
Initial Cost of Project. Planning, Programming and Design Phase Only. February 2017	\$ -	\$ -	\$ 3,000,000	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000
Anticipated Overall Funding, All Phases	\$ -	\$ -	\$ 19,000,000	\$ 5,000,000	\$ 3,000,000	\$ 27,000,000	\$ 27,000,000
						-	-
Total	\$ -	\$ -	\$ 22,000,000	\$ 5,000,000	\$ 3,000,000	\$ 30,000,000	\$ 30,000,000

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